Q2 2023 Earnings Presentation

Ingersoll Rand

Forward Looking Statements

This presentation by Ingersoll Rand Inc. (the “Company” or “Ingersoll Rand”) contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, including statements related the Company‘s expectations regarding the performance of its business, its financial results, its liquidity and capital resources and other non-historical statements. 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,” “guidance” or the negative thereof or variations thereon or similar terminology generally intended to identify forward-looking statements. All statements other than historical facts 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, including business disruptions caused by government restrictions; (2) unexpected costs, charges or expenses resulting from completed and proposed business combinations; (3) uncertainty of the expected financial performance of the Company; (4) failure to realize the anticipated benefits of completed and proposed business combinations; (5) the ability of the Company to implement its business strategy; (6) difficulties and delays in achieving revenue and cost synergies; (7) inability of the Company to retain and hire key personnel; (8) evolving legal, regulatory and tax regimes; (9) changes in general economic and/or industry specific conditions; (10) actions by third parties, including government agencies; (11) adverse impact on our operations and financial performance due to natural disaster, catastrophe, pandemic, geopolitical tensions, cyber events or other events outside of our control; (12) the timing, manner and volume of repurchases of common stock pursuant to our share repurchase program; and (13) other risk factors detailed in Ingersoll Rand’s most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission (the “SEC”), as such factors may be updated from time to time in its periodic filings 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.

Any forward-looking statements speak only as of the date of this presentation. Ingersoll Rand undertakes no obligation to update any forward-looking statements, whether as a result of new information or developments, future events or otherwise, except as required by law. Readers are cautioned not to place undue reliance on any of these forward-looking statements.

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 (“GAAP”) 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 for historical periods is set forth in the appendix to this presentation. Reconciliations of non-GAAP measures related to full-year 2023 guidance have not been provided due to the unreasonable efforts it would take to provide such reconciliations due to the high variability, complexity and uncertainty with respect to forecasting and quantifying certain amounts that are necessary for such reconciliations, including net income (loss) and adjustments that could be made for acquisitions-related expenses, restructuring and other business transformation costs, gains or losses on foreign currency exchange and the timing and magnitude of other amounts in the reconciliation of historic numbers. For the same reasons, we are unable to address the probable significance of the unavailable information, which could have a potentially unpredictable, and potentially significant, impact on our future GAAP financial results.

We are a

Premier industrial company with iconic brands and market-leading positions

1

Our Economic Growth Engine Continues to Deliver Compounding Results

Double-digit growth in Revenue, Adjusted EBITDA[1], Adjusted EPS[1], and Free Cash Flow[1]

2

Leveraging IRX for Continuous Improvement

Introducing the 2022 Sustainability Report, making continued progress and delivering industry-leading results

3

Raising 2023 Guidance

Strong first half results with continued momentum for the full year

[1] Non-GAAP measure (definitions and/or reconciliations in appendix)

Our Economic Growth Engine

Continues to Deliver Compounding Annual Results

Megatrends

- Sustainability
- Digitization
- Quality of Life

Organic Growth Enablers
Target: Mid-Single Digits

- Demand Generation
- IIoT
- Product and Service Innovation

+

Inorganic Growth Enablers
Target: Mid-Single Digits

- Product and Service M&A
- Technology Investments

+

Quality of Earnings
Target: ~ 100 bps/yr.

- Aftermarket
- Price
- i2V

×

High Performance Execution Process

Ownership Mindset

INGERSOLL RAND IRX EXECUTION EXCELLENCE

Our Competitive Differentiator

=

Premier Growth Compounder

Double Digit Earnings Growth

High Teens Free Cash Flow Margin

Ingersoll Rand

Economic Growth Engine in Action: Organic Growth & Margin Expansion (i2V)

Examples of Leveraging Product Localization and i2V in China to Drive Organic Growth

Organic Growth Through Localization

- Leverage in-region strength of Ingersoll Rand brand and channel to drive new product offerings from legacy Gardner Denver portfolio
- Combined Ingersoll Rand's innovative screw compressor airend plus domain expertise of Elmo Rietschle in Vacuum technology

+17%

Organic Revenue CAGR since GD/IR Merger

New Product Offerings

Oil Lubricated Screw

OEM Maglev Blower

OEM Dry Screw

Channel Expansion: Ingersoll Rand Vacuum

Ingersoll Rand + Elmo Rietschle

Focus on High-Growth Sustainable End Markets

Hydrocarbon Cleaning

Li-ion Battery

M&A + i2V = Growth Through New Product Development

Oil Free Screw Vacuum Pump Development

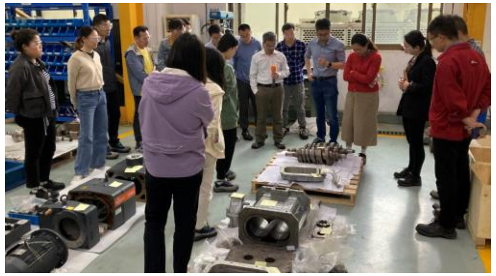
$350M+

Addressable Market Expansion

6 Months

Development to Planned Execution

- Expected to launch in Q4 2023
- Conducted a tear-down event and leveraged:
  - ✓ Existing legacy Ingersoll Rand and Gardner Denver product lines
  - ✓ Newly acquired technology from Everest and Gaopeng Vacuum product lines



On Track to Deliver Our Inorganic Growth Commitment

Announced Transaction: Howden Roots LLC (“Roots”)

Deal Update

- **Purchase Price:** ~$300M
- **Status:** Received US regulatory clearance; finalizing closing conditions
- **Expected Close:** Q3 2023

Roots Overview

- **Description**: Leading provider of low-pressure compression and vacuum technologies
- **Annual Revenue:** ~$115M
- **Headquarters:** Connersville, IN
- **Segment:** ITS
- **Rationale:** Expands our low-pressure compression and vacuum product offerings and adds centrifugal compression capabilities sold under the iconic Roots brand. Extends critical application expertise into growing green steel market

Expands Low-Pressure Technology & Adds Centrifugal Compression Capabilities

Low-Pressure Technology

- Small rotary lobe blowers with pneumatic conveying applications in mobile vacuum, pharma, agriculture, utilities, chemical, and mining

- Large rotary lobe blowers with air separation applications in pressure swing adsorption, non-cryogenic oxygen production, oxygen for glass, lithium, metal refinement, and aeration of wastewater

Centrifugal Technology

- Compressors in range of 500-10,000 horsepower
- Applications in aeration, flue-gas desulfurization, altitude simulation, and air/process gas for green steel

Funnel Update

>5x

Weighted funnel size vs. Q2 2020

7

Additional transactions at LOI stage[1]

~90%

Deals internally sourced

$200M - $300M

(400bps – 500bps)

Reaffirming our annualized inorganic revenue target for acquisitions in 2023

[1] As of August 1, 2023; includes Howden Roots LLC (“Roots”)

