

# Ingersoll Rand

## Q4 and Full Year 2020 Earnings Presentation

February 23, 2021



# Forward-Looking Statements

This presentation contains “forward-looking statements” as that term is defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995, including statements related to Ingersoll Rand Inc.’s (the “Company” or “Ingersoll Rand” and f/k/a Gardner Denver Holdings, Inc. or “Gardner Denver”) expectations regarding the performance of its business, its financial results, its liquidity and capital resources and other non-historical statements, including statements regarding the completed transaction (the “transaction”) between Ingersoll Rand plc’s Industrial segment (“Ingersoll Rand Industrial”) and the Company. These forward-looking statements generally are identified by the words “believe,” “project,” “expect,” “anticipate,” “estimate,” “forecast,” “outlook,” “target,” “endeavor,” “seek,” “predict,” “intend,” “strategy,” “plan,” “may,” “could,” “should,” “will,” “would,” “will be,” “on track to” “will continue,” “will likely result,” or the negative thereof or variations thereon or similar terminology generally intended to identify forward-looking statements. All statements, other than historical facts, including, but not limited to, statements regarding the expected benefits of the transaction, including future financial and operating results and strategic benefits, the tax consequences of the transaction, and the combined company’s plans, objectives, expectations and intentions, legal, economic and regulatory conditions, the future impact of the ongoing coronavirus (COVID-19) pandemic on the Company’s business, the proposed transaction to sell a majority interest in the High Pressure Solutions segment and any assumptions underlying any of the foregoing, are forward-looking statements.

These forward-looking statements are based on Ingersoll Rand’s current expectations and are subject to risks and uncertainties, which may cause actual results to differ materially from these 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) the impact on the Company’s business, suppliers and customers and global economic conditions of the COVID-19 pandemic; (2) unexpected costs, charges or expenses resulting from the transaction; (3) uncertainty of the expected financial performance of the combined company following completion of the transaction; (4) failure to realize the anticipated benefits of the transaction, including as a result of delay in integrating the businesses of Gardner Denver and Ingersoll Rand Industrial; (5) the ability of the combined company to implement its business strategy; (6) difficulties and delays in the combined company achieving revenue and cost synergies; (7) inability of the combined company to retain and hire key personnel; (8) risks and uncertainties with respect to the proposed transaction to sell a majority interest in the High Pressure Solutions segment, including, without limitation, 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, or that the proposed transaction may not be completed on the terms or in the time frame expected by the Company, or at all; (9) evolving legal, regulatory and tax regimes; (10) changes in general economic and/or industry specific conditions; (11) actions by third parties, including government agencies; (12) adverse impact on our operations and financial performance due to natural disaster, catastrophe, pandemic or other event outside of our control; and (13) other risk factors detailed from time to time in Ingersoll Rand’s reports filed with the Securities and Exchange Commission (the “SEC”), including Ingersoll Rand’s annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and other documents filed with the SEC, which are available on the SEC’s website at <http://www.sec.gov>. The foregoing list of important factors is not exclusive.

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## Non-GAAP Financial Measures

Included in this presentation are certain non-GAAP financial measures designed to supplement, and not substitute, the financial information provided in accordance with generally accepted accounting principles in the United States of America because management believes such measures are useful to investors. The reconciliation of those measures to the most comparable GAAP measures is set forth in the appendix to this presentation.

## Supplemental Financial Information

Information in this presentation labeled as Supplemental Financial Information presents the Company’s results of operations as if the transaction between Ingersoll-Rand plc’s industrial segment and the Company (the “Transaction”) had occurred on January 1, 2018 and, where indicated, that the divestiture of the High Pressure Solutions segment had occurred on January 1, 2019.

# A Premier Industrial Company with Iconic Brands and Market-Leading Positions

**Lean on us**  
To help you make life better



1

**Accelerated Our Transformation During 2020;**  
Pivoted to Growth and Portfolio Optimization

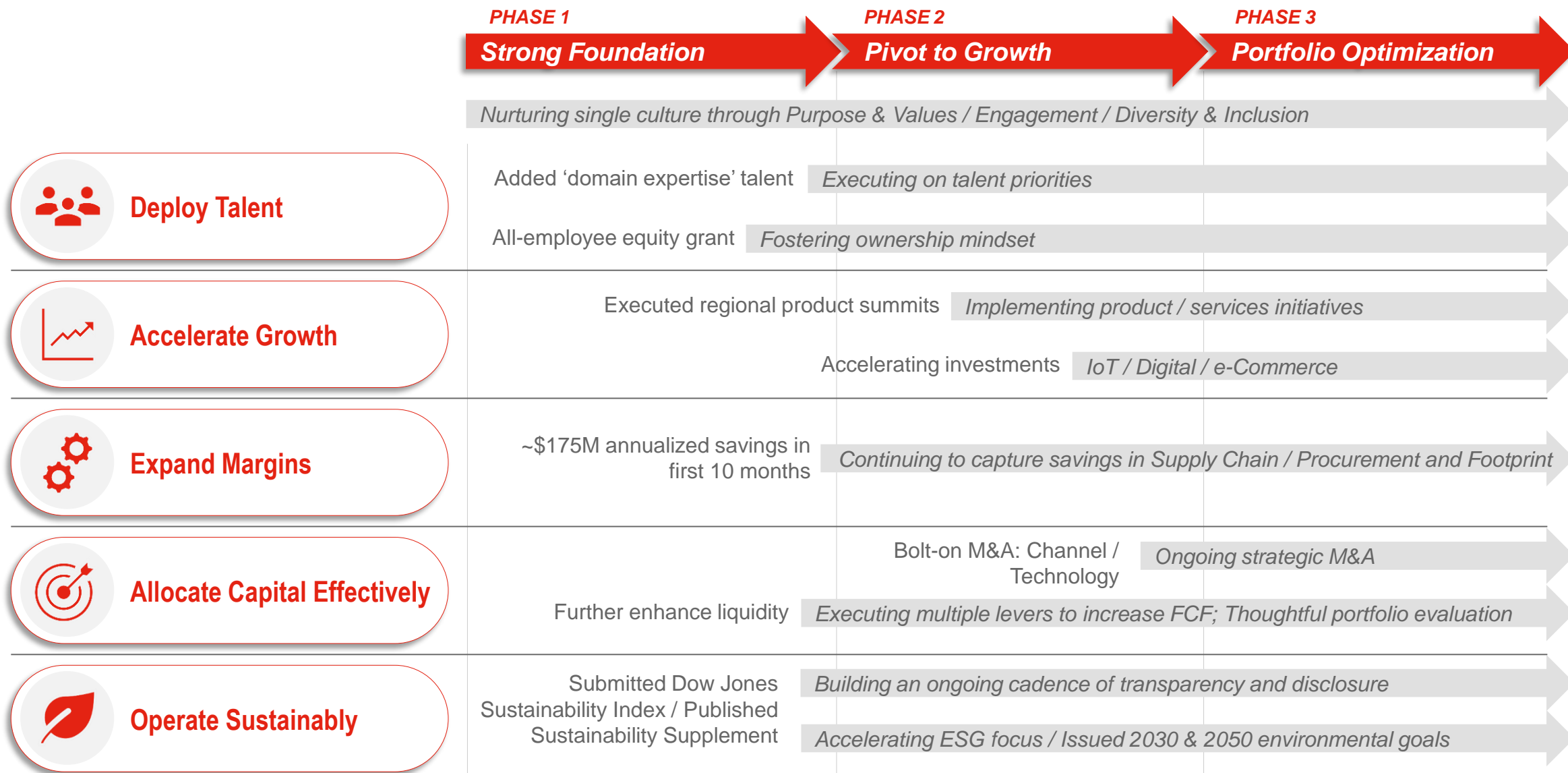
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**Unlocking Our True Potential** through Portfolio  
Optimization and Strategic Growth Investments

3

**Strong Performance** by Our Business Segments  
During Q4 with Momentum Continuing in Q1

# Strong and Consistent Execution to Deliver on Commitments



# Accelerated Our Strategy During 2020; Pivoted to Growth and Portfolio Optimization

## 2020 Accomplishments

- ✓ Closed Ingersoll Rand Industrial Acquisition
- ✓ Awarded \$150M equity grant to employees globally
- ✓ Added Sustainability as strategic pillar
  - Conducted materiality assessment
  - Published 1<sup>st</sup> Sustainability Report
  - Launched 2030 & 2050 Environmental Goals
- ✓ Launched Diversity, Equity & Inclusion goals as well as a clear action plan
- ✓ Enhanced portfolio through bolt-on acquisitions and announced sale of majority interest of HPS segment

## 2021+ Areas of Strategic Focus

- **Integration:** ahead of plan as we enter year two
- **Synergies:** over-delivered cost synergies in 2020 and increasing target by \$50M to \$300M; executing incremental revenue synergies
- **Growth:** specialized solutions in select end markets
  - “One IR” face to customers in key, niche vertical markets (e.g. Water)
  - Accelerate new product launches into sustainable industrial markets (e.g. Hydrogen)
  - Leverage expanded compressor portfolio and technology across channels (e.g. Oil Free)
- **Strong Balance Sheet:** continues to support our inorganic growth strategy

**Meaningful Traction Across All Strategic Imperatives**

# Unlocking Our True Potential Through Portfolio Optimization and Strategic Growth Investments

2

## Portfolio Transformation

### Enhancement of Portfolio

- Materially reduced our upstream oil and gas exposure to <2% of 2021 projected revenue
- Sale of HPS segment meaningfully improves financial profile

#### Full Year 2020

	Current IR	IR as Adjusted for the HPS Transaction	
Supplemental Adjusted Revenue	\$5,380	\$5,185	
Supplemental Adjusted EBITDA	\$1,078	\$1,066	Minimal earnings loss
Supplemental Adjusted EBITDA Margin	20.0%	20.6%	Improves 60 bps
Net Operating Working Capital (at 12/31/2020) <sup>1</sup>	\$1,118	\$955	
Net Operating Working Capital as a % of Revenue	20.8%	18.4%	Improves 240 bps
Net Debt / Adjusted EBITDA	2.0x	1.8x	Improves 0.2x

- Tuthill acquisition propels growth
  - Food / beverage end market focus
  - New technology additions / expansion
  - Complements geographic expansion
  - Margin accretive and prime for improvement

## Pivoted to Growth

- Major wins in strategic end markets and new products
  - Hydrogen
  - Life and Lab
  - Oil Free Compressor
- Accelerated IoT investments: Google Cloud Platform agreement offers digital technologies to enhance value for our customers, operations and supply chain
  - Real-time IoT data for quick, data-driven decision making
  - Improve customer energy efficiency and total cost of ownership of systems through usage data insights
  - Predict preventive maintenance requirements to help customers generate greater facility uptime
  - Provide enterprise-grade data warehousing with artificial intelligence and machine learning capabilities



**Well Positioned to Maximize Growth Opportunities in 2021 and Beyond**

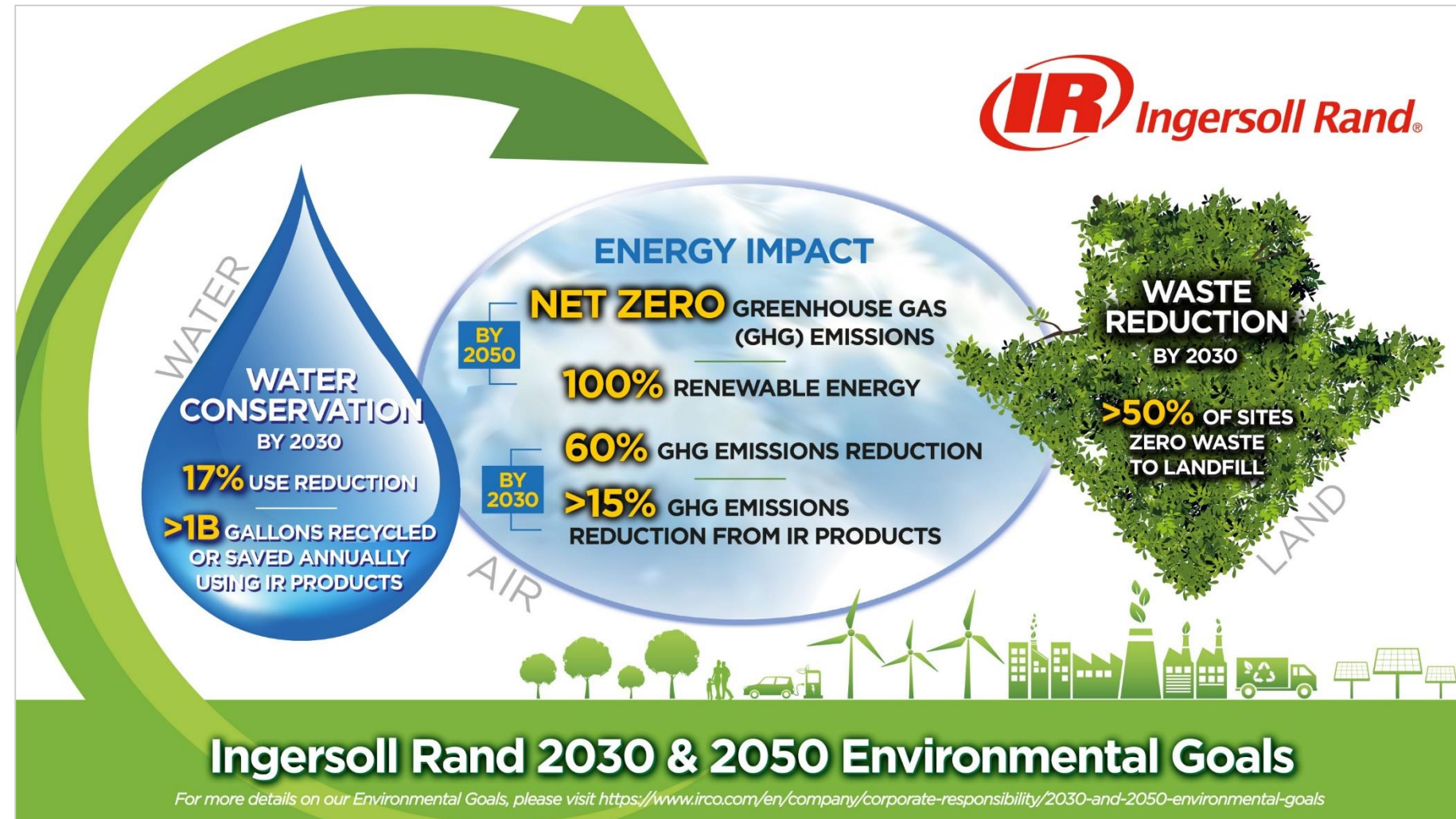


# Growing Sustainably with Relentless Focus on Our People and Planet

*Introduced 2030 and 2050 Environmental Goals*

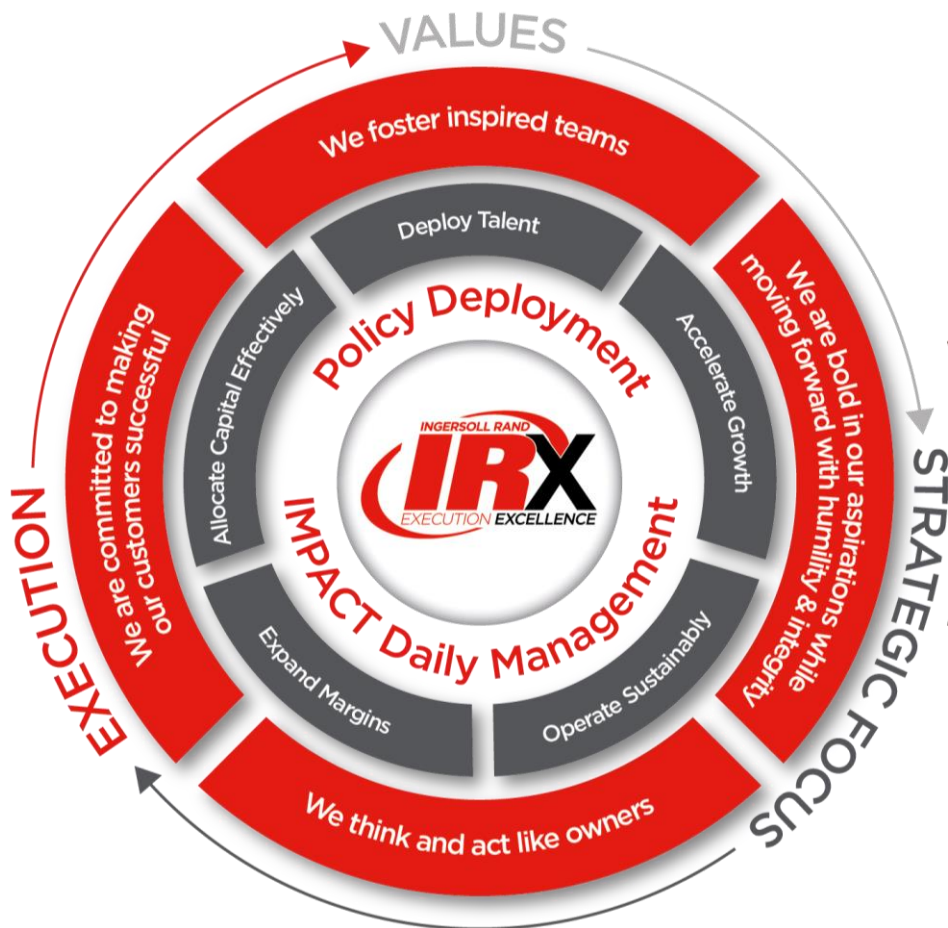
## Most Material Factors to the Company

1. Energy use
2. Product stewardship, new product development and innovation
3. Our employees: investments in safety, employee ownership and culture to propel growth



**Commitment to Being Top-Quartile Industrial Environmental, Social and Governance (ESG) Company**

# IRX is our Competitive Differentiator – Q4 Highlights



- **Synergy Execution:** Executed ~\$175M in annualized cost synergies... increasing overall 3-year cost synergy target to \$300M<sup>1</sup>
- Continued **sequential momentum** on orders and revenue<sup>2</sup>
  - Orders: Up 5% Y/Y and up 8% ex-HPS; **Up 12%** from Q3'20
  - Revenue: Down 5% Y/Y and down 3% ex-HPS; **Up 13%** from Q3'20
- Adjusted EBITDA: \$344M with **margin of 22.8%**
  - +300 bps improvement YoY and +150 bps sequentially from Q3'20<sup>3</sup>
  - Excluding HPS, company improved +350 bps YoY<sup>4</sup>
- **Q4 Adjusted EBITDA improvement of \$30M despite YoY revenue decline of \$78M; FY decrements limited to 15%**<sup>5</sup>
  - Continued momentum throughout 2020 (Q1: 29%, Q2: 22%, Q3: 6%)
- Strong **Free Cash Flow of \$397M**
  - Includes \$17M of synergy and stand-up related outflows
- **\$2.7B in liquidity**
  - ~\$425M Increase from Q3
- **Net Leverage of 2.0x**
  - Improved 0.5x from Q3'20

<sup>1</sup> See slide 12 for additional detail regarding the components of the ~\$175M annualized cost reductions already executed. <sup>2</sup> Comparison is of Q4 2020 orders and revenue to Q3 2020 and Q4 2019 Adjusted orders and revenue available in the Supplemental Financial Information included in the appendix to this presentation. <sup>3</sup> Comparison is of Q4 2020 Adjusted EBITDA margin to Q3 2020 Adjusted EBITDA margin and Q4 2019 Supplemental Adjusted EBITDA margin available in the Supplemental Financial Information included in the appendix to this presentation. <sup>4</sup> Comparison is of Q4 2020 Adjusted EBITDA margin to Q4 2019 Supplemental Adjusted EBITDA margin. For additional detail regarding segment-level margin expansion, see slide 12. <sup>5</sup> Represents (Change in Adjusted EBITDA vs Prior Year) / (Change in Revenue vs Prior Year) based on Q4 2020 Adjusted EBITDA vs. Q4 2019 Supplemental Adjusted EBITDA and Q4 2020 Revenue vs. Q4 2019 Supplemental Adjusted Revenue. See slide 12 for additional information.

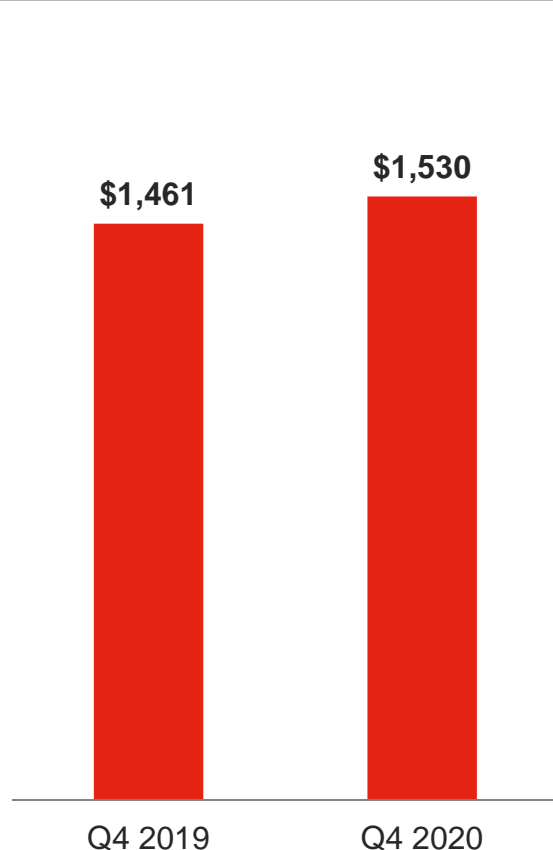


# Q4 2020 Financial Performance vs. Q4 2019 Supplemental Financial Information<sup>1</sup>

(\$M, excl. EPS)

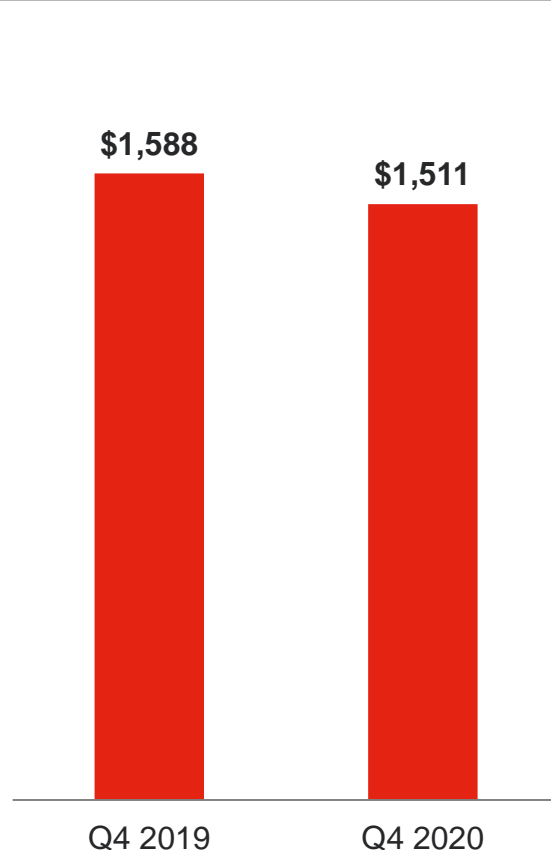
## Orders

Up 5%; Up 2% ex-FX



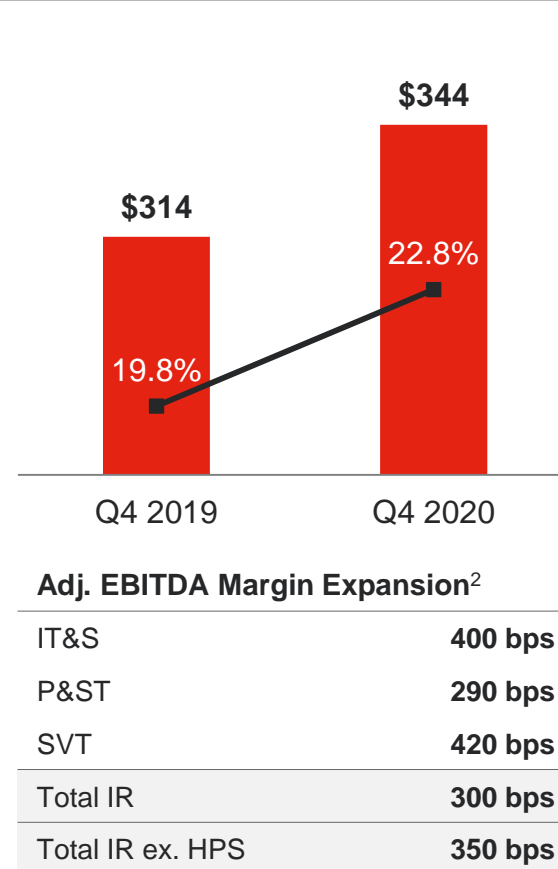
## Revenue

Down 5%; Down 7% ex-FX



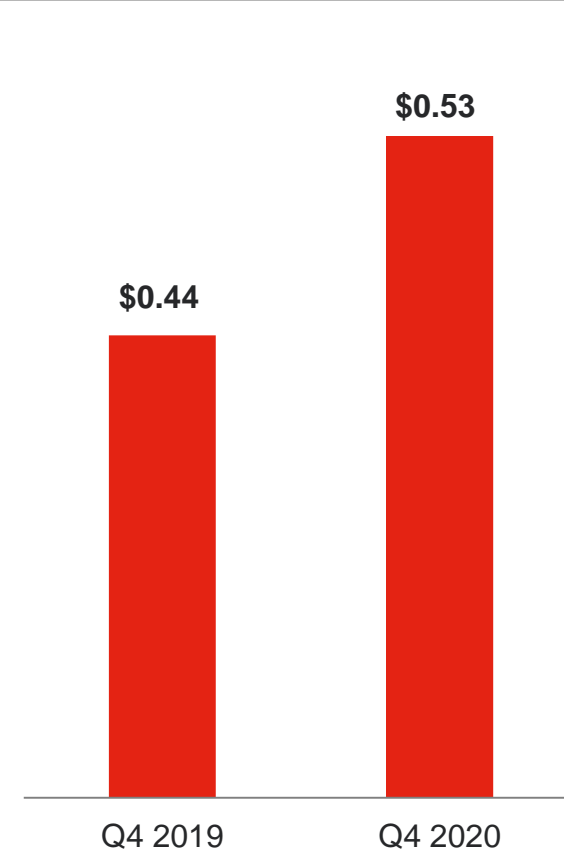
## Adj. EBITDA & Margin<sup>2</sup>

Up 10%



## Adj. Diluted EPS<sup>3</sup>

Up \$0.09



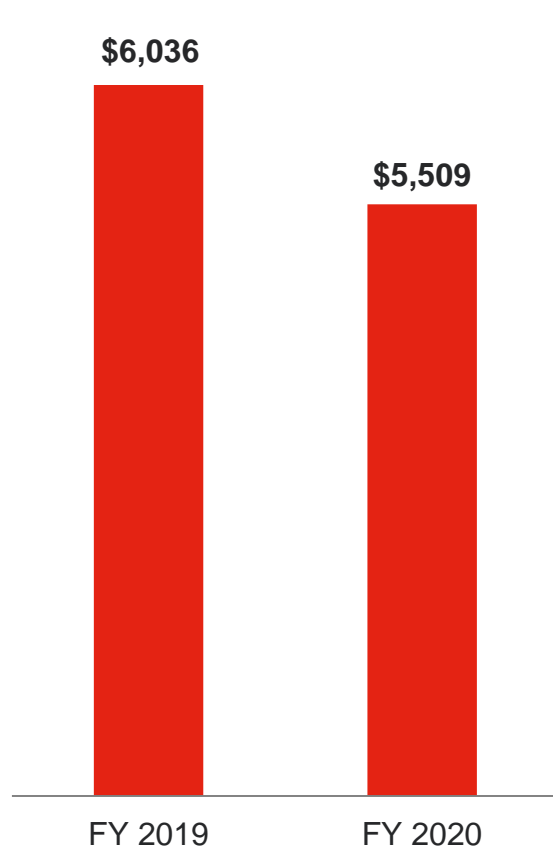
<sup>1</sup> Q4 2019 Orders, Revenue, Adjusted EBITDA and Adjusted Diluted EPS amounts represent Supplemental Adjusted Orders, Supplemental Adjusted Revenue, Supplemental Adjusted EBITDA, and Supplemental Further Adjusted Diluted EPS, respectively. See Supplemental Financial Information in the appendix of this presentation. <sup>2</sup> Adjusted EBITDA and Adjusted EBITDA margin expansion based on comparison to Q4 2019 Supplemental Financial Information available in the appendix of this presentation. <sup>3</sup> Adjusted Diluted EPS defined as (Adjusted Net Income) / (Diluted Average Shares Outstanding).