Ingersoll Rand

Progress Powered by Sustainable Performance[1]

Introducing our 2022 Sustainability Report, Leveraging IRX to Continue Delivering Industry-Leading Sustainability Results

Industry Leading Results

S&P Dow Jones Indices
A Division of S&P Global

Member of DJSI World and member of DJSI North America; as of Feb 17, 2023, Ingersoll Rand ranked as the number one performer in the IEQ Machinery and Electrical Equipment Industry in North America and number four globally

#1 in North America

#4 in the World

82 ESG Score[2] (+10 YoY)

Rated
MORNINGSTAR | SUSTAINALYTICS

Ingersoll Rand ranked as the number three performer out of 573 companies in the Machinery Industry Group; ESG risk rating improved from 23.5 (Medium Risk) in 2022 to 12.8 (Low Risk) in 2023

#3 in Machinery Industry

Low Risk Score[3]

MSCI
ESG RATINGS
AA

CCC	B	BB	BBB	A	AA	AAA

Ingersoll Rand improved its ESG rating from A in 2022 to AA in 2023 and ranks as a "Leader" among 47 companies in the industrial machinery industry

AA ESG Score[4]

Pioneer in Employee Ownership

~$275M Equity awarded to employees since 2017

~$660M Equity value as of June 30, 2023

Ownership Works Program

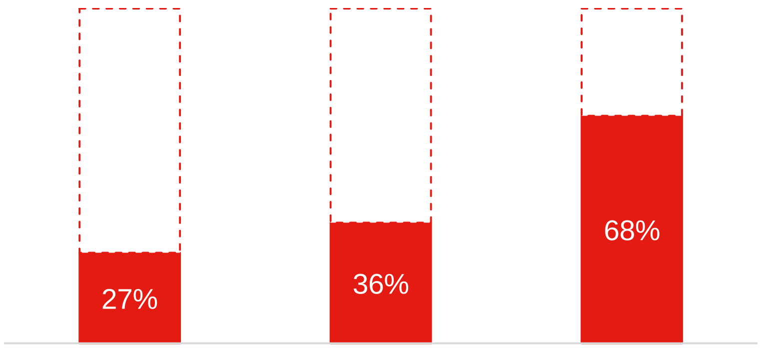
Grants equity to all new employees after their one-year anniversary[5]

Leading Sustainably

Ingersoll Rand's TRIR is **71% Better** than the Industrial Machinery Manufacturing average[6]

Zero Work-related fatalities among all employees and contractors for 2019 – to date

Absolute Progress Towards 2030 Goals[7,8]



Annual GHG Emissions	Annual Water Use	Waste to Landfill
Reduce absolute annual Scope 1 & 2 GHG emissions by 60%	Reduce absolute annual water use by 17%	>50% of in-scope sites zero waste to landfill

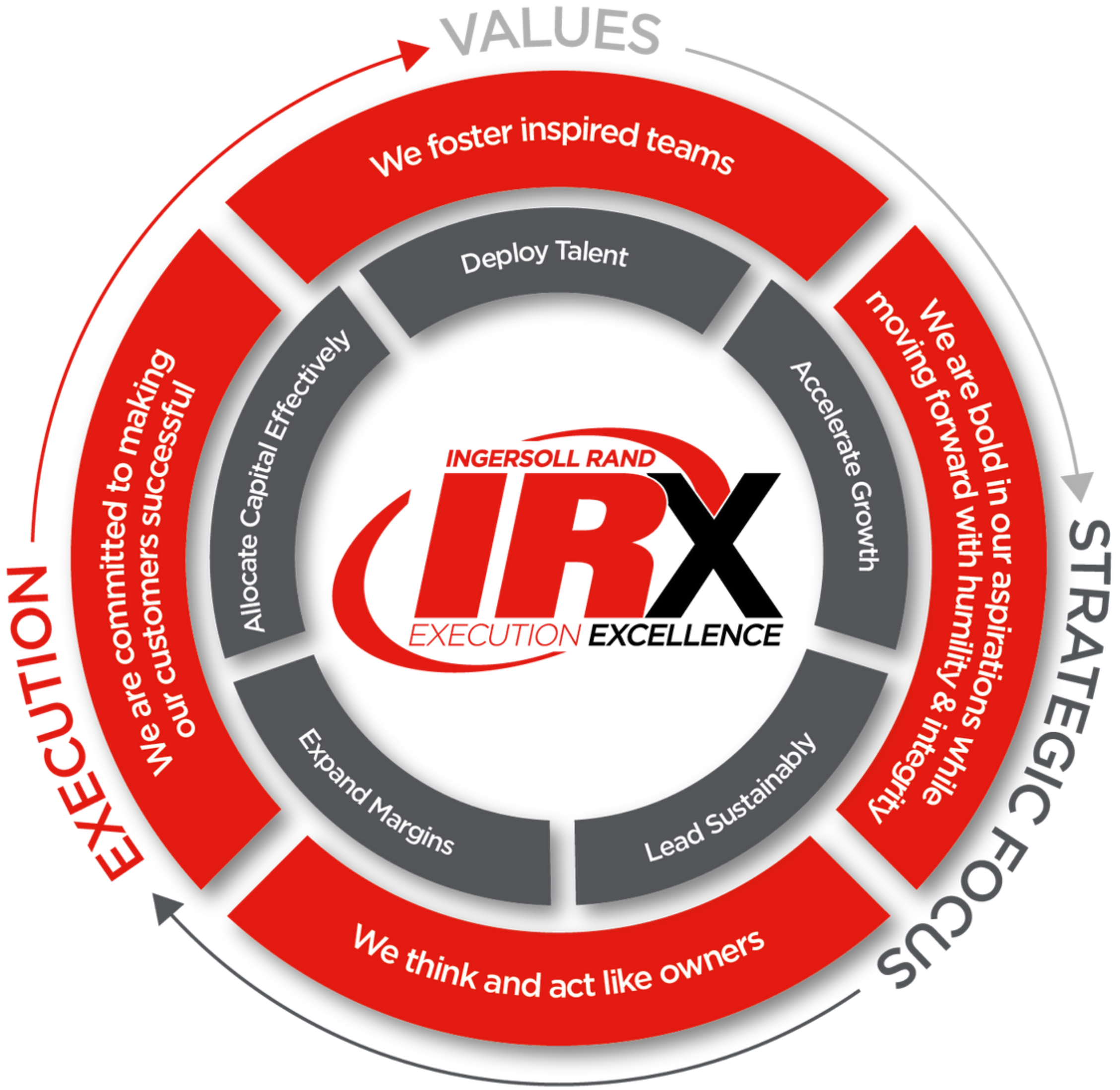
[1] See page 25 for footnote disclosures 2-8

IRX is our Competitive Differentiator

Q2 2023 Highlights[1]

Orders/Revenue	**Continued momentum** • Organic Orders: Up 5% YoY • Organic Revenue[2]: Up 12% YoY • Q2'23 ending backlog up ~12% YoY and ~5% QoQ • Book to Bill 1.03x
Adj. EBITDA[2]	**$425M with margin of 25.2%** • Up $90M YoY, an increase of 27% • 190 bps improvement YoY • 36% YoY Incremental Margins
Adj. EPS[2]	**Adjusted EPS of $0.68** • +26% vs. prior year • YoY growth includes ($0.04) in interest expense headwinds
Free Cash Flow[2]	**$204M** • Operating Cash Flow: $228M • Capex: ($25M)
Liquidity	**$3.2B** • $1.2B cash on hand at end of Q2; up $0.1B vs. prior quarter
Net Leverage[3]	**1.0x** • Improved 0.1x vs. prior year and prior quarter

- Due to the team's resilience in overcoming the cybersecurity incident, the Q2 Revenue & Adj. EBITDA[2] risk associated with the incident was mitigated within the quarter.