# FY 2020 Supplemental Financial Performance vs. FY 2019 Supplemental Financial Information<sup>1</sup>

(\$M, excl. EPS)

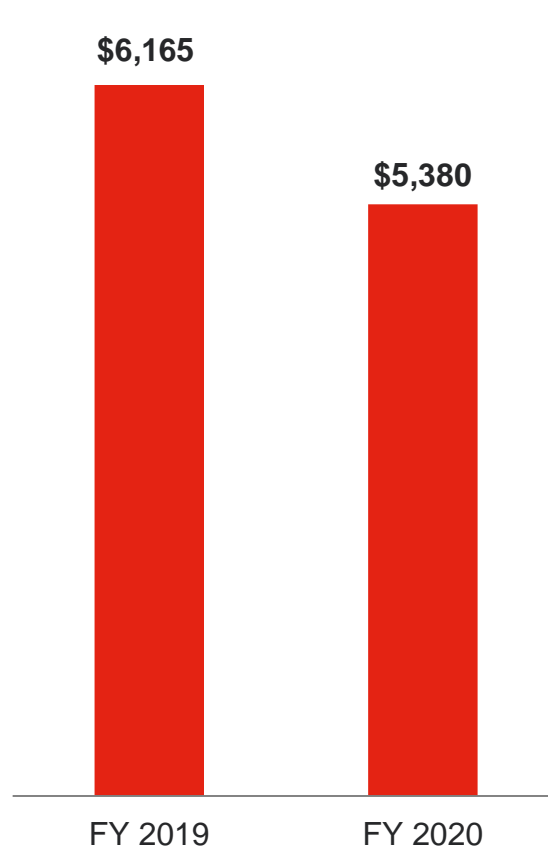
## Orders

Down 9% as reported and ex-FX



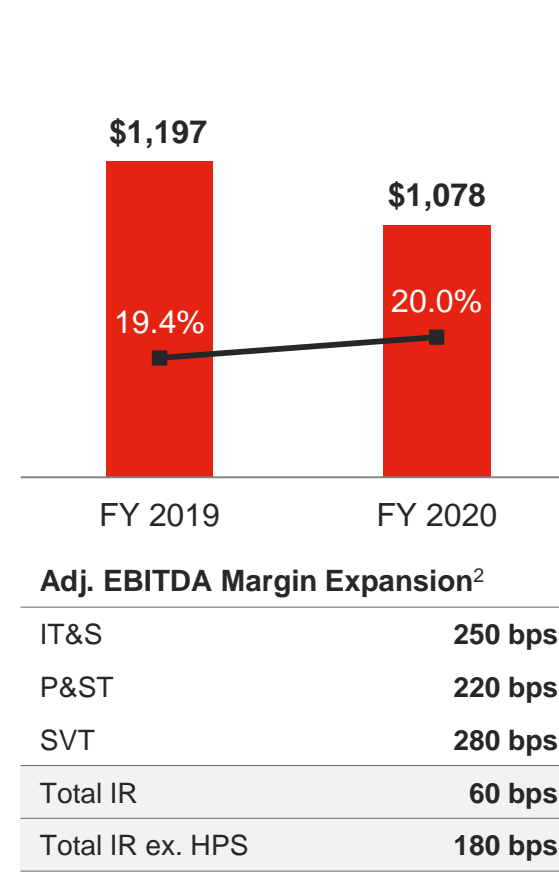
## Revenue

Down 13% as reported and ex-FX



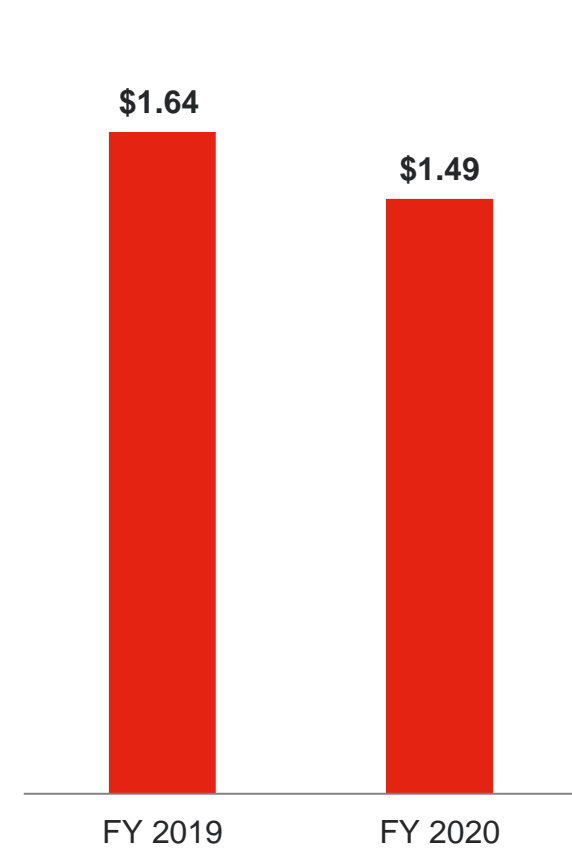
## Adj. EBITDA & Margin<sup>2</sup>

Down 10%



## Adj. Diluted EPS<sup>3</sup>

Down \$0.15



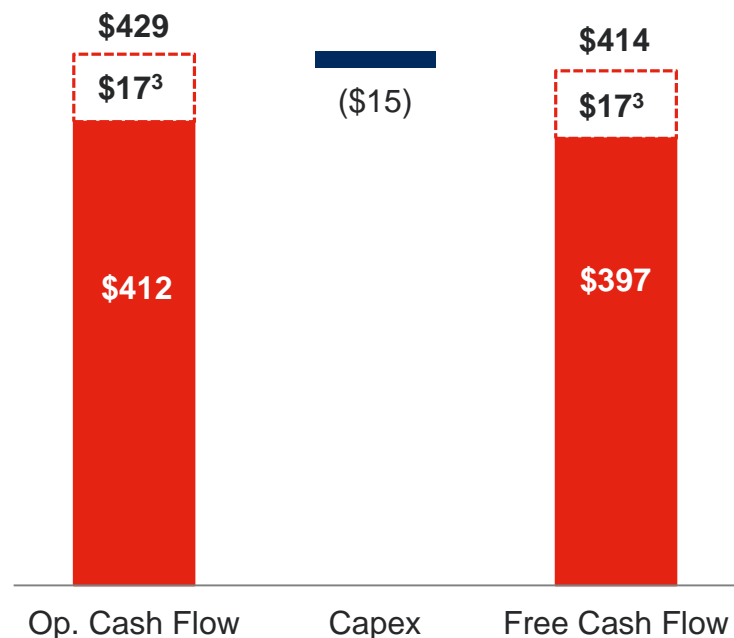
<sup>1</sup> FY 2019 and FY 2020 Orders, Revenue, Adjusted EBITDA and Adjusted Diluted EPS amounts represent Supplemental Adjusted Orders, Supplemental Adjusted Revenue, Supplemental Adjusted EBITDA, and Supplemental Further Adjusted Diluted EPS, respectively. See Supplemental Financial Information in the appendix of this presentation. <sup>2</sup> Adjusted EBITDA and Adjusted EBITDA margin expansion based on comparison to FY 2019 and FY 2020 Supplemental Financial Information available in the appendix of this presentation. <sup>3</sup> Adjusted Diluted EPS defined as (Adjusted Net Income) / (Diluted Average Shares Outstanding).

# Q4 2020 Financial Performance

(\$M, excl. Leverage)

## Free Cash Flow<sup>1</sup>

Cash Flows from Operations less Capex

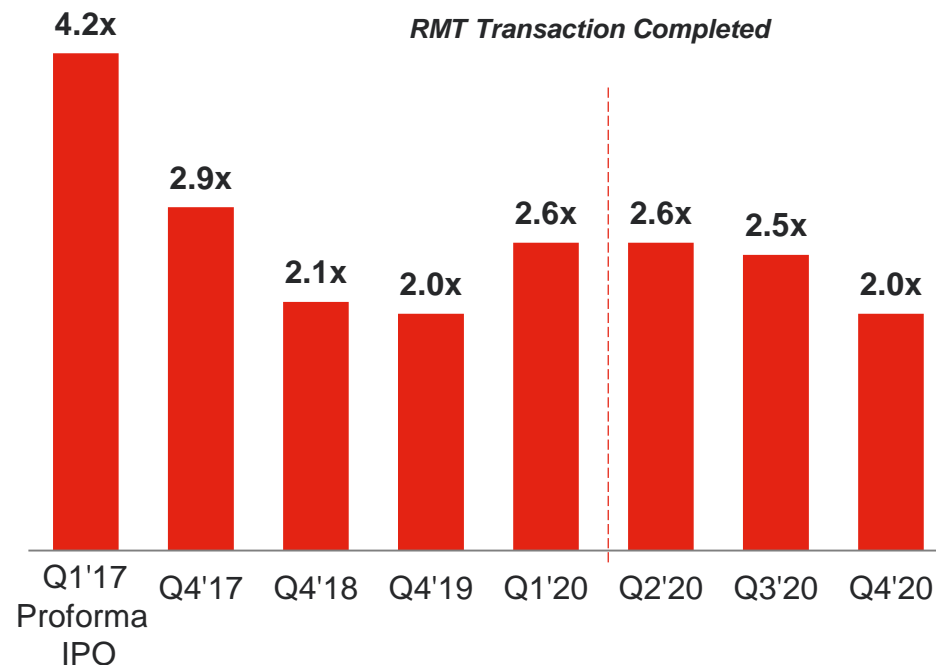


**Q4'20 FCF Includes \$17M of Transaction-related Spend**

\$17M synergy delivery and stand-up related

## Leverage<sup>2</sup>

(Net Debt / LTM Adjusted EBITDA)



**Leverage levels down 0.5x vs prior quarter and back to pre-RMT level of 2.0x**

## Liquidity & Leverage

- ✓ Total available liquidity of \$2.7B including:
  - Cash and Cash Equivalents: \$1,751M
  - Available Revolving Credit Facility Balance: \$998M
- ✓ Increased liquidity ~\$425M versus prior quarter
- ✓ Leverage will improve to ~1.8x after divestiture of HPS segment

<sup>1</sup> \$412M of Operating Cash Flow and \$397M Free Cash Flow include \$17M of transaction-related outflows in Q4 2020. <sup>2</sup> 2017-2019 Net Debt Leverage ratios as shown based on legacy Gardner Denver Debt and Adjusted EBITDA profile. <sup>3</sup> Represents transaction-related outflows in Q4 2020

# Strong Execution on Synergy Delivery<sup>1</sup> and Cost Control

## Synergy Delivery Update

### Commentary

- ✓ Increasing expected cost synergy target by \$50M to \$300M
  - Delivered ~40% savings in 2020 (~\$115M)
  - Expecting incremental ~33% savings in 2021 (~\$100M)
- ✓ Cost synergy funnel remains in excess of \$350M with continued room for growth
- ✓ \$175M of annualized cost reductions executed
  - ~\$110M of annualized structural reductions (+\$5M vs Q3) executed including ~\$85M savings delivered in 2020
  - ~\$65M of annualized procurement savings (+\$20M vs Q3) executed including ~\$30M delivered in 2020
- ✓ Funnel for i2V and footprint initiatives progressing well through the use of IRX



Estimated One-Time Costs of ~\$350M<sup>3</sup> to Achieve Cost Synergies and ~\$100M<sup>3</sup> for Associated Stand-up of New Company

## Managing Margins

### Limited FY'20 Decremental Margins<sup>4</sup> to 15% for Total Company with Continued Margin Improvement in Q4'20

	Adj. EBITDA Incrementals / (Decrementals)				
MANAGING MARGINS	Q1 2020	Q2 2020	Q3 2020	Q4 2020	FY 2020
Industrial Technologies & Services	(25%)	(8%)	N/M	N/M	(3%)
Precision & Science Technologies	(15%)	(21%)	435%	N/M	N/M
Specialty Vehicle Technologies	N/M	N/M	470%	66%	148%
High Pressure Solutions	(46%)	(49%)	(37%)	(41%)	(44%)
Total Ingersoll Rand	(29%)	(22%)	(6%)	N/M	(15%)
Total Ingersoll Rand ex-HPS	(26%)	(10%)	N/M	N/M	(2%)

- Continued market recovery combined with strong execution on synergies and prudent cost controls contributed to the improvement in sequential decrementals

<sup>1</sup> Amounts set forth herein impacted by material spend are based on 2019 direct material spend. <sup>2</sup> We expect to be able to realize anticipated cost synergies of ~\$300M by the end of year 3 after closing. We expect to incur ~\$450M of expense in connection with both achieving these cost synergies and the associated stand-up of the new company. <sup>3</sup> Excludes transaction costs <sup>4</sup> Incrementals/Decrementals defined as (Change in Adjusted EBITDA vs Prior Year) / (Change in Revenue vs Prior Year). Q1 2020 Decrementals are based on the Supplemental Financial Information. Q2, Q3, and Q4 2020 Incrementals/Decrementals are based on comparisons of Q2, Q3, and Q4 2020 Adjusted EBITDA and Revenue to Q2, Q3, and Q4 2019 Supplemental Adjusted EBITDA and Supplemental Adjusted Revenue. See the Supplemental Financial Information in the appendix to this presentation.



# Industrial Technologies and Services Q4 2020 Highlights

## Q4 2020 vs. Q4 2019<sup>1</sup> (\$M)

	Current Year	Prior Year	YoY Δ	Ex-FX YoY Δ
Revenue	\$1,012.0	\$1,069.8	(5.4)%	(7.8)%
Adj. EBITDA	\$264.4	\$236.0	12.0%	-
Adj. EBITDA Margin	26.1%	22.1%	400 bps	-

## Highlights<sup>1</sup>

- Book to bill of 0.98x
- Adjusted EBITDA margin up 400 bps fueled by use of IRX

Product <sup>2</sup>	Annualized Segment Mix	Orders (YoY)	Revenue (YoY)
Compressors	~65%	↑ Mid Single Digits	↓ Low Single Digits
Industrial Vacuum & Blowers	~20%	↑ Mid Teens	↓ Low Single Digits
Power Tools & Lifting	~10%	↓ ~Low Teens	↓ High Teens
Other	~5%	↓ Mid Single Digits	↓ ~Low Teens

Regional Split for Compressors	Orders (YoY)	Revenue (YoY)	Order Commentary
Americas	↑ Low Single Digits	↓ High Single Digits	<ul style="list-style-type: none"> <li>• N. America: ↑ Low Single Digits</li> <li>• L. America: ↓ High Single Digits</li> </ul>
EMEIA	↑ High Single Digits	↓ Low Single Digits	<ul style="list-style-type: none"> <li>• Mainland EU: ↑ High Single Digits</li> <li>• ME &amp; India: ↑ High Teens</li> </ul>
APAC	↑ Mid Single Digits	↑ High Single Digits	<ul style="list-style-type: none"> <li>• China: ↑ Mid Single Digits</li> <li>• Rest of APAC: Flat</li> </ul>

## Q4 2020 vs. Q4 2019 Revenue/Orders Bridge<sup>1</sup>

	Organic	FX	M&A	YoY Δ
Orders Growth	1.2%	2.8%	0.4%	4.4%
Revenue Growth	(8.1)%	2.4%	0.3%	(5.4)%

## Market Drivers



### Sustainability & Efficiency

Demand for more efficient mission-critical technologies and digital solutions (compressors / blowers / pumps / dryers) to achieve reduction in greenhouse gas (GHG) emissions.