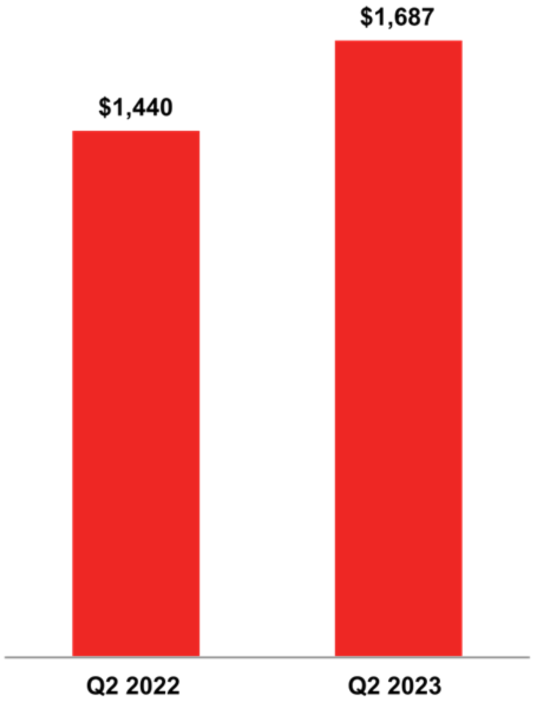


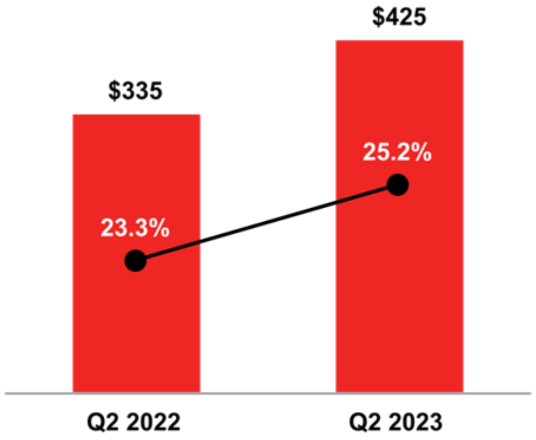
[1] All figures as shown and associated comparisons based on continuing operations. [2] Non-GAAP measure (definitions and/or reconciliations in appendix). [3] Calculated as Net Debt to LTM Adjusted EBITDA

Q2 2023 vs. Q2 2022 Financial Performance

($M, Excluding EPS)

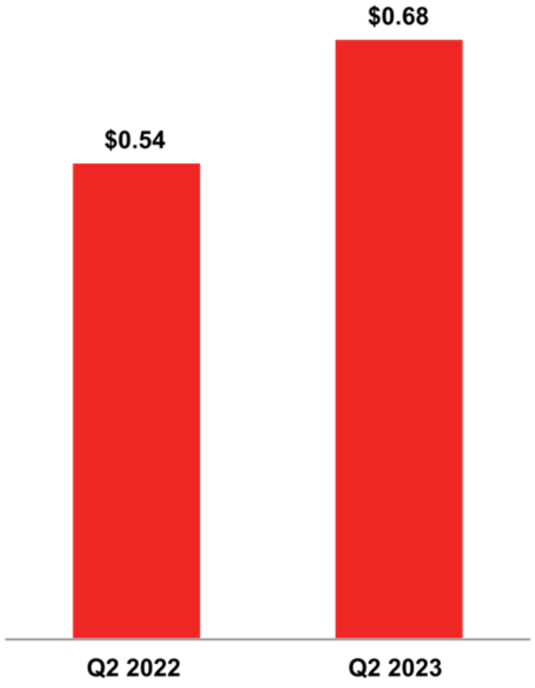
Orders	Revenue	Adj. EBITDA & Margin[1]	Adj. Diluted EPS[2]
Up 9%; Up 10% ex-FX	Up 17%; Up 18% ex-FX	Up 27%	Up $0.14





Adj. EBITDA Margin Expansion

ITS	200 bps
PST	240 bps
Total IR	**190 bps**



- Adj. Diluted EPS[1,2] growth of 25% including ($0.04) of interest expense headwinds

Book to Bill of 1.03x
Backlog ~45% higher than 12/31/21

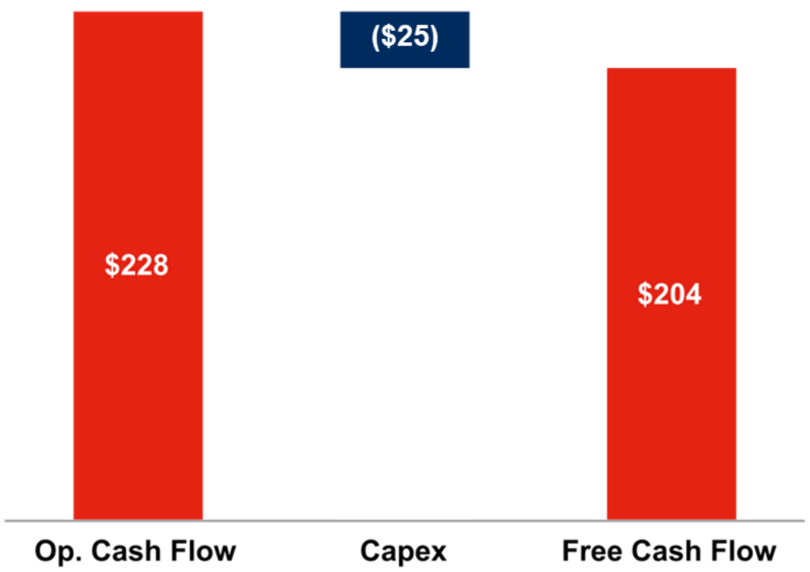
[1] Non-GAAP measure (definitions and/or reconciliations in appendix). [2] Adjusted Diluted EPS defined as (Adjusted Net Income attributable to Ingersoll Rand) / (Diluted Average Shares Outstanding).

Q2 2023 Financial Performance

($M, Excluding Leverage)

Free Cash Flow[1]

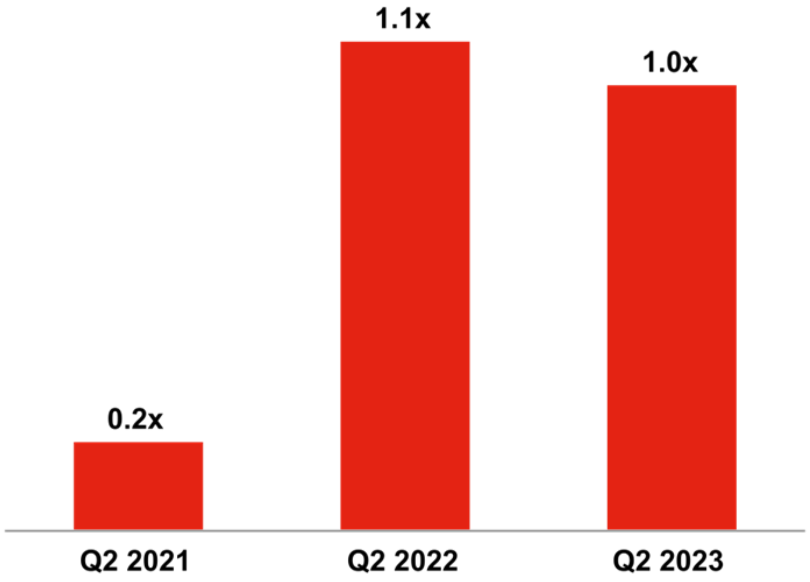
Cash Flows from Operations less Capex



Free Cash Flow[1] up 24% YoY

Leverage

(Net Debt / LTM Adjusted EBITDA)



Liquidity & Leverage

- Assigned an investment grade first-time Issuer Default Rating of ‘BBB-’ by Fitch
- Total available liquidity of $3.2B including:
  - Cash and cash equivalents: $1.2B
  - Available credit facilities: $2.0B
- Leverage improvement of 0.1x vs prior year
- Q2 Cash outflows primarily driven by:
  - $49M deployed to M&A
  - $64M returned to shareholders through share repurchases ($56M) and dividend issuance ($8M)

[1] Non-GAAP measure (definitions and/or reconciliations in appendix).

Industrial Technologies and Services

Broad Range of Compressor, Vacuum, and Blower Solutions as well as Industrial Technologies Including Power Tools and Lifting Equipment

Q2 2023 vs. Q2 2022 ($M)

	Current Year	Prior Year	YoY ∆	Ex-FX YoY ∆
Revenue	$1,378.4	$1,150.5	19.8%	21.2%
Adj. EBITDA	$377.5	$292.0	29.3%	—
Adj. EBITDA Margin	27.4%	25.4%	200 bps	—

Highlights[1,2]

- Book to Bill of 1.05x; 38% YoY incremental margins

Product[3]	Annualized Segment Mix	Orders (YoY)	Revenue (YoY)
Compressors	~65%	↑ Low Double Digits	↑ Mid Teens
Industrial Vacuum & Blowers	~20%	↑ Mid Teens	↑ High 20’s
Power Tools & Lifting	~10%	↑ Low Single Digits	↑ High Single Digits
Other	~5%	↓ High Single Digits	↑ Low Double Digits

Regional Split for Compressors	Orders (YoY)	Revenue (YoY)
Americas	↑ Low Double Digits	↑ Low Double Digits
EMEIA	↑ High Single Digits	↑ Low 20’s
APAC	↑ Mid Teens	↑ High Teens

Q2 2023 vs. Q2 2022 Revenue/Orders Bridge

	Organic	FX	M&A	YoY ∆
Orders Growth	8.2%	(1.4)%	6.0%	12.8%
Revenue Growth	14.4%	(1.4)%	6.8%	19.8%

Innovation in Action – Oil Free Hydrogen Compressor Launched in EMEIA

Continuing to Accelerate Growth in High-Growth, Sustainable End Markets

Clean Energy Solutions

- Partnered with a clean energy tech start-up in the Netherlands to develop and build a system for an innovative hydrogen process
- Our Ingersoll Rand Hydrogen Compression Systems team optimized the system for flexibility, utilizing a variable speed drive, step unloading, and flexible set points to allow testing at over 50 defined performance points
- First unit was shipped in July

[1] Excludes the impact of Foreign Exchange. [2] Excludes the impact of the acquisition of SPX Flow Air Treatment business [3] Compressors include oil lubricated, oil free, reciprocating and centrifugal offerings; Industrial Vacuum & Blowers include all blower/vacuum offerings and Nash/Garo products; Other includes Emco Wheaton Fuel Systems and Loading Arms as well as OEM, portable and other offerings.

Ingersoll Rand

Precision and Science Technologies

Highly Specialized Fluid Management Solutions Including Precision Liquid and Gas Pumps, and Niche Compression Technologies

Q2 2023 vs. Q2 2022 ($M)

	Current Year	Prior Year	YoY ∆	Ex-FX YoY ∆
Revenue	$308.1	$289.4	6.5%	7.1%
Adj. EBITDA	$90.0	$77.7	15.8%	—
Adj. EBITDA Margin	29.2%	26.8%	240 bps	—

Q2 2023 vs. Q2 2022 Revenue/Orders Bridge

	Organic	FX	M&A	YoY ∆
Orders Growth	(10.2)%	(0.7)%	3.0%	(7.9)%
Revenue Growth	4.6%	(0.6)%	2.5%	6.5%

Highlights

- Q2 Book to Bill of 0.95x; 1H ’23 Book to Bill of 1.0x
- Orders:
  - Declines in both the Life Sciences and Agritech businesses due to large frame and longer cycle orders not repeating partially offset by solid growth in both the Gas Handling and Specialty businesses
  - Short cycle orders In the industrial businesses remain relatively healthy due to good underlying demand conditions and lead time reductions
- Robust year over year Adjusted EBITDA margin expansion driven largely by:
  - Improvements in pricing versus cost fueled by IRX
  - Synergy delivery in recently completed M&A
  - Impact of China lockdowns in the second quarter of 2022, which did not repeat
- 66% YoY incremental margins

Innovation in Action

New Peristaltic Technology for Water Treatment, Industrial and Life Science Markets

$250M+

Addressable Market Expansion

albin pump since 1929
An Ingersoll Rand Business

LMI
An Ingersoll Rand Business

- Innovative design provides a robust alternative for chemical dosing and transfer applications
- IIoT-ready design complements the already strong portfolio of products from Ingersoll Rand for water treatment and chemical applications, offering customers the opportunity to choose the best technology for each application
- No rotating parts during tube change for operator safety; tool-free tube change for efficiency
- Flow up to 160 gallons per hour and pressure up to 110 pounds per square inch