### Digitization

Demand for intelligent and connected equipment to enhance quality, visibility and productivity.



### Demographic Shift

Support rising living standards through infrastructure enhancement (e.g. clean water supply / waste water needs) and resilient supply chain development closer to point of use.

# Precision and Science Technologies Q4 2020 Highlights

## Q4 2020 vs. Q4 2019<sup>1</sup> (\$M)

	Current Year	Prior Year	YoY Δ	Ex-FX YoY Δ
Revenue	\$206.5	\$213.2	(3.1)%	(6.3)%
Adj. EBITDA	\$63.5	\$59.4	6.9%	-
Adj. EBITDA Margin	30.8%	27.9%	290 bps	-

## Highlights<sup>1</sup>

- Book to bill of 1.07x; strong sequential improvement versus Q3 level of 0.93x
- Orders up 6% ex-FX
  - Strong double digit growth in both Medical and Dosatron businesses due to exposure to niche end markets such as lab/life-sciences, water and animal health
  - Continued strong momentum on funnel for hydrogen fueling applications
- Revenue down 6% ex-FX
  - Milton Roy & other Industrial-exposed product lines down primarily due to market dynamics and timing of prior year large projects
  - Continued strength in Medical (up 4% ex-FX) and Dosatron (up 14% ex-FX)
- Adjusted EBITDA margin performance of 30.8%, up 290 bps, driven by favorable mix coupled with use of IRX to drive strong daily management execution to deliver synergies and cost controls

## Q4 2020 vs. Q4 2019 Revenue/Orders Bridge<sup>1</sup>

	Organic	FX	M&A	YoY Δ
Orders Growth	4.8%	3.8%	1.2%	9.8%
Revenue Growth	(7.5)%	3.2%	1.2%	(3.1)%

## Market Drivers



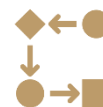
### ***Sustainability & Efficiency***

Demand for more “Green” energy sources (green hydrogen) driving push for specialized pump and compression technologies



### ***Digitization***

Demand for digitally controlled metering and dosing pumps and systems across diverse industries (water / sanitation / healthcare)



### ***Demographic Shift***

Demand for technology to drive advances in scientific research as well as supporting urbanization expansion

# Specialty Vehicle Technologies Q4 2020 Highlights

## Q4 2020 vs. Q4 2019<sup>1</sup> (\$M)

	Current Year	Prior Year	YoY Δ	Ex-FX YoY Δ
Revenue	\$246.1	\$226.4	8.7%	8.3%
Adj. EBITDA	\$45.9	\$32.9	39.5%	-
Adj. EBITDA Margin	18.7%	14.5%	420 bps	-

## Highlights<sup>1</sup>

- Book to bill of 1.11x
- Orders up 21% ex-FX, driven by continued strength in consumer, golf and aftermarket product lines
- Revenue up 8% ex-FX driven by ongoing strong demand for consumer vehicles and aftermarket parts / services partially offset by weakness in commercial / utility product offerings
- Strong Adjusted EBITDA margin performance of 18.7%, up 420 bps, accelerated by IRX to drive strong daily management execution of productivity initiatives; strong double digit incrementals

## Q4 2020 vs. Q4 2019 Revenue/Orders Bridge<sup>1</sup>

	Organic	FX	M&A	YoY Δ
Orders Growth	20.6%	0.5%	0.0%	21.1%
Revenue Growth	8.3%	0.4%	0.0%	8.7%

## Market Drivers



### ***Sustainability & Efficiency***

Demand for Zero Emission Vehicles replacing gas engine vehicles across industrial, commercial and low-speed consumer markets



### ***Digitization***

Demand for Connected Cars to provide real-time data on vehicle health, location and infotainment



### ***Demographic Shift***

Demand for Zero Emission family leisure and recreation consumer cars for short distance driving at low speed (<25 MPH)

# High Pressure Solutions Q4 2020 Highlights

## Q4 2020 vs. Q4 2019<sup>1</sup> (\$M)

	Current Year	Prior Year	YoY Δ	Ex-FX YoY Δ
Revenue	\$46.1	\$79.0	(41.6)%	(41.4)%
Adj. EBITDA	\$2.5	\$16.0	(84.4)%	-
Adj. EBITDA Margin	5.4%	20.3%	(1,490) bps	-

## Highlights<sup>1</sup>

- Orders down 51% ex-FX due to continued challenging conditions in upstream oil and gas market
- Revenue down 41% ex-FX; ~90% of revenue coming from aftermarket parts and services
- Business continues to generate positive Adjusted EBITDA despite revenue decline versus prior year; driven by ongoing productivity improvements and proactive restructuring, limiting decrements to ~40%

## Q4 2020 vs. Q4 2019 Revenue/Orders Bridge<sup>1</sup>

	Organic	FX	M&A	YoY Δ
Orders Growth	(50.6)%	(0.3)%	0.0%	(50.9)%
Revenue Growth	(41.4)%	(0.2)%	0.0%	(41.6)%

## HPS Segment Transaction Overview & Rationale

### Overview

- On 2/16, announced an agreement to sell the majority interest in HPS segment to American Industrial Partners
- Ingersoll Rand receives ~\$300M cash, representing 24x multiple of LTM Adj EBITDA of \$12M, and retains a 45% common equity interest in the business
- Transaction expected to close in 1H 2021

### Rationale

- ✓ Focuses IR on core, high growth sustainability-focused healthcare, life sciences and industrial markets
- ✓ Reduces direct exposure to upstream oil and gas market to non-material revenue exposure of <2%
- ✓ Aligns with Company's ongoing ESG priorities
- ✓ Improves Company's ROIC and capital efficiency and further strengthens balance sheet
- ✓ Retains valuation upside potential through minority common equity ownership



# 2021 Guidance

## Guidance Estimates Based on FY Ingersoll Rand Excluding HPS Segment

	<u>Revenue Growth</u> <sup>1</sup>	<u>Adjusted EBITDA</u>	<u>Phasing Revenue Growth</u> <sup>1</sup>
<b>TOTAL INGERSOLL RAND</b>	up HSD to LDD	\$1,230M - \$1,260M	H1: up LDD H2: up HSD
<b>Organic (Before FX &amp; M&amp;A):</b>	up MSD		
Industrial Technologies & Services	up MSD		
Precision & Science Technologies	up MSD		
Specialty Vehicle Technologies	up MSD		
<b>FX Impact</b> <sup>2</sup>	up LSD		H1: up MSD H2: up LSD
<b>M&amp;A (Tuthill)</b>	~\$60M		



### Other Assumptions

- **FCF Conversion to Adj Net Income:** Greater than or Equal to 100%
- **Capex:** ~1.5% - 2.0% of Revenue
- **Adjusted Effective Tax Rate:** 23% to 24%

<sup>1</sup> All revenue outlook commentary expressed in percentages and based on growth as compared to 2020 (except where otherwise noted)

<sup>2</sup> Based on December 2020 FX rates

# Key Takeaways – Investing with Ingersoll Rand

**01**

Successfully executing through COVID-19 with momentum continuing in Q1; **2021 is poised to be a strong year**

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**02**

Continuing to **differentiate Ingersoll Rand as an investment:**

- Focusing the portfolio
  - Investing for growth
  - Becoming more sustainable
- 

**03**

**Utilizing IRX** to create unique execution-focused culture to deliver sustainable value creation

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**04**

Executing on strategic opportunities supported by **ample liquidity** and **strong balance sheet**

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**05**

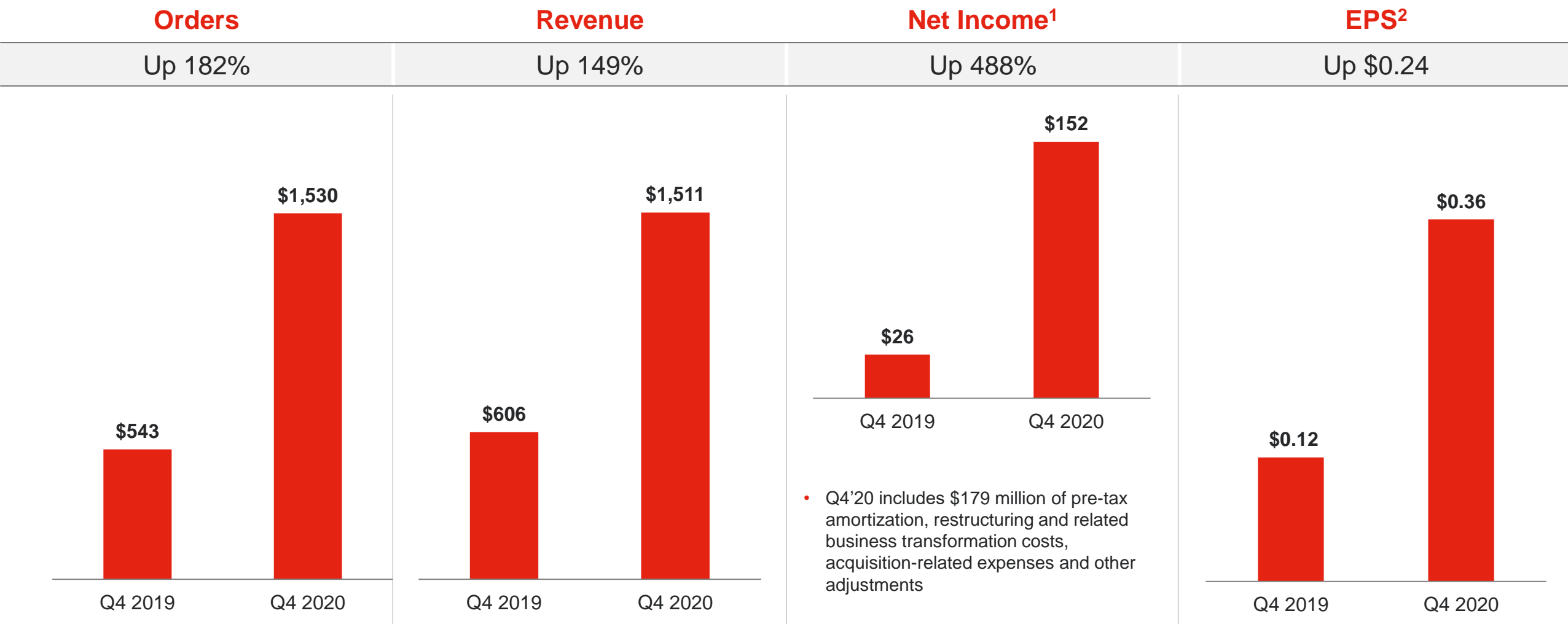
**Delivering on our planned transformation** and increasing value for all stakeholders

# Appendix



# Q4 2020 Financial Performance – As Reported

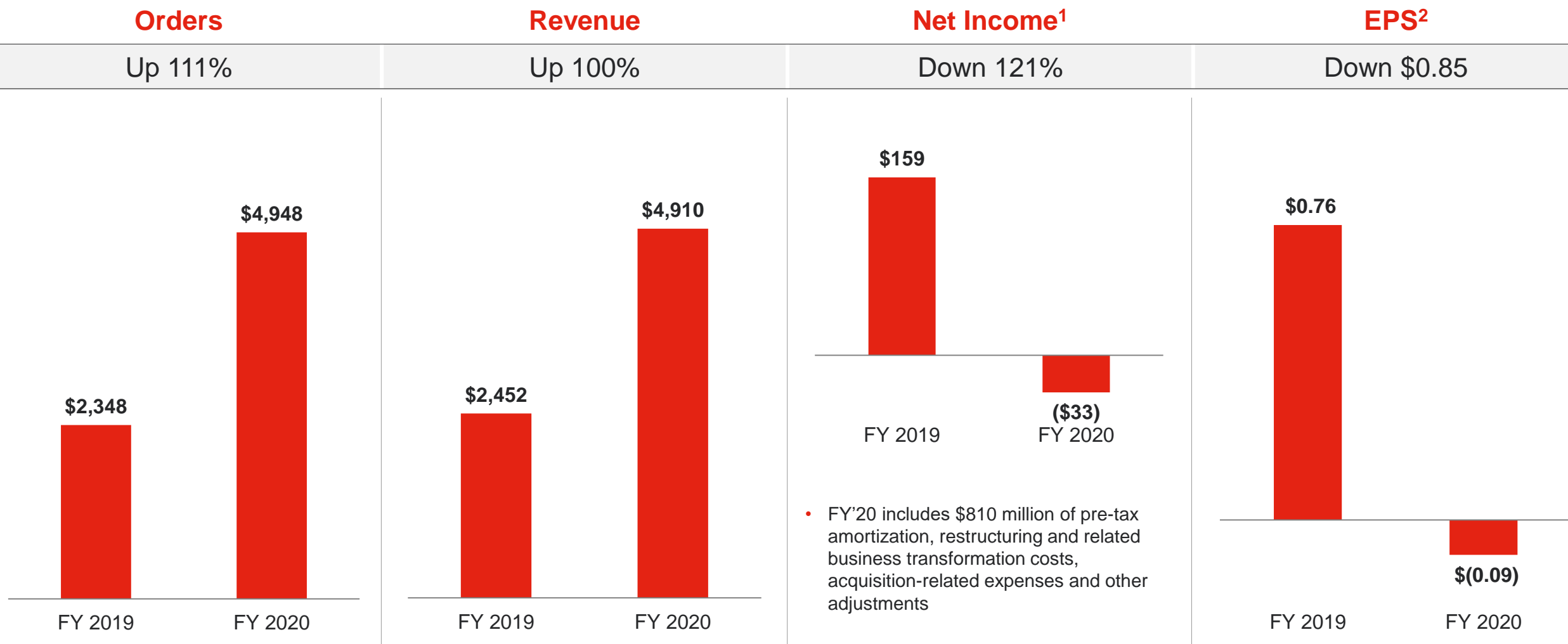
(\$M, excl. EPS)





# FY 2020 Financial Performance – As Reported

(\$M, excl. EPS)



# As Reported Financials: Reconciliation of Net (Loss) Income and (Loss) Earnings per Share to Adjusted Net Income and Adjusted Earnings per Share

	For the Three Months Ended December 31,		For the Twelve Months Ended December 31,	
	2020	2019	2020	2019
<b>Net Income (Loss)</b>	\$ 151.1	\$ 25.8	\$ (32.4)	\$ 159.1
<b>Basic Earnings (Loss) Per Share (As Reported)<sup>1</sup></b>	\$ 0.36	\$ 0.13	\$ (0.09)	\$ 0.78
<b>Diluted Earnings (Loss) Per Share (As Reported)<sup>1</sup></b>	\$ 0.36	\$ 0.12	\$ (0.09)	\$ 0.76
Plus:				
Provision for income taxes	(42.2)	2.5	13.0	31.8
Amortization of acquisition related intangible assets	106.4	28.0	377.4	112.5
Impairment of intangible assets	—	—	19.9	—
Restructuring and related business transformation costs	11.2	9.5	97.9	25.6
Acquisition related expenses and non-cash charges	25.8	19.9	233.2	54.6
Stock-based compensation	22.3	5.9	50.8	20.7
Foreign currency transaction losses, net	6.9	5.0	20.9	8.1
Loss on extinguishment of debt	—	—	2.0	0.2
Shareholder litigation settlement recoveries	—	—	—	(6.0)
Establish public company financial reporting compliance	—	0.6	—	0.6
Other adjustments	6.2	(0.7)	8.3	—
Minus:				
Income tax provision, as adjusted	61.4	20.0	192.0	77.9
<b>Adjusted Net Income</b>	<b>\$ 226.3</b>	<b>\$ 76.5</b>	<b>\$ 599.0</b>	<b>\$ 329.3</b>
<b>Adjusted Basic Earnings Per Share</b>	<b>\$ 0.54</b>	<b>\$ 0.37</b>	<b>\$ 1.56</b>	<b>\$ 1.62</b>
<b>Adjusted Diluted Earnings Per Share<sup>2</sup></b>	<b>\$ 0.53</b>	<b>\$ 0.37</b>	<b>\$ 1.55</b>	<b>\$ 1.58</b>
<b>Average shares outstanding:</b>				
Basic, as reported	418.4	204.8	382.8	203.5
Diluted, as reported <sup>3</sup>	424.5	209.4	382.8	208.9
Adjusted diluted <sup>2</sup>	424.5	209.4	387.2	208.9

<sup>1</sup> Basic and diluted (loss) earnings per share (as reported) are calculated by dividing net (loss) income attributable to Ingersoll Rand Inc. by the basic and diluted average shares outstanding for the respective periods.

<sup>2</sup> Adjusted diluted share count and adjusted diluted earnings per share include incremental dilutive shares, using the treasury stock method, which are added to average shares outstanding.

<sup>3</sup> Due to net losses in certain periods shown, basic and diluted average shares outstanding are the same in those periods.

# As Reported Financials: Reconciliation of Net (Loss) Income to Adjusted EBITDA and Adjusted Net Income and CFOA to Free Cash Flow

	For the Three Month Period Ended December 31,		For the Twelve Month Period Ended December 31,	
	2020	2019	2020	2019
<b>Net Income (Loss)</b>	\$ 151.1	\$ 25.8	\$ (32.4)	\$ 159.1
Plus:				
Interest expense	24.4	20.9	111.1	88.9
Provision for income taxes	(42.2)	2.6	13.0	31.8
Depreciation expense	26.9	13.5	97.1	53.8
Amortization expense	111.8	31.7	395.8	124.3
Impairment of intangible assets	—	—	19.9	—
Restructuring and related business transformation costs	11.2	9.5	97.9	25.6
Acquisition related expenses and non-cash charges	25.8	19.9	233.2	54.6
Stock-based compensation	22.3	5.9	50.8	20.7
Foreign currency transaction losses (gains), net	6.9	5.0	20.9	8.1
Loss on extinguishment of debt	—	—	2.0	0.2
Shareholder litigation settlement recoveries	—	—	—	(6.0)
Establish public company financial reporting compliance	—	0.6	—	0.6
Other adjustments	6.2	(0.7)	8.3	—
<b>Adjusted EBITDA</b>	<b>\$ 344.4</b>	<b>\$ 134.7</b>	<b>\$ 1,017.6</b>	<b>\$ 561.7</b>
Minus:				
Interest expense	24.4	20.9	111.1	88.9
Income tax provision, as adjusted	61.4	20.0	192.0	77.9
Depreciation expense	26.9	13.5	97.1	53.8
Amortization of non-acquisition related intangible assets	5.4	3.7	18.4	11.8
<b>Adjusted Net Income</b>	<b>\$ 226.3</b>	<b>\$ 76.6</b>	<b>\$ 599.0</b>	<b>\$ 329.3</b>
<b>Free Cash Flow</b>				
Cash flows - operating activities	411.8	99.0	914.3	343.3
Minus:				
Capital expenditures	15.2	9.4	48.7	43.2
<b>Free Cash Flow</b>	<b>\$ 396.6</b>	<b>\$ 89.6</b>	<b>\$ 865.6</b>	<b>\$ 300.1</b>

# As Reported Financials: Reconciliation of Segment Adjusted EBITDA to (Loss) Income Before Income Taxes

	For the Three Months Ended December 31,		For the Twelve Months Ended December 31,	
	2020	2019	2020	2019
<b>Orders</b>				
Industrial Technologies and Services	\$ 996.8	\$ 391.2	\$ 3,254.3	\$ 1,633.8
Precision and Science Technologies	220.3	72.8	746.9	320.7
Specialty Vehicle Technologies	274.2	—	791.9	—
High Pressure Solutions	38.8	79.1	155.3	393.5
<b>Total Orders</b>	<b>\$ 1,530.1</b>	<b>\$ 543.1</b>	<b>\$ 4,948.4</b>	<b>\$ 2,348.0</b>
<b>Revenue</b>				
Industrial Technologies and Services	\$ 1,012.0	\$ 452.9	\$ 3,248.2	\$ 1,700.9
Precision and Science Technologies	206.5	73.9	725.0	316.6
Specialty Vehicle Technologies	246.1	—	741.4	—
High Pressure Solutions	46.1	79.0	195.6	434.4
<b>Total Revenue</b>	<b>\$ 1,510.7</b>	<b>\$ 605.8</b>	<b>\$ 4,910.2</b>	<b>\$ 2,451.9</b>
<b>Segment Adjusted EBITDA</b>				
Industrial Technologies and Services	\$ 264.4	\$ 113.9	\$ 759.8	\$ 391.4
Precision and Science Technologies	63.5	22.7	220.2	95.8
Specialty Vehicle Technologies	45.9	—	138.6	—
High Pressure Solutions	2.5	16.0	12.1	117.0
<b>Total Segment Adjusted EBITDA</b>	<b>\$ 376.3</b>	<b>\$ 152.6</b>	<b>\$ 1,130.7</b>	<b>\$ 604.2</b>
Less items to reconcile Segment Adjusted EBITDA to Income (Loss) Before Income Taxes:				
Corporate expenses not allocated to segments	\$ 31.9	\$ 18.0	\$ 113.1	\$ 42.5
Interest expense	24.4	20.9	111.1	88.9
Depreciation and amortization expense	138.7	45.2	492.9	178.1
Impairment of intangible assets	—	—	19.9	—
Restructuring and related business transformation costs	11.2	9.5	97.9	25.6
Acquisition related expenses and non-cash charges	25.8	19.9	233.2	54.6
Stock-based compensation	22.3	5.9	50.8	20.7
Foreign currency transaction losses (gains), net	(12.0)	(2.9)	2.0	0.2
Loss on extinguishment of debt	18.9	7.9	20.9	8.1
Shareholder litigation settlement recoveries	—	—	—	(6.0)
Establish public company financial reporting compliance	—	0.6	—	0.6
Other adjustments	6.2	(0.7)	8.3	—
<b>Income (Loss) Before Income Taxes</b>	<b>\$ 108.9</b>	<b>\$ 28.3</b>	<b>\$ (19.4)</b>	<b>\$ 190.9</b>



# Unaudited Supplemental Adjusted Combined Financial Information

Ingersoll Rand is providing the below unaudited supplemental historical financial information of the Company on a non-GAAP adjusted basis for the quarterly period ended December 31, 2019, the fiscal year ended December 31, 2019, and the fiscal year ended December 31, 2020, as well as select financial information for the periods ended March 31, 2019, March 31, 2020, June 30, 2019 and September 30, 2019 as if the Transaction was completed on January 1, 2018, to assist investors in assessing Ingersoll Rand's historical performance on a basis that includes the combined results of operations of both Gardner Denver Holdings, Inc. and Ingersoll-Rand plc's Industrial segment. Ingersoll Rand management believes this unaudited supplemental historical financial information helps investors understand the long-term profitability trends of its newly combined business giving effect to the Transaction and facilitates comparisons of our profitability to prior and future periods and to our peers. The supplemental historical financial information herein may not be comparable to similarly titled measures reported by other companies.

- **Tables 1, 1A, 1B, 1C and 1D:** In Tables 1, 1A, 1B, 1C and 1D, the Company presents its unaudited combined Supplemental Adjusted Orders, Supplemental Adjusted Revenues, Supplemental Adjusted EBITDA, and Supplemental Adjusted EBITDA Margin at both the consolidated Company level and segment levels for the periods ended March 31, 2019, March 31, 2020, June 30, 2019, September 30, 2019, December 31, 2019 and December 31, 2020 on a basis that reflects the Transaction happening on January 1, 2018 and Ingersoll Rand's new segment structure post-Transaction. Additionally, the tables present unaudited Supplemental Further Adjusted Net Income and unaudited Supplemental Further Adjusted Diluted EPS at the consolidated Company level.
- **Table 2:** In Table 2, the Company presents unaudited supplemental adjusted combined revenue growth/(decline), orders growth/(decline), and their components (including the non-GAAP measures of organic revenue growth/(decline), impact of foreign currency, and impact of acquisitions) on a basis that reflects the Transaction happening on January 1, 2018 and Ingersoll Rand's new segment structure post-Transaction.
- **Table 3 and 3A:** In Table 3, the Company presents a reconciliation of unaudited Supplemental Adjusted Net Income and unaudited Supplemental Adjusted Diluted EPS to unaudited Supplemental Further Adjusted Net Income and unaudited Supplemental Further Adjusted Diluted EPS (including a reconciliation from diluted shares outstanding to adjusted diluted shares outstanding).
- **Table 4 and 4A:** In Table 4, the Company presents a reconciliation of unaudited Supplemental Adjusted Net Income to unaudited Supplemental Adjusted EBITDA and unaudited Supplemental Further Adjusted Net Income.
- **Table 5:** In Table 5, the Company presents unaudited Supplemental Adjusted Revenues by segment and a reconciliation of unaudited Supplemental Segment Adjusted EBITDA to unaudited Supplemental Adjusted Income Before Income Taxes at the consolidated Company level.
- **Table 6 and 6A:** In Table 6, the Company presents a reconciliation of GAAP Revenue to Supplemental Adjusted Revenue by Segment and for the Company and Adjusted EBITDA to Supplemental Segment Adjusted EBITDA.
- **Table 7 and 7A:** In Table 7 and 7A, the Company presents a reconciliation of GAAP Net (Loss) Income to Adjusted EBITDA and Supplemental Adjusted EBITDA and Supplemental Further Adjusted Net Income.
- **Table 8 and 8A:** In Table 8, the Company presents a reconciliation of GAAP Diluted EPS to Supplemental Further Adjusted Diluted EPS.

# Table 1: Unaudited Supplemental Adjusted Combined Financial Information by Segment

	For the Three Month Period Ended December 31, 2019	
<b>Ingersoll Rand</b>		
Supplemental Adjusted Orders	\$	1,461.0
Supplemental Adjusted Revenue (non-GAAP)		1,588.4
Supplemental Adjusted EBITDA (non-GAAP)		314.2
Supplemental Adjusted EBITDA Margin (non-GAAP)		19.8%
Supplemental Further Adjusted Net Income (non-GAAP)		184.4
Supplemental Further Adjusted Diluted EPS (non-GAAP)	\$	0.44
<b>Industrial Technologies &amp; Services</b>		
Supplemental Adjusted Orders	\$	954.9
Supplemental Adjusted Revenue (non-GAAP)		1,069.8
Supplemental Adjusted EBITDA (non-GAAP)		236.0
Supplemental Adjusted EBITDA Margin (non-GAAP)		22.1%
<b>Precision &amp; Science Technologies</b>		
Supplemental Adjusted Orders	\$	200.7
Supplemental Adjusted Revenue (non-GAAP)		213.2
Supplemental Adjusted EBITDA (non-GAAP)		59.4
Supplemental Adjusted EBITDA Margin (non-GAAP)		27.9%
<b>Specialty Vehicle Technologies</b>		
Supplemental Adjusted Orders	\$	226.4
Supplemental Adjusted Revenue (non-GAAP)		226.4
Supplemental Adjusted EBITDA (non-GAAP)		32.9
Supplemental Adjusted EBITDA Margin (non-GAAP)		14.5%
<b>High Pressure Solutions</b>		
Supplemental Adjusted Orders	\$	79.0
Supplemental Adjusted Revenue (non-GAAP)		79.0
Supplemental Adjusted EBITDA (non-GAAP)		16.0
Supplemental Adjusted EBITDA Margin (non-GAAP)		20.3%

# Table 1A: Unaudited Supplemental Adjusted Combined Financial Information by Segment

	For the Three Month Period Ended March 31,	
	2020	2019
<b>Ingersoll Rand</b>		
Supplemental Adjusted Orders	\$ 1,404.5	\$ 1,530.8
Supplemental Adjusted Revenue (non-GAAP)	1,269.8	1,499.6
Supplemental Adjusted EBITDA (non-GAAP)	208.1	275.4
Supplemental Adjusted EBITDA Margin (non-GAAP)	16.4%	18.4%
Supplemental Further Adjusted Net Income (non-GAAP)	106.2	154.1
Supplemental Further Adjusted Diluted EPS (non-GAAP)	\$ 0.25	\$ 0.37
<b>Industrial Technologies &amp; Services</b>		
Supplemental Adjusted Orders	\$ 889.4	\$ 1,002.4
Supplemental Adjusted Revenue (non-GAAP)	795.8	976.2
Supplemental Adjusted EBITDA (non-GAAP)	135.1	180.8
Supplemental Adjusted EBITDA Margin (non-GAAP)	17.0%	18.5%
<b>Precision &amp; Science Technologies</b>		
Supplemental Adjusted Orders	\$ 218.3	\$ 218.2
Supplemental Adjusted Revenue (non-GAAP)	192.2	213.6
Supplemental Adjusted EBITDA (non-GAAP)	53.3	56.5
Supplemental Adjusted EBITDA Margin (non-GAAP)	27.7%	26.5%
<b>Specialty Vehicle Technologies</b>		
Supplemental Adjusted Orders	\$ 213.3	\$ 197.6
Supplemental Adjusted Revenue (non-GAAP)	185.4	173.9
Supplemental Adjusted EBITDA (non-GAAP)	18.4	18.6
Supplemental Adjusted EBITDA Margin (non-GAAP)	9.9%	10.7%
<b>High Pressure Solutions</b>		
Supplemental Adjusted Orders	\$ 83.5	\$ 112.6
Supplemental Adjusted Revenue (non-GAAP)	96.4	135.9
Supplemental Adjusted EBITDA (non-GAAP)	23.7	41.9
Supplemental Adjusted EBITDA Margin (non-GAAP)	24.6%	30.8%