Ingersoll Rand

Raising 2023 Guidance[1]

	Key Metrics[2]			
	Initial Guidance as of 2/21/23	Previous Guidance as of 5/4/23	Revised Guidance as of 8/3/23	Change at Midpoint vs. Previous Guidance
Revenue - Total Ingersoll Rand	**7-9%**	**10-12%**	**12-14%**	**+200 bps**
Ingersoll Rand (Organic)[3]	3-5%	6-8%	8-10%	**+200 bps**
Industrial Technologies and Services (Organic)	3-5%	6-8%	9-11%	**+300 bps**
Precision and Science Technologies (Organic)	4-6%	5-7%	5-7%	--
FX Impact[4]	(~1%)	~Flat	~Flat	--
M&A[5]	~$270M	~$270M	~$300M	**+$30M**
Corporate Costs	**(~$140M)**	**(~$160M)**	**(~$165M)**	**+$5M**
Adjusted EBITDA[3]	**$1,570M - $1,630M** **(+9% - +14% YoY)**	**$1,660M - $1,710M** **(+16% - +19% YoY)**	**$1,690 - $1,740M** **(+18% - + 21% YoY)**	**+2%**
Adjusted EPS[3]	**$2.48 - $2.58** **(+5% - +9% YoY)**	**$2.64 - $2.74** **(+11% - +16% YoY)**	**$2.70 - $2.80** **(+14% - +19% YoY)**	**+2%**

Full Year 2023 Assumptions

- 2023 incremental margins of ~35%
- Interest Expense: ~$165M
- Adj. Tax Rate: ~23%
- Capex: ~2% of revenue
- FCF[3] to Adj. Net Income Conversion: ~100%
- Share count: ~408M

Full Year Commentary

- We outperformed in Q2 vs. our internal expectations by ~$45M of Adj. EBITDA
- A portion of this outperformance was due to the expected cybersecurity-related shift of ~$20M of Adj. EBITDA from Q2 to the second half of the year not occurring
- The remaining outperformance in Q2 vs. our internal expectations was ~$25M of Adj. EBITDA
- As a result, the full year increase in Adj. EBITDA midpoint of ~$30M is driven by:
  - ~$25M Q2 outperformance
  - ~$15M increase in 2H organic revenue expectations
  - Partially offset by ~($10M) from slight FX headwinds and increased corporate costs

[1] Reconciliations of non-GAAP measures related to full-year 2023 guidance have not been provided due to the unreasonable efforts it would take to provide such reconciliations due to the high variability, complexity and uncertainty with respect to forecasting and quantifying certain amounts that are necessary for such reconciliations, including net income (loss) and adjustments that could be made for acquisitions-related expenses, restructuring and other business transformation costs, gains or losses on foreign currency exchange and the timing and magnitude of other amounts in the reconciliation of historic numbers. For the same reasons, we are unable to address the probable significance of the unavailable information, which could have a potentially unpredictable, and potentially significant, impact on our future GAAP financial results. [2] All revenue outlook commentary expressed in percentages and based on growth as compared to 2022. [3] Non-GAAP measure (definitions and/or reconciliations in appendix). [4] Based on June 2023 FX rates; does not include impact of FX on M&A. [5] Reflects all completed and closed M&A as of August 1, 2023.

Key Takeaways

Investing with Ingersoll Rand

01

Continued **robust performance** in Q2 2023

- Delivering record results while navigating ongoing macro challenges
- Ongoing backlog momentum provides confidence in updated guidance
- Prepared and nimble in the event of a downturn

02

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

- Impactful innovation targeted at high-growth sustainable markets
- Sustainability as a growth enabler and an operational imperative
- Delivering organic and inorganic growth to drive improved profitability

03

IRX is our backbone and continues to enable outperformance in every facet of the Company

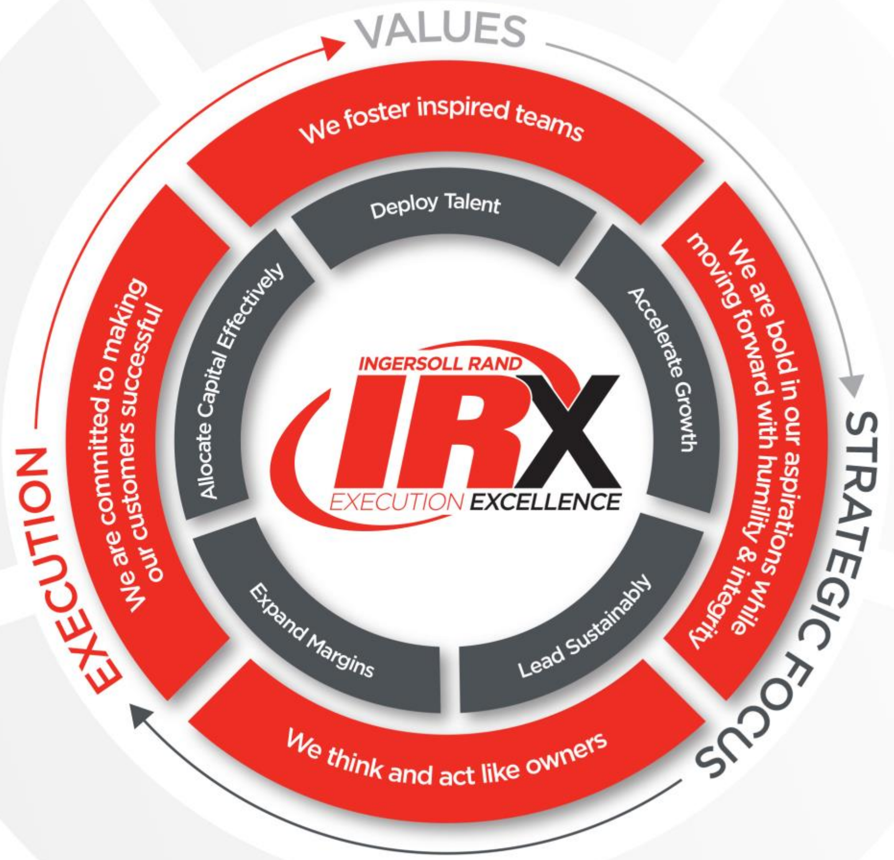
04

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

05

Disciplined, comprehensive and reaffirmed capital allocation strategy to compound earnings and deliver continued value creation for shareholders

Appendix



VALUES
We foster inspired teams
Deploy Talent
We are bold in our aspirations while moving forward with humility & integrity
Accelerate Growth
STRATEGIC FOCUS
Lead Sustainably
We think and act like owners
Expand Margins
EXECUTION
We are committed to making our customers successful
Allocate Capital Effectively
INGERSOLL RAND
IRX
EXECUTION EXCELLENCE