# Table 1B: Unaudited Supplemental Adjusted Combined Financial Information by Segment

	For the Three Month Period Ended June 30, 2019	
<b>Ingersoll Rand</b>		
Supplemental Adjusted Orders	\$	1,565.6
Supplemental Adjusted Revenue (non-GAAP)		1,595.5
Supplemental Adjusted EBITDA (non-GAAP)		313.1
Supplemental Adjusted EBITDA Margin (non-GAAP)		19.6%
Supplemental Further Adjusted Net Income (non-GAAP)		183.3
Supplemental Further Adjusted Diluted EPS (non-GAAP)	\$	0.44
<b>Industrial Technologies &amp; Services</b>		
Supplemental Adjusted Orders	\$	1,051.6
Supplemental Adjusted Revenue (non-GAAP)		1,027.5
Supplemental Adjusted EBITDA (non-GAAP)		199.5
Supplemental Adjusted EBITDA Margin (non-GAAP)		19.4%
<b>Precision &amp; Science Technologies</b>		
Supplemental Adjusted Orders	\$	218.3
Supplemental Adjusted Revenue (non-GAAP)		215.5
Supplemental Adjusted EBITDA (non-GAAP)		63.4
Supplemental Adjusted EBITDA Margin (non-GAAP)		29.4%
<b>Specialty Vehicle Technologies</b>		
Supplemental Adjusted Orders	\$	198.0
Supplemental Adjusted Revenue (non-GAAP)		233.0
Supplemental Adjusted EBITDA (non-GAAP)		37.6
Supplemental Adjusted EBITDA Margin (non-GAAP)		16.1%
<b>High Pressure Solutions</b>		
Supplemental Adjusted Orders	\$	97.7
Supplemental Adjusted Revenue (non-GAAP)		119.5
Supplemental Adjusted EBITDA (non-GAAP)		32.6
Supplemental Adjusted EBITDA Margin (non-GAAP)		27.3%

# Table 1C: Unaudited Supplemental Adjusted Combined Financial Information by Segment

	For the Three Month Period Ended September 30, 2019	
<b>Ingersoll Rand</b>		
Supplemental Adjusted Orders	\$	1,478.3
Supplemental Adjusted Revenue (non-GAAP)		1,481.0
Supplemental Adjusted EBITDA (non-GAAP)		293.8
Supplemental Adjusted EBITDA Margin (non-GAAP)		19.8%
Supplemental Further Adjusted Net Income (non-GAAP)		169.0
Supplemental Further Adjusted Diluted EPS (non-GAAP)	\$	0.39
<b>Industrial Technologies &amp; Services</b>		
Supplemental Adjusted Orders	\$	974.1
Supplemental Adjusted Revenue (non-GAAP)		984.0
Supplemental Adjusted EBITDA (non-GAAP)		199.8
Supplemental Adjusted EBITDA Margin (non-GAAP)		20.3%
<b>Precision &amp; Science Technologies</b>		
Supplemental Adjusted Orders	\$	209.7
Supplemental Adjusted Revenue (non-GAAP)		208.0
Supplemental Adjusted EBITDA (non-GAAP)		56.6
Supplemental Adjusted EBITDA Margin (non-GAAP)		27.2%
<b>Specialty Vehicle Technologies</b>		
Supplemental Adjusted Orders	\$	190.3
Supplemental Adjusted Revenue (non-GAAP)		189.0
Supplemental Adjusted EBITDA (non-GAAP)		27.6
Supplemental Adjusted EBITDA Margin (non-GAAP)		14.6%
<b>High Pressure Solutions</b>		
Supplemental Adjusted Orders	\$	104.2
Supplemental Adjusted Revenue (non-GAAP)		100.0
Supplemental Adjusted EBITDA (non-GAAP)		26.9
Supplemental Adjusted EBITDA Margin (non-GAAP)		26.9%



# Table 1D: Unaudited Supplemental Adjusted Combined Financial Information by Segment

	For the Twelve Months Ended December 31,	
	2020	2019
<b>Ingersoll Rand</b>		
Supplemental Adjusted Orders	\$ 5,508.5	\$ 6,035.7
Supplemental Adjusted Revenue (non-GAAP)	5,380.1	6,164.5
Supplemental Adjusted EBITDA (non-GAAP)	1,077.9	1,196.5
Supplemental Adjusted EBITDA Margin (non-GAAP)	20.0%	19.4%
Supplemental Further Adjusted Net Income (non-GAAP)	630.1	690.8
Supplemental Further Adjusted Diluted EPS (non-GAAP)	\$ 1.49	\$ 1.64
<b>Industrial Technologies &amp; Services</b>		
Supplemental Adjusted Orders	\$ 3,576.2	\$ 3,983.0
Supplemental Adjusted Revenue (non-GAAP)	3,540.0	4,057.5
Supplemental Adjusted EBITDA (non-GAAP)	800.1	816.1
Supplemental Adjusted EBITDA Margin (non-GAAP)	22.6%	20.1%
<b>Precision &amp; Science Technologies</b>		
Supplemental Adjusted Orders	\$ 834.2	\$ 846.9
Supplemental Adjusted Revenue (non-GAAP)	804.4	850.3
Supplemental Adjusted EBITDA (non-GAAP)	240.6	235.9
Supplemental Adjusted EBITDA Margin (non-GAAP)	29.9%	27.7%
<b>Specialty Vehicle Technologies</b>		
Supplemental Adjusted Orders	\$ 942.8	\$ 812.3
Supplemental Adjusted Revenue (non-GAAP)	840.1	822.3
Supplemental Adjusted EBITDA (non-GAAP)	142.9	116.7
Supplemental Adjusted EBITDA Margin (non-GAAP)	17.0%	14.2%
<b>High Pressure Solutions</b>		
Supplemental Adjusted Orders	\$ 155.3	\$ 393.5
Supplemental Adjusted Revenue (non-GAAP)	195.6	434.4
Supplemental Adjusted EBITDA (non-GAAP)	12.3	117.4
Supplemental Adjusted EBITDA Margin (non-GAAP)	6.3%	27.0%



# Table 2: Unaudited Supplemental Adjusted Combined Revenue and Order Growth / (Decline) by Segment<sup>1</sup>

	For the Three Month Period Ended December 31, 2020		For the Twelve Month Period Ended December 31, 2020	
	Orders	Revenue	Orders	Revenue
<b>Ingersoll Rand</b>				
Organic growth (decline) (non-GAAP)	1.9%	(7.4%)	(8.8%)	(12.9%)
Impact of foreign currency (non-GAAP)	2.4%	2.1%	(0.1%)	—%
Impact of acquisitions (non-GAAP)	0.4%	0.4%	0.2%	0.2%
Total adjusted orders growth and revenue decline (non-GAAP)	4.7%	(4.9%)	(8.7%)	(12.7%)
<b>Industrial Technologies &amp; Services</b>				
Organic growth (decline) (non-GAAP)	1.2%	(8.1%)	(10.1%)	(12.8%)
Impact of foreign currency (non-GAAP)	2.8%	2.4%	(0.3%)	(0.2%)
Impact of acquisitions (non-GAAP)	0.4%	0.3%	0.2%	0.2%
Total adjusted orders growth and revenue decline (non-GAAP)	4.4%	(5.4%)	(10.2%)	(12.8%)
<b>Precision &amp; Science Technologies</b>				
Organic growth (decline) (non-GAAP)	4.8%	(7.5%)	(2.5%)	(6.5%)
Impact of foreign currency (non-GAAP)	3.8%	3.2%	0.4%	0.6%
Impact of acquisitions (non-GAAP)	1.2%	1.2%	0.6%	0.5%
Total adjusted orders growth and revenue decline (non-GAAP)	9.8%	(3.1%)	(1.5%)	(5.4%)
<b>Specialty Vehicle Technologies</b>				
Organic growth (non-GAAP)	20.6%	8.3%	16.0%	2.2%
Impact of foreign currency (non-GAAP)	0.5%	0.4%	0.1%	—%
Impact of acquisitions (non-GAAP)	—%	—%	—%	—%
Total adjusted orders and revenue growth (non-GAAP)	21.1%	8.7%	16.1%	2.2%
<b>High Pressure Solutions</b>				
Organic decline (non-GAAP)	(50.6%)	(41.4%)	(60.3%)	(54.7%)
Impact of foreign currency (non-GAAP)	(0.3%)	(0.2%)	(0.2%)	(0.2%)
Impact of acquisitions (non-GAAP)	—%	—%	—%	—%
Total adjusted orders and revenue decline (non-GAAP)	(50.9%)	(41.6%)	(60.5%)	(54.9%)

(1) Organic growth/(decline), impact of foreign currency, and impact of acquisitions are non-GAAP measures. References to “impact of acquisitions” refer to GAAP sales from acquired businesses recorded prior to the first anniversary of the acquisition. The portion of GAAP revenue attributable to currency translation is calculated as the difference between (a) the period-to-period change in revenue (excluding acquisition sales) and (b) the period-to-period change in revenue (excluding acquisition sales) after applying prior year foreign exchange rates to the current year period.

## Table 3: Reconciliation of Unaudited Supplemental Adjusted Net Income and Supplemental Adjusted Diluted EPS to Supplemental Further Adjusted Net Income and Supplemental Further Adjusted Diluted EPS

	For the Three Month Period Ended December 31, 2019
<b>Supplemental Adjusted Net Income</b>	<b>\$ 104.1</b>
<b>Supplemental Adjusted Diluted Earnings Per Share</b>	<b>\$ 0.25</b>
Plus:	
Adjusted amortization of acquisition related intangible assets (a)	\$ 86.9
Adjusted acquisition related expenses and non-cash charges (b)	4.4
Adjusted restructuring and related business transformation costs (c)	15.1
Adjusted stock-based compensation (d)	8.8
Adjusted foreign currency transaction losses, net	5.3
Minus:	
Adjusted Income tax provisions, as adjusted (e)	40.2
<b>Supplemental Further Adjusted Net Income</b>	<b>\$ 184.4</b>
<b>Supplemental Further Adjusted Diluted Earnings Per Share</b>	<b>\$ 0.44</b>
<b>Supplemental Adjusted Diluted Shares Outstanding</b>	<b>420.7</b>

## Table 3A: Reconciliation of Unaudited Supplemental Adjusted Net Income and Supplemental Adjusted Diluted EPS to Supplemental Further Adjusted Net Income and Supplemental Further Adjusted Diluted EPS

	For the Twelve Months Ended December 31,	
	2020	2019
<b>Supplemental Adjusted Net Income</b>	\$ 12.0	\$ 350.3
<b>Supplemental Adjusted Diluted Earnings Per Share</b>	\$ 0.03	\$ 0.83
Plus:		
Adjusted amortization of acquisition related intangible assets (a)	\$ 396.3	\$ 348.0
Adjusted impairment of intangible assets	19.9	—
Adjusted acquisition related expenses and non-cash charges (b)	138.6	9.7
Adjusted restructuring and related business transformation costs (c)	100.5	63.1
Adjusted stock-based compensation (d)	50.8	32.4
Adjusted foreign currency transaction losses, net	22.1	7.2
Adjusted shareholder litigation settlement recoveries	—	(6.0)
Adjusted other adjustments	10.0	0.7
Minus:		
Adjusted Income tax provisions, as adjusted (e)	120.1	114.6
<b>Supplemental Further Adjusted Net Income</b>	\$ 630.1	\$ 690.8
<b>Supplemental Further Adjusted Diluted Earnings Per Share</b>	\$ 1.49	\$ 1.64
<b>Supplemental Adjusted Diluted Shares Outstanding</b>	422.5	420.2

## Table 4: Reconciliation of Supplemental Adjusted Net Income to Supplemental Adjusted EBITDA and Supplemental Further Adjusted Net Income

	For the Three Month Period Ended December 31, 2019
<b>Supplemental Adjusted Net Income</b>	<b>\$ 104.1</b>
Plus:	
Adjusted interest expense	\$ 37.8
Adjusted provision for income taxes	22.1
Adjusted depreciation expense	24.0
Adjusted amortization expense (a)	92.6
Adjusted acquisition related expenses and non-cash charges (b)	4.4
Adjusted restructuring and related business transformation costs (c)	15.1
Adjusted stock-based compensation (d)	8.8
Adjusted foreign currency transaction losses, net	5.3
<b>Supplemental Adjusted EBITDA</b>	<b>\$ 314.2</b>
Minus:	
Adjusted interest expense	\$ 37.8
Adjusted income tax provision, as adjusted (e)	62.3
Adjusted depreciation expense	24.0
Adjusted amortization of non-acquisition related intangible assets (a)	5.7
<b>Supplemental Further Adjusted Net Income</b>	<b>\$ 184.4</b>

## Table 4A: Reconciliation of Supplemental Adjusted Net Income to Supplemental Adjusted EBITDA and Supplemental Further Adjusted Net Income

	For the Twelve Months Ended December 31,	
	2020	2019
<b>Supplemental Adjusted Net Income</b>	\$ 12.0	\$ 350.3
Plus:		
Adjusted interest expense	\$ 119.2	\$ 156.5
Adjusted provision for income taxes	82.5	118.6
Adjusted depreciation expense	106.8	95.8
Adjusted amortization expense (a)	415.5	368.2
Adjusted impairment of intangible assets	19.9	—
Adjusted acquisition related expenses and non-cash charges (b)	138.6	9.7
Adjusted restructuring and related business transformation costs (c)	100.5	63.1
Adjusted stock-based compensation (d)	50.8	32.4
Adjusted foreign currency transaction losses, net	22.1	7.2
Adjusted shareholder litigation settlement recoveries	—	(6.0)
Adjusted other adjustments	10.0	0.7
<b>Supplemental Adjusted EBITDA</b>	\$ 1,077.9	\$ 1,196.5
Minus:		
Adjusted interest expense	\$ 119.2	\$ 156.5
Adjusted income tax provision, as adjusted (e)	202.6	233.2
Adjusted depreciation expense	106.8	95.8
Adjusted amortization of non-acquisition related intangible assets (a)	19.2	20.2
<b>Supplemental Further Adjusted Net Income</b>	\$ 630.1	\$ 690.8

**Table 5: Supplemental Adjusted Revenue by Segment and a Reconciliation of Supplemental Segment Adjusted EBITDA to Supplemental Adjusted Income Before Income Taxes**

	<b>For the Three Month Period Ended December 31, 2019</b>
<b>Supplemental Adjusted Revenue</b>	
Industrial Technologies & Services	\$ 1,069.8
Precision & Science Technologies	213.2
Specialty Vehicle Technologies	226.4
High Pressure Solutions	79.0
<b>Total Supplemental Adjusted Revenue</b>	<b>\$ 1,588.4</b>
<b>Supplemental Segment Adjusted EBITDA</b>	
Industrial Technologies & Services	\$ 236.0
Precision & Science Technologies	59.4
Specialty Vehicle Technologies	32.9
High Pressure Solutions	16.0
<b>Total Supplemental Segment Adjusted EBITDA</b>	<b>\$ 344.3</b>
Less items to reconcile Supplemental Segment Adjusted EBITDA to Supplemental Adjusted Income Before Income Taxes:	
Adjusted corporate expenses not allocated to segments	\$ 30.1
Adjusted interest expense	37.8
Adjusted depreciation and amortization expense	116.6
Adjusted acquisition related expenses and non-cash charges (b)	4.4
Adjusted restructuring and related business transformation costs (c)	15.1
Adjusted stock-based compensation (d)	8.8
Adjusted foreign currency transaction losses, net	5.3
<b>Supplemental Adjusted Income Before Income Taxes</b>	<b>\$ 126.2</b>



**Table 6: Reconciliation of GAAP Revenue to Supplemental Adjusted Revenue by Segment and for the Company and Segment Adjusted EBITDA to Supplemental Segment Adjusted EBITDA**

	For the Three Month Period Ended December 31, 2019		
	GAAP Revenue	Adjustments (1)	Supplemental Adjusted Revenue
<b>Segment</b>			
Industrial Technologies & Services	\$ 452.9	\$ 616.9	\$ 1,069.8
Precision & Science Technologies	73.9	139.3	213.2
Specialty Vehicle Technologies	—	226.4	226.4
High Pressure Solutions	79.0	—	79.0
<b>Total Company</b>	<u>\$ 605.8</u>	<u>\$ 982.6</u>	<u>\$ 1,588.4</u>
	Supplemental Adjusted EBITDA		
	Adjusted EBITDA	Adjustments (1)	Supplemental Adjusted EBITDA
<b>Segment</b>			
Industrial Technologies & Services	\$ 113.9	\$ 122.1	\$ 236.0
Precision & Science Technologies	22.7	36.7	59.4
Specialty Vehicle Technologies	—	32.9	32.9
High Pressure Solutions	16.0	—	16.0
<b>Total Segments</b>	<u>\$ 152.6</u>	<u>\$ 191.7</u>	<u>\$ 344.3</u>

- (1) For the quarter ended December 31, 2019, the "Adjustments" column represents the impact of one full quarter of 2019 standalone legacy Ingersoll Rand Industrial Segment activity. As it relates to adjustments to Segment Adjusted EBITDA, these amounts are impacted by the newly merged Company's corporate costs, a portion of which is allocated to the business segments.

# Table 6A: Reconciliation of GAAP Revenue to Supplemental Adjusted Revenue by Segment and for the Company and Segment Adjusted EBITDA to Supplemental Segment Adjusted EBITDA

	For the Twelve Month Period Ended December 31, 2020			For the Twelve Month Period Ended December 31, 2019		
	GAAP Revenue	Adjustments (1)	Supplemental Adjusted Revenue	GAAP Revenue	Adjustments (2)	Supplemental Adjusted Revenue
<b>Segment</b>						
Industrial Technologies & Services	\$ 3,248.2	\$ 291.8	\$ 3,540.0	\$ 1,700.9	\$ 2,356.6	\$ 4,057.5
Precision & Science Technologies	725.0	79.4	804.4	316.6	533.7	850.3
Specialty Vehicle Technologies	741.4	98.7	840.1	—	822.3	822.3
High Pressure Solutions	195.6	—	195.6	434.4	—	434.4
<b>Total Company</b>	<u>\$ 4,910.2</u>	<u>\$ 469.9</u>	<u>\$ 5,380.1</u>	<u>\$ 2,451.9</u>	<u>\$ 3,712.6</u>	<u>\$ 6,164.5</u>
	Adjusted EBITDA	Adjustments (1)	Supplemental Adjusted EBITDA	Adjusted EBITDA	Adjustments (2)	Supplemental Adjusted EBITDA
<b>Segment</b>						
Industrial Technologies & Services	\$ 759.8	\$ 40.3	\$ 800.1	\$ 391.4	\$ 424.7	\$ 816.1
Precision & Science Technologies	220.2	20.4	240.6	95.8	140.1	235.9
Specialty Vehicle Technologies	138.6	4.3	142.9	—	116.7	116.7
High Pressure Solutions	12.1	0.2	12.3	117.0	0.4	117.4
<b>Total Segments</b>	<u>\$ 1,130.7</u>	<u>\$ 65.2</u>	<u>\$ 1,195.9</u>	<u>\$ 604.2</u>	<u>\$ 681.9</u>	<u>\$ 1,286.1</u>

- (1) For the year ended December 31, 2020, the "Adjustments" column represents the impact of two months (January and February of 2020) of standalone legacy Ingersoll Rand Industrial Segment activity. As it relates to adjustments to Segment Adjusted EBITDA, these amounts are impacted by the newly merged Company's corporate costs, a portion of which is allocated to the business segments.
- (2) For the year ended December 31, 2019, the "Adjustments" column represents the impact of one full year of 2019 standalone legacy Ingersoll Rand Industrial Segment activity. As it relates to adjustments to Segment Adjusted EBITDA, these amounts are impacted by the newly merged Company's corporate costs, a portion of which is allocated to the business segments.

## Table 7: Reconciliation of GAAP Net (Loss) Income to Adjusted EBITDA and Supplemental Adjusted EBITDA and Supplemental Further Adjusted Net Income

	For the Three Month Period Ended December 31, 2019
<b>Net Income (GAAP)</b>	<b>\$ 25.7</b>
Plus (1):	
Interest expense	20.9
Provision for income taxes	2.6
Depreciation expense	13.5
Amortization expense	31.7
Restructuring and related business transformation costs	9.5
Acquisition related expenses and non-cash charges	19.9
Stock-based compensation	5.9
Foreign currency transaction losses, net	5.0
Establish public company financial reporting compliance	0.6
Other adjustments	(0.7)
<b>Adjusted EBITDA (1)</b>	<b>134.6</b>
Additional Segment Adjusted EBITDA Adjustments (2):	
Industrial Technologies & Services	\$ 122.1
Precision & Science Technologies	36.7
Specialty Vehicle Technologies	32.9
High Pressure Solutions	—
Incremental corporate expenses not allocated to segments	(12.1)
<b>Supplemental Adjusted EBITDA</b>	<b>314.2</b>
Minus:	
Adjusted interest expense	37.8
Adjusted income tax provision, as adjusted	62.3
Adjusted depreciation expense	24.0
Adjusted amortization of non-acquisition related intangible assets	5.7
<b>Supplemental Further Adjusted Net Income</b>	<b>\$ 184.4</b>

(1) These amounts are reported in accordance with US GAAP and have not been adjusted to reflect the pro forma impact of a full quarter of the newly combined Ingersoll Rand.

(2) These "Additional Segment Adjusted EBITDA Adjustments" represent the impact of a full quarter of standalone legacy Ingersoll Rand Industrial Segment activity in the three month period ended December 31, 2019. The incremental corporate expenses not allocated to segments represent additional corporate expenses incurred by the Company to operate the newly combined Ingersoll Rand.

# Table 7A: Reconciliation of GAAP Net (Loss) Income to Adjusted EBITDA and Supplemental Adjusted EBITDA and Supplemental Further Adjusted Net Income

	For the Twelve Months Ended December 31,	
	2020	2019
<b>Net Income (Loss) (GAAP)</b>	\$ (32.3)	\$ 159.1
Plus (1):		
Interest expense	111.1	88.9
Provision for income taxes	12.9	31.9
Depreciation expense	97.1	53.8
Amortization expense	395.8	124.4
Impairment of intangible assets	19.9	—
Restructuring and related business transformation costs	97.9	25.5
Acquisition related expenses and non-cash charges	233.1	54.5
Stock-based compensation	50.8	20.8
Foreign currency transaction losses, net	20.9	8.1
Loss on extinguishment of debt	2.0	0.2
Shareholder litigation settlement recoveries	—	(6.0)
Establish public company financial reporting compliance	—	0.6
Other adjustments	8.4	—
<b>Adjusted EBITDA (1)</b>	<b>1,017.6</b>	<b>561.8</b>
Additional Segment Adjusted EBITDA Adjustments (2):		
Industrial Technologies & Services	\$ 40.3	\$ 424.8
Precision & Science Technologies	20.4	140.2
Specialty Vehicle Technologies	4.3	116.7
High Pressure Solutions	0.2	0.4
Incremental corporate expenses not allocated to segments	(4.9)	(47.3)
<b>Supplemental Adjusted EBITDA</b>	<b>1,077.9</b>	<b>1,196.6</b>
Minus:		
Adjusted interest expense	119.2	156.5
Adjusted income tax provision, as adjusted	202.6	233.2
Adjusted depreciation expense	106.8	95.8
Adjusted amortization of non-acquisition related intangible assets	19.2	20.2
<b>Supplemental Further Adjusted Net Income</b>	<b>\$ 630.1</b>	<b>\$ 690.9</b>

(1) These amounts are reported in accordance with US GAAP and have not been adjusted to reflect the pro forma impact of a full quarter of the newly combined Ingersoll Rand.

(2) These "Additional Segment Adjusted EBITDA Adjustments" represent the impact of two months (January and February of 2020) of standalone legacy Ingersoll Rand Industrial Segment activity in the twelve month period ended December 31, 2020 and a full year of standalone legacy Ingersoll Rand Industrial Segment activity in the twelve month period ended December 31, 2019. The incremental corporate expenses not allocated to segments represent additional corporate expenses incurred by the Company to operate the newly combined Ingersoll Rand.

## Table 8: Reconciliation of GAAP Diluted EPS to Supplemental Further Adjusted Diluted EPS

	For the Three Month Period Ended December 31, 2019
<b>Diluted Earnings Per Share (GAAP)</b>	\$ 0.12
Plus:	
Effect of transaction (1)	(0.06)
Legacy Ingersoll Rand Industrial Segment's earnings (2)	0.44
Interest expense	0.05
Provision for income taxes	0.01
Depreciation expense	0.03
Amortization expense	0.08
Restructuring and related business transformation costs	0.02
Acquisition related expenses and non-cash charges	0.05
Minus:	
Adjusted interest expense	0.09
Adjusted income tax provision, as adjusted	0.15
Adjusted depreciation expense	0.06
Adjusted amortization of non-acquisition related intangible assets	0.01
<b>Supplemental Further Adjusted Diluted Earnings Per Share</b>	<b>\$ 0.44</b>
<b>Supplemental Adjusted Diluted Shares Outstanding</b>	<b>420.7</b>

- (1) This amount represents the impact of adjusting the GAAP weighted average shares outstanding for the period by the additional shares outstanding as if the acquisition of the Ingersoll Rand Industrial Segment was in effect for the entirety of the three month period ended December 31, 2019.
- (2) The "Legacy Ingersoll Rand Industrial Segment's earnings" represent the impact of a full quarter of standalone legacy Ingersoll Rand Industrial Segment activity in the three month period ended December 31, 2019. This line is inclusive of incremental corporate expenses not allocated to segments which represent additional corporate expenses incurred by the Company to operate the newly combined Ingersoll Rand.

## Table 8A: Reconciliation of GAAP Diluted EPS to Supplemental Further Adjusted Diluted EPS

	For the Twelve Months Ended December 31,	
	2020	2019
<b>Diluted Earnings (Loss) Per Share (GAAP)</b>	\$ (0.09)	\$ 0.76
Plus:		
Effect of transaction (1)	0.01	(0.38)
Legacy Ingersoll Rand Industrial Segment's earnings (2)	0.14	1.53
Interest expense	0.26	0.21
Provision for income taxes	0.03	0.08
Depreciation expense	0.23	0.12
Amortization expense	0.94	0.29
Impairment of intangible assets	0.05	—
Restructuring and related business transformation costs	0.23	0.06
Acquisition related expenses and non-cash charges	0.55	0.13
Stock-based compensation	0.12	0.04
Foreign currency transaction losses, net	0.05	0.01
Loss on extinguishment of debt	—	—
Shareholder litigation settlement recoveries	—	(0.01)
Other adjustments	0.02	—
Minus:		
Adjusted interest expense	0.28	0.37
Adjusted income tax provision, as adjusted	0.48	0.56
Adjusted depreciation expense	0.25	0.23
Adjusted amortization of non-acquisition related intangible assets	0.04	0.04
<b>Supplemental Further Adjusted Diluted Earnings Per Share</b>	<b>\$ 1.49</b>	<b>\$ 1.64</b>
<b>Supplemental Adjusted Diluted Shares Outstanding</b>	<b>422.5</b>	<b>420.2</b>

(1) This amount represents the impact of adjusting the GAAP weighted average shares outstanding for the period by the additional shares outstanding as if the acquisition of the Ingersoll Rand Industrial Segment was in effect for the entirety of the twelve month periods ended December 31, 2020 and 2019.

(2) The "Legacy Ingersoll Rand Industrial Segment's earnings" represent the impact of two months (January and February of 2020) of standalone legacy Ingersoll Rand Industrial Segment activity in the twelve month period ended December 31, 2020 and a full year of standalone legacy Ingersoll Rand Industrial Segment activity in the twelve month period ended December 31, 2019. This line is inclusive of incremental corporate expenses not allocated to segments which represent additional corporate expenses incurred by the Company to operate the newly combined Ingersoll Rand.



# Notes to Tables 3, 3A, 4, 4A, and 5 of the Unaudited Supplemental Adjusted Combined Financial Information on Slides 32 – 36

## Notes to Tables 3, 3A, 4, 4A, and 5 of the Adjusted Combined Financial Information

All supplemental financial information presented in this document represents the newly combined Ingersoll Rand giving effect to the Merger as if it happened on January 1, 2018.