Non-U.S. GAAP Measures of Financial Performance

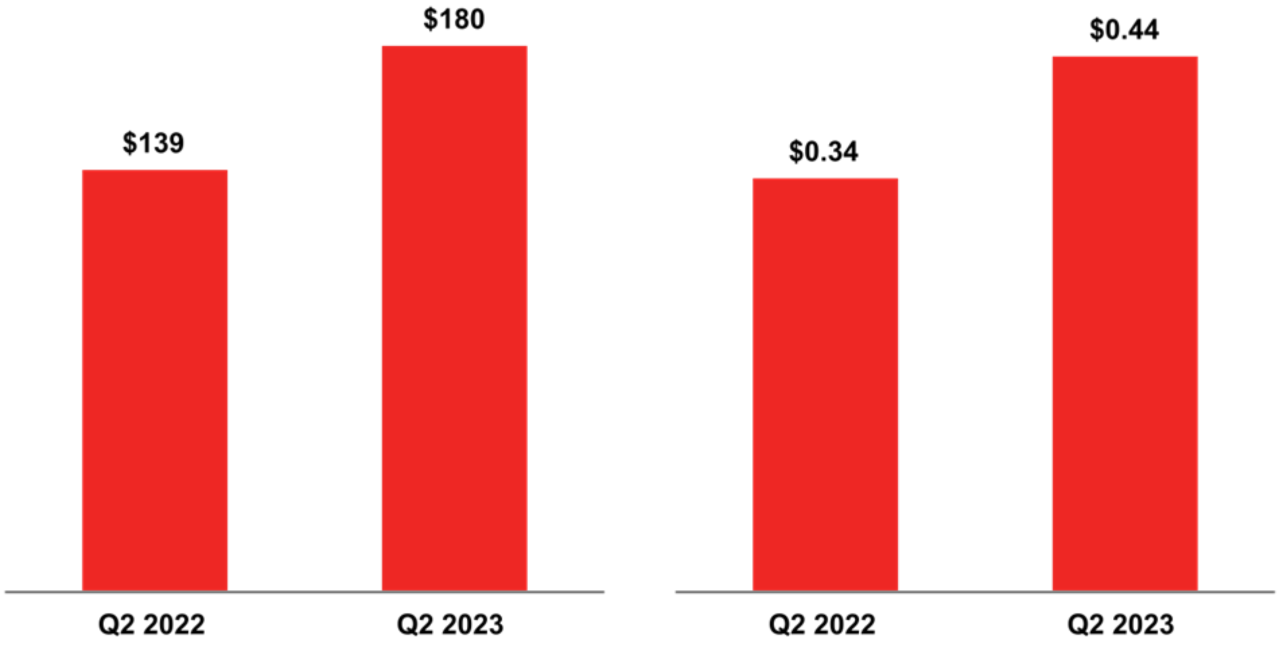
In addition to consolidated GAAP financial measures, Ingersoll Rand reviews various non-GAAP financial measures, including “Organic Revenue Growth,” “Adjusted EBITDA,” “Adjusted Net Income,” “Adjusted Diluted EPS” and “Free Cash Flow.” Ingersoll Rand believes Adjusted EBITDA, Adjusted Net Income, and Adjusted Diluted EPS are helpful supplemental measures to assist management and investors in evaluating the Company’s operating results as they exclude certain items that are unusual in nature or whose fluctuation from period to period do not necessarily correspond to changes in the operations of Ingersoll Rand’s business. Ingersoll Rand believes Organic Revenue Growth is a helpful supplemental measure to assist management and investors in evaluating the Company’s operating results as it excludes the impact of foreign currency and acquisitions on revenue growth. Adjusted EBITDA represents net income before interest, taxes, depreciation, amortization and certain non-cash, non-recurring and other adjustment items. Adjusted Net Income is defined as net income including interest, depreciation and amortization of non-acquisition related intangible assets and excluding other items used to calculate Adjusted EBITDA and further adjusted for the tax effect of these exclusions. Organic Revenue Growth is defined as As Reported Revenue growth less the impacts of Foreign Currency and Acquisitions. Ingersoll Rand believes that the adjustments applied in presenting Adjusted EBITDA and Adjusted Net Income are appropriate to provide additional information to investors about certain material non-cash items and about non-recurring items that the Company does not expect to continue at the same level in the future. Adjusted Diluted EPS is defined as Adjusted Net Income divided by Adjusted Diluted Average Shares Outstanding. Incrementals/Decrementals are defined as the change in Adjusted EBITDA versus the prior year period divided by the change in revenue versus the prior year period.

Ingersoll Rand uses Free Cash Flow to review the liquidity of its operations. Ingersoll Rand measures Free Cash Flow as cash flows from operating activities less capital expenditures. Ingersoll Rand believes Free Cash Flow is a useful supplemental financial measures for management and investors in assessing the Company’s ability to pursue business opportunities and investments and to service its debt. Free Cash Flow is not a measure of our liquidity under GAAP and should not be considered as an alternative to cash flows from operating activities.

Q2 2023 Financial Performance – As Reported

($M, excl. EPS)

Net Income[1]	Diluted EPS[2]
Up 30%	Up $0.10



[1] Net Income as reported defined as Net Income Attributable to Ingersoll Rand Inc. [2] Diluted EPS defined as (Net Income Attributable to Ingersoll Rand Inc.) / (Diluted Average Shares Outstanding).

Adjusted Financial Information

(Unaudited; in millions)	For the Three Month Period Ended June 30,		For the Six Month Period Ended June 30,	
	2023	2022	2023	2022
Revenues	$ 1,686.5	$ 1,439.9	$ 3,315.8	$ 2,776.9
Adjusted EBITDA	$ 424.7	$ 334.9	$ 824.8	$ 638.5
Adjusted EBITDA Margin	25.2 %	23.3 %	24.9 %	23.0 %
Adjusted Net Income	$ 278.2	$ 222.5	$ 545.2	$ 423.7
Adjusted Net Income Margin	16.5 %	15.5 %	16.4 %	15.3 %

Reconciliation of Net Income to Adjusted Net Income

(Unaudited; in millions)	For the Three Month Period Ended June 30, 2023	For the Three Month Period Ended June 30, 2022	For the Six Month Period Ended June 30, 2023	For the Six Month Period Ended June 30, 2022
Net Income	$ 180.8	$ 139.3	$ 344.0	$ 243.8
Less: Income from discontinued operations	—	2.0	—	0.2
Less: Income tax provision from discontinued operations	—	(0.5)	—	(0.1)
Income from Continuing Operations	180.8	137.8	344.0	243.7
Plus:				
Provision for income taxes	60.5	41.9	108.6	74.3
Amortization of acquisition related intangible assets	87.1	80.8	176.9	163.4
Restructuring and related business transformation costs	5.9	9.5	10.2	23.7
Acquisition and other transaction related expenses and non-cash charges	13.8	5.4	31.8	14.9
Stock-based compensation	11.9	22.4	24.0	42.2
Foreign currency transaction gains, net	(1.1)	(1.8)	(0.1)	(5.6)
Loss (income) on equity method investments	(2.4)	0.8	(2.7)	5.1
Loss on extinguishment of debt	0.9	1.1	0.9	1.1
Adjustments to LIFO inventories	6.5	—	14.3	—
Cybersecurity incident costs	2.2	—	2.2	—
Other adjustments	(6.1)	(9.1)	(12.2)	(14.3)
Minus:				
Income tax provision, as adjusted	87.9	66.3	163.5	124.8
Interest income on cash and cash equivalents	(6.1)	—	(10.8)	—
Adjusted Net Income	$ 278.2	$ 222.5	$ 545.2	$ 423.7

Ingersoll Rand

Reconciliation of Diluted Net Income Per Share to Adjusted Diluted Net Income Per Share from Continuing Operations

(Unaudited; in millions, except per share amounts)	For the Three Month Period Ended June 30,		For the Six Month Period Ended June 30,	
	2023	2022	2023	2022
Diluted Net Income Per Share (As Reported)[1]	$ 0.44	$ 0.34	$ 0.83	$ 0.59
Less: Diluted Net Income Per Share from Discontinued Operations (As Reported)[1]	—	—	—	—
Diluted Net Income Per Share from Continuing Operations (As Reported)[1]	0.44	0.33	0.83	0.59
Plus:				
Provision for income taxes	0.15	0.10	0.27	0.18
Amortization of acquisition related intangible assets	0.21	0.20	0.43	0.40
Restructuring and related business transformation costs	0.01	0.02	0.02	0.06
Acquisition and other transaction related expenses and non-cash charges	0.03	0.01	0.08	0.04
Stock-based compensation	0.03	0.06	0.06	0.10
Foreign currency transaction gains, net	—	—	—	(0.01)
Loss (income) on equity method investments	(0.01)	—	(0.01)	0.01
Loss on extinguishment of debt	—	—	—	—
Adjustments to LIFO inventories	0.02	—	0.04	—
Cybersecurity incident costs	0.01	—	0.01	—
Other adjustments	(0.01)	(0.02)	(0.03)	(0.04)
Minus:				
Income tax provision, as adjusted	0.22	0.16	0.40	0.30
Interest income on cash and cash equivalents	(0.02)	—	(0.03)	—
Adjusted Diluted Net Income Per Share from Continuing Operations[2]	$ 0.68	$ 0.54	$ 1.33	$ 1.03
Average shares outstanding:				
Basic, as reported	404.5	404.5	404.8	406.1
Diluted, as reported	408.3	409.4	408.8	411.2
Adjusted diluted[2]	408.3	409.4	408.8	411.2

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

[2] 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.

Reconciliation of Net Income to Adjusted Earnings per Share

(Unaudited; in millions, except per share amounts)	For the Three Month Period Ended June 30,		For the Six Month Period Ended June 30,	
	2023	2022	2023	2022
Net Income	$ 180.8	$ 139.3	$ 344.0	$ 243.8
Less: Income from discontinued operations	—	2.0	—	0.2
Less: Income tax provision from discontinued operations	—	(0.5)	—	(0.1)
Income from Continuing Operations	180.8	137.8	344.0	243.7
Plus:				
Provision for income taxes	60.5	41.9	108.6	74.3
Amortization of acquisition related intangible assets	87.1	80.8	176.9	163.4
Restructuring and related business transformation costs	5.9	9.5	10.2	23.7
Acquisition and other transaction related expenses and non-cash charges	13.8	5.4	31.8	14.9
Stock-based compensation	11.9	22.4	24.0	42.2
Foreign currency transaction gains, net	(1.1)	(1.8)	(0.1)	(5.6)
Loss (income) on equity method investments	(2.4)	0.8	(2.7)	5.1
Loss on extinguishment of debt	0.9	1.1	0.9	1.1
Adjustments to LIFO inventories	6.5	—	14.3	—
Cybersecurity incident costs	2.2	—	2.2	—
Other adjustments	(6.1)	(9.1)	(12.2)	(14.3)
Minus:				
Income tax provision, as adjusted	87.9	66.3	163.5	124.8
Interest income on cash and cash equivalents	(6.1)	—	(10.8)	—
Adjusted Net Income	$ 278.2	$ 222.5	$ 545.2	$ 423.7
Adjusted Basic Earnings Per Share[1]	$ 0.69	$ 0.55	$ 1.35	$ 1.04
Adjusted Diluted Earnings Per Share[2]	$ 0.68	$ 0.54	$ 1.33	$ 1.03
Average shares outstanding:				
Basic, as reported	404.5	404.5	404.8	406.1
Diluted, as reported	408.3	409.4	408.8	411.2
Adjusted diluted[2]	408.3	409.4	408.8	411.2

[1] Adjusted basic and diluted (loss) earnings per share are calculated by dividing adjusted net income by the basic and diluted average shares outstanding for the respective periods.

[2] 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.

Ingersoll Rand

Reconciliation of Net Income to Adjusted EBITDA and Adjusted Income from Continuing Operations, Net of Tax and Cash Flows from Operating Activities from Continuing Operations to Free Cash Flow

(Unaudited; in millions)	For the Three Month Period Ended June 30,		For the Six Month Period Ended June 30,	
	2023	2022	2023	2022
Net Income	$ 180.8	$ 139.3	$ 344.0	$ 243.8
Less: Income from discontinued operations	—	2.0	—	0.2
Less: Income tax provision from discontinued operations	—	(0.5)	—	(0.1)
Income from Continuing Operations, Net of Tax	180.8	137.8	344.0	243.7
Plus:				
Interest expense	40.8	23.2	79.7	42.2
Provision for income taxes	60.5	41.9	108.6	74.3
Depreciation expense	21.3	20.1	42.0	41.4
Amortization expense	89.7	83.6	182.1	169.8
Restructuring and related business transformation costs	5.9	9.5	10.2	23.7
Acquisition and other transaction related expenses and non-cash charges	13.8	5.4	31.8	14.9
Stock-based compensation	11.9	22.4	24.0	42.2
Foreign currency transaction gains, net	(1.1)	(1.8)	(0.1)	(5.6)
Loss (income) on equity method investments	(2.4)	0.8	(2.7)	5.1
Loss on extinguishment of debt	0.9	1.1	0.9	1.1
Adjustments to LIFO inventories	6.5	—	14.3	—
Cybersecurity incident costs	2.2	—	2.2	—
Other adjustments	(6.1)	(9.1)	(12.2)	(14.3)
Adjusted EBITDA	$ 424.7	$ 334.9	$ 824.8	$ 638.5
Minus:				
Interest expense	40.8	23.2	79.7	42.2
Income tax provision, as adjusted	87.9	66.3	163.5	124.8
Depreciation expense	21.3	20.1	42.0	41.4
Amortization of non-acquisition related intangible assets	2.6	2.8	5.2	6.4
Interest income on cash and cash equivalents	$ (6.1)	$ —	$ (10.8)	$ —
Adjusted Income from Continuing Operations, Net of Tax	$ 278.2	$ 222.5	$ 545.2	$ 423.7
Free Cash Flow from Continuing Operations:				
Cash flows from operating activities from continuing operations	228.4	186.1	398.7	236.2
Minus:				
Capital expenditures	24.8	21.4	47.2	39.3
Free Cash Flow from Continuing Operations	$ 203.6	$ 164.7	$ 351.5	$ 196.9