(a) Amortization expense consisted of the following:

	<b>For the Three Month Period Ended December 31, 2019</b>	
Amortization of acquisition-related intangible assets	\$	86.9
Amortization of non-acquisition related intangible assets		5.7
<b>Total amortization expense</b>	<b>\$</b>	<b>92.6</b>

	<b>For the Twelve Months Ended December 31,</b>	
	<b>2020</b>	<b>2019</b>
Amortization of acquisition-related intangible assets	\$ 396.3	\$ 348.0
Amortization of non-acquisition related intangible assets	19.2	20.2
<b>Total amortization expense</b>	<b>\$ 415.5</b>	<b>\$ 368.2</b>

(b) Represents costs associated with successful and/or abandoned acquisitions, including third-party expenses, post-closure integration costs (including certain incentive and non-incentive cash compensation costs), and non-cash charges and credits arising from fair value purchase accounting adjustments. The US GAAP amounts for the quarter ended December 31, 2020 include amounts related to the acquisition of IRI that were excluded from the supplemental financial information for the quarter ended December 31, 2019, the impact of which may affect comparability. A reconciliation of IRI acquisition related expenses is as follows:

	<b>For the Three Month Period Ended December 31, 2020</b>	
Stand up costs for IRI acquisition	\$	12.7
Non-cash fair value adjustments related to the purchase of IRI		7.7
<b>Total IRI related acquisition expense</b>	<b>\$</b>	<b>20.4</b>
Non-IRI related acquisition expense		5.4
<b>Total Acquisition related expenses and non-cash charges</b>	<b>\$</b>	<b>25.8</b>

# Notes to Tables 3, 3A, 4, 4A, and 5 of the Unaudited Supplemental Adjusted Combined Financial Information on Slides 32 – 36 (continued)

(c) Restructuring and related business transformation costs consisted of the following:

	<b>For the Three Month Period Ended December 31, 2019</b>	
Restructuring charges	\$	11.7
Severance, sign-on, relocation and executive search costs		1.2
Facility reorganization, relocation and other costs		0.5
Information technology infrastructure transformation		0.3
Losses on asset and business disposals		0.9
Consultant and other advisor fees		—
Other, net		0.5
<b>Total restructuring and related business transformation costs</b>	<b>\$</b>	<b>15.1</b>

	<b>For the Twelve Months Ended December 31,</b>	
	<b>2020</b>	<b>2019</b>
Restructuring charges	\$ 95.9	\$ 54.6
Severance, sign-on, relocation and executive search costs	2.9	2.5
Facility reorganization, relocation and other costs	1.8	2.4
Information technology infrastructure transformation	—	1.2
Losses on asset and business disposals	—	0.8
Consultant and other advisor fees	—	0.3
Other, net	(0.1)	1.3
<b>Total restructuring and related business transformation costs</b>	<b>\$ 100.5</b>	<b>\$ 63.1</b>

# Notes to Tables 3, 3A, 4, 4A, and 5 of the Unaudited Supplemental Adjusted Combined Financial Information on Slides 32 – 36 (continued)

(d) Represents stock-based compensation expense recognized for stock options outstanding of \$8.8 million for the quarter ended December 31, 2019 and \$47.8 million and \$30.8 million for the years ended December 31, 2020 and 2019, respectively.

(e) Represents our income tax provision adjusted for the tax effect of pre-tax items excluded from Adjusted Net Income and the removal of applicable discrete tax items. The tax effect of pre-tax items excluded from Adjusted Net Income is computed using the statutory tax rate related to the jurisdiction that was impacted by the adjustment after taking into account the impact of permanent differences and valuation allowances. The income tax provision, as adjusted for each of the periods presented below consists of the following:

	For the Three Month Period Ended December 31, 2019	
Provision for income taxes	\$	22.1
Tax impact of pre-tax income adjustments		40.2
Income tax provision, as adjusted	\$	62.3

	For the Twelve Months Ended December 31,	
	2020	2019
Provision for income taxes	\$ 82.5	\$ 118.6
Tax impact of pre-tax income adjustments	120.1	114.6
Income tax provision, as adjusted	\$ 202.6	\$ 233.2

# Supporting Materials for IR as Adjusted for the HPS Transaction



# Supplemental Adjusted Revenue and Supplemental Adjusted EBITDA, Both Further Adjusted for HPS Transaction

	For the Twelve Month Period Ended December 31, 2020 <sup>(1)</sup>
<b>Supplemental Adjusted Revenue</b>	\$ 5,380.1
Minus:	
High Pressure Solutions Revenue	195.6
<b>Supplemental Adjusted Revenue, Further Adjusted for the HPS Transaction</b>	<u>\$ 5,184.5</u>
<b>Supplemental Adjusted EBITDA</b>	\$ 1,077.9
Minus:	
High Pressure Solutions Supplemental Segment adjusted EBITDA	12.3
<b>Supplemental Adjusted EBITDA, Further Adjusted for the HPS Transaction</b>	<u>\$ 1,065.6</u>

(1) See tables below for details on this calculation

	For the Three Month Period Ended		
	December 31, 2020	September 30, 2020	June 30, 2020
<b>Revenue<sup>(1)</sup></b>	\$ 1,510.7	\$ 1,335.2	\$ 1,264.4
Minus:			
High Pressure Solutions Revenue <sup>(1)</sup>	46.1	31.7	21.4
<b>Revenue, Adjusted for the HPS Transaction</b>	<u>\$ 1,464.6</u>	<u>\$ 1,303.5</u>	<u>\$ 1,243.0</u>
<b>Adjusted EBITDA<sup>(1)</sup></b>	\$ 344.4	\$ 284.2	\$ 241.2
Minus:			
High Pressure Solutions Segment adjusted EBITDA <sup>(1)</sup>	2.5	1.3	(15.2)
<b>Adjusted EBITDA, Further Adjusted for the HPS Transaction</b>	<u>\$ 341.9</u>	<u>\$ 282.9</u>	<u>\$ 256.4</u>

(1) See Table 1 for the three month periods ended December 31, 2020, September 30, 2020 and June 30, 2020.

	For the For the Three Month Period Ended March 31, 2020
<b>Supplemental Adjusted Revenue<sup>(1)</sup></b>	\$ 1,269.8
Minus:	
High Pressure Solutions Revenue <sup>(1)</sup>	96.4
<b>Supplemental Adjusted Revenue, Further Adjusted for the HPS Transaction</b>	<u>\$ 1,173.4</u>
<b>Supplemental Adjusted EBITDA<sup>(2)</sup></b>	\$ 208.1
Minus:	
High Pressure Solutions Supplemental Segment adjusted EBITDA <sup>(1)</sup>	23.7
<b>Supplemental Adjusted EBITDA, Further Adjusted for the HPS Transaction</b>	<u>\$ 184.4</u>

(1) See Table 3 for the three month period ended March 31, 2020.

(2) See Table 2 for the three month period ended March 31, 2020.

# Adjusted Operating Working Capital

	As of December 31, 2020		
	Ingersoll Rand, As Reported	High Pressure Solutions	Ingersoll Rand, As Adjusted
<b>Operating Working Capital</b>			
Accounts receivable and contract assets	\$ 1,027.1	\$ 32.2	\$ 994.9
Plus: Inventories (excluding LIFO)	934.8	157.4	777.4
Less: Accounts payable	671.1	26.0	645.1
Less: Contract liabilities	172.8	0.8	172.0
Operating working capital	\$ 1,118.0	\$ 162.8	\$ 955.2



# HPS Transaction Table 1: Reconciliation of Net Income (Loss) to Adjusted EBITDA

	For the Three Month Period Ended		
	December 31, 2020	September 30, 2020	June 30, 2020
Revenue	\$ 1,510.7	\$ 1,335.2	\$ 1,264.4
High Pressure Solutions:			
Revenue	46.1	31.7	21.4
Segment Adjusted EBITDA	2.5	1.3	(15.2)
	For the Three Month Period Ended		
	December 31, 2020	September 30, 2020	June 30, 2020
<b>Net Income (Loss)</b>	<b>\$ 151.1</b>	<b>\$ 29.9</b>	<b>\$ (176.5)</b>
Plus:			
Interest expense	24.4	28.8	30.8
Provision for income taxes	(42.2)	18.2	95.8
Depreciation expense <sup>(a)</sup>	26.9	25.9	28.4
Amortization expense <sup>(b)</sup>	111.8	114.2	114.6
Impairment of intangible assets	—	19.9	—
Restructuring and related business transformation costs <sup>(c)</sup>	11.2	12.3	32.2
Acquisition related expenses and non-cash charges <sup>(d)</sup>	25.8	15.3	95.9
Stock-based compensation	22.3	12.8	12.7
Foreign currency transaction losses, net	6.9	6.2	5.2
Other adjustments <sup>(e)</sup>	6.2	0.7	2.1
<b>Adjusted EBITDA</b>	<b>\$ 344.4</b>	<b>\$ 284.2</b>	<b>\$ 241.2</b>

(a) Depreciation and amortization expense excludes \$2.6 million, \$2.7 million and \$1.5 million of depreciation of rental equipment for the three month periods ended December 31, 2020, September 30, 2020 and June 30, 2020, respectively.

(b) Represents \$106.4 million, \$109.8 million and \$109.4 million of amortization of intangible assets arising from the acquisition of Ingersoll Rand Industrial and other acquisitions (customer relationships, technology, tradenames and backlog) and \$5.4 million, \$4.4 million and \$5.2 million of amortization of non-acquisition related intangible assets, in each case for the three month periods ended December 31, 2020, September 30, 2020 and June 30, 2020, respectively.

(c) Restructuring and related business transformation costs consisted of \$8.5 million of restructuring charges, \$0.4 million of facility reorganization, relocation and other costs, and \$2.3 million of other, net for the three months ended December 31, 2020, of \$12.2 million of restructuring charges and \$0.1 million of other, net for the three months ended September 30, 2020 and of \$30.6 million of restructuring charges, \$0.1 million of facility reorganization, relocation and other costs, and \$1.5 million of other, net for the three months ended June 30, 2020.

(d) Represents costs associated with successful and/or abandoned acquisitions, including third-party expenses, post-closure integration costs (including certain incentive and non-incentive cash compensation costs), and non-cash charges and credits arising from fair value purchase accounting adjustments.

(e) Includes (i) effects of the amortization of prior service costs and amortization of losses in pension and other postemployment ("OPEB") expense, (ii) certain legal and compliance costs and (iii) other miscellaneous adjustments.

# HPS Transaction Table 2: Reconciliation of Net Income (Loss) to Adjusted EBITDA and Supplemental Adjusted EBITDA

	For the For the Three Month Period Ended March 31, 2020
<b>Net Income (Loss)</b>	<b>\$ (36.8)</b>
Plus:	
Interest expense	27.1
Provision (benefit) for income taxes	(58.9)
Depreciation expense <sup>(a)</sup>	15.9
Amortization expense <sup>(b)</sup>	55.2
Restructuring and related business transformation costs <sup>(c)</sup>	42.2
Acquisition related expenses and non-cash charges <sup>(d)</sup>	96.1
Stock-based compensation <sup>(e)</sup>	3.0
Foreign currency transaction losses, net	2.6
Loss on extinguishment of debt <sup>(f)</sup>	2.0
Other adjustments <sup>(g)</sup>	(0.6)
<b>Adjusted EBITDA<sup>(1)</sup></b>	<b>147.8</b>
<b>Additional Segment Adjusted EBITDA Adjustments<sup>(2)</sup>:</b>	
Industrial Technologies & Services	40.3
Precision & Science Technologies	20.4
Specialty Vehicle Technologies	4.3
High Pressure Solutions	0.2
Incremental corporate expenses not allocated to segments	(4.9)
<b>Supplemental Adjusted EBITDA</b>	<b>\$ 208.1</b>

- (a) Depreciation and amortization expense excludes \$1.2 million of depreciation of rental equipment for the three month period ended March 31, 2020.
- (b) Represents \$51.8 million of amortization of intangible assets arising from the acquisition of Ingersoll Rand Industrial and other acquisitions (customer relationships, technology, tradenames and backlog) and \$3.4 million of amortization of non-acquisition related intangible assets, in each case for the three month period ended March 31, 2020.
- (c) Restructuring and related business transformation costs consisted of \$41.6 million of restructuring charges, \$0.4 million of facility reorganization, relocation and other costs, and \$0.2 million of other, net for the three months ended March 31, 2020.
- (d) Represents costs associated with successful and/or abandoned acquisitions, including third-party expenses, post-closure integration costs (including certain incentive and non-incentive cash compensation costs), and non-cash charges and credits arising from fair value purchase accounting adjustments.
- (e) Represents stock-based compensation expense recognized for the three month period ended March 31, 2020 of \$3.5 million decreased by \$0.5 million due to the reduction of an accrual related to employer taxes.
- (f) Represents losses on the extinguishment of our Original Dollar Term Loan and Original Euro Term Loan as a result of Amendment No. 5 to the Senior Secured Credit Facility.
- (g) Includes (i) effects of the amortization of prior service costs and amortization of losses in pension and other postemployment ("OPEB") expense, (ii) certain legal and compliance costs and (iii) other miscellaneous adjustments.
- (1) These amounts are reported in accordance with US GAAP and have not been adjusted to reflect the pro forma impact of a full quarter of the newly combined Ingersoll Rand in either period presented.
- (2) These "Additional Segment Adjusted EBITDA Adjustments" represent the impact of two months (January and February of 2020) of standalone legacy Ingersoll Rand Industrial Segment activity in the three month period ended March 31, 2020. The incremental corporate expenses not allocated to segments represent additional corporate expenses incurred by the Company to operate the newly combined Ingersoll Rand.

# HPS Transaction Table 3: Reconciliation of GAAP Revenue to Supplemental Adjusted Revenue by Segment and for the Company and Segment Adjusted EBITDA to Supplemental Adjusted EBITDA

	For the Three Month Period Ended March 30, 2020		
	GAAP Revenue	Adjustments (1)	Supplemental Adjusted Revenue
<b>Segment</b>			
Industrial Technologies & Services	\$ 504.0	\$ 291.8	\$ 795.8
Precision & Science Technologies	112.9	79.3	192.2
Specialty Vehicle Technologies	86.6	98.8	185.4
High Pressure Solutions	96.4	—	96.4
<b>Total Company</b>	<u>\$ 799.9</u>	<u>\$ 469.9</u>	<u>\$ 1,269.8</u>
	Adjusted EBITDA		
	Adjusted EBITDA	Adjustments (1)	Supplemental Adjusted EBITDA
<b>Segment</b>			
Industrial Technologies & Services	\$ 94.8	\$ 40.3	\$ 135.1
Precision & Science Technologies	32.9	20.4	53.3
Specialty Vehicle Technologies	14.1	4.3	18.4
High Pressure Solutions	23.5	0.2	23.7
<b>Total Segments</b>	<u>\$ 165.3</u>	<u>\$ 65.2</u>	<u>\$ 230.5</u>

(1) The "Adjustments" represent the impact of two months (January and February of 2020) of standalone legacy Ingersoll Rand Industrial Segment activity in the three month period ended March 31, 2020. As it relates to adjustments to Segment Adjusted EBITDA, these amounts are impacted by the newly merged Company's corporate costs, a portion of which is allocated to the business segments.

## Unaudited Supplemental Historical Financial Information

Ingersoll Rand is providing the above unaudited supplemental historical financial information of the Company on a non-GAAP adjusted basis for the quarterly periods ended March 31, 2020 as if the transaction between Gardner Denver Holdings, Inc. and Ingersoll Rand plc was completed on January 1, 2018, to assist investors in assessing Ingersoll Rand's historical performance on a basis that includes the combined results of operations of both Gardner Denver Holdings, Inc. and Ingersoll-Rand plc's Industrial segment. Ingersoll Rand management believes this unaudited supplemental historical financial information helps investors understand the long-term profitability trends of its newly combined business giving effect to the Transaction and facilitates comparisons of our profitability to prior and future periods and to our peers. The supplemental historical financial information herein may not be comparable to similarly titled measures reported by other companies.