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Orders and Revenue by Segment and Reconciliation of Segment Adjusted EBITDA to Net Income

(Unaudited; in millions)	For the Three Month Period Ended June 30,		For the Six Month Period Ended June 30,	
	2023	2022	2023	2022
Orders				
Industrial Technologies and Services	$ 1,444.3	$ 1,280.6	$ 2,894.6	$ 2,573.4
Precision and Science Technologies	293.1	318.2	619.6	655.3
Total Orders	$ 1,737.4	$ 1,598.8	$ 3,514.2	$ 3,228.7
Revenue				
Industrial Technologies and Services	$ 1,378.4	$ 1,150.5	$ 2,695.6	$ 2,190.1
Precision and Science Technologies	308.1	289.4	620.2	586.8
Total Revenue	$ 1,686.5	$ 1,439.9	$ 3,315.8	$ 2,776.9
Segment Adjusted EBITDA				
Industrial Technologies and Services	$ 377.5	$ 292.0	$ 723.1	$ 539.4
Precision and Science Technologies	90.0	77.7	184.5	162.8
Total Segment Adjusted EBITDA	$ 467.5	$ 369.7	$ 907.6	$ 702.2
Less items to reconcile Segment Adjusted EBITDA to Income from Continuing Operations Before Income Taxes:				
Corporate expenses not allocated to segments	$ 42.8	$ 34.8	$ 82.8	$ 63.7
Interest expense	40.8	23.2	79.7	42.2
Depreciation and amortization expense	111.0	103.7	224.1	211.2
Restructuring and related business transformation costs	5.9	9.5	10.2	23.7
Acquisition and other transaction related expenses and non-cash charges	13.8	5.4	31.8	14.9
Stock-based compensation	11.9	22.4	24.0	42.2
Foreign currency transaction gains, net	(1.1)	(1.8)	(0.1)	(5.6)
Loss on extinguishment of debt	0.9	1.1	0.9	1.1
Adjustments to LIFO inventories	6.5	—	14.3	—
Cybersecurity incident costs	2.2	—	2.2	—
Other adjustments	(6.1)	(9.1)	(12.2)	(14.3)
Income from Continuing Operations Before Income Taxes	238.9	180.5	449.9	323.1
Provision for income taxes	60.5	41.9	108.6	74.3
Income (loss) on equity method investments	2.4	(0.8)	2.7	(5.1)
Income from Continuing Operations	180.8	137.8	344.0	243.7
Income from discontinued operations, net of tax	—	1.5	—	0.1
Net Income	$ 180.8	$ 139.3	$ 344.0	$ 243.8

Orders and Revenue Growth by Segment[1]

(Unaudited)	For the Three Month Period Ended June 30, 2023	
	Orders	Revenue
Ingersoll Rand		
Organic growth	4.6%	12.4%
Impact of foreign currency	(1.3%)	(1.2%)
Impact of acquisitions	5.4%	5.9%
Total orders and revenue growth	8.7%	17.1%
Industrial Technologies & Services		
Organic growth	8.2%	14.4%
Impact of foreign currency	(1.4%)	(1.4%)
Impact of acquisitions	6.0%	6.8%
Total orders and revenue growth	12.8%	19.8%
Precision & Science Technologies		
Organic growth (decline)	(10.2%)	4.6%
Impact of foreign currency	(0.7%)	(0.6%)
Impact of acquisitions	3.0%	2.5%
Total orders and revenue growth (decline)	(7.9%)	6.5%

[1] Organic growth/(decline), impact of foreign currency, and impact of acquisitions are non-GAAP adjustments. 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.

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Supplemental Footnote Disclosures to Slide 7

[2] Receipt of an S&P Global ESG Score does not represent a sponsorship, endorsement or recommendation on the part of S&P Global to buy, sell or hold any security and a decision to invest in any subject company should not be made based on the receipt of any such note. S&P, S&P Global, and the S&P Global logo are trademarks of S&P Global Inc. or its subsidiaries, registered in many jurisdictions worldwide.

[3] As of April 2023, Ingersoll Rand received an ESG Risk Rating of 12.8 from Morningstar Sustainalytics, ranking it second in the Machinery industry group, which places it in the 1st percentile for its industry. This risk rating also places Ingersoll Rand in the 6th percentile of all companies rated by Morningstar Sustainalytics. This risk rating is based on information and data developed by Sustainalytics and is proprietary to Sustainalytics and/or its third party suppliers and is provided for informational purposes only. The risk rating does not constitute an endorsement of any product or project, nor an investment advice and the information upon which it is based is not warranted to be complete, timely, accurate or suitable for a particular purpose. The use of the risk rating is subject to conditions available at https://www.sustainalytics.com/legal-disclaimers. In no event shall this risk rating be construed as investment advice or expert opinion as defined by any applicable legislation or otherwise.

[4] The use by Ingersoll Rand of any MSCI ESG research LLC or its affiliates (“MSCI”) data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of Ingersoll Rand by MSCI. MSCI services and data are the property of MSCI or its information providers, and are provided “as-is” and without warranty. MSCI names and logos are trademarks or service marks of MSCI.

[5] Employees must be full time and have one year of service to be eligible. Not available to employees who participate in the company’s management equity program or where prohibited by local law or regulation or where such grant is required to be bargained for with an employee union unless such grant is agreed to as part of such bargaining.

[6] Average Total Recordable Incident Rate (TRIR) for all Industrial Machinery Manufacturing companies in 2021 (most recent data available) was 2.4 according to the U.S. Bureau of Labor Statistics. At the end of 2022, Ingersoll Rand’s TRIR was 0.69.

[7] In 2022, our 2020 base year was recalculated for all environmental metrics in accordance with the GHG Protocol Corporate Accounting and Reporting Standard Revised Edition, January 2005, World Resources Institute. This recalculation included the locations acquired in 2021 and adjusted for data errors. All subsequent years after the base year were calculated in conformance with this method. Excluded from the most recent base year recalculation are the locations acquired in 2022 that lack 12 months of data in our Environmental Management System pursuant to our standard work as allowed for under the GHG Protocol. Revenue from 2022 acquisitions has been included in the intensity calculations as it represents an immaterial amount.

[8] Whole values and percent variances represent the change between 2022 and the recalculated 2020 baseline year. Footnotes 7 and 8 apply to all 2030 goals outlined on this page.

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