Ingersoll Rand Reports Record First Quarter 2024 Revenue, Adjusted EBITDA, and Adjusted EPS Performance

Raises Total Company Adjusted EBITDA and Adjusted EPS Guidance

First Quarter 2024 Highlights

(All comparisons against the first quarter of 2023 unless otherwise noted.)

Strong performance driven by its competitive differentiator - Ingersoll Rand Execution Excellence (IRX):

- First quarter orders of $1,707 million, down 4%, or down 7% organic
  - On a two-year stack, up 5%, or up 1% organic
- Reported first quarter revenues of $1,670 million, up 3%, or down 1% organic[1]
  - On a two-year stack, up 24%, or up 20% organic[1]
- Reported net income attributable to Ingersoll Rand Inc. of $202 million, or earnings of $0.50 per share
  - Adjusted net income[1] of $320 million, or $0.78 per share
- Adjusted EBITDA[1] of $459 million, up 15%, with a margin of 27.5%, up 290 basis points year over year
- Reported operating cash flow of $162 million and free cash flow[1] of $99 million, down 33%
- Liquidity of $3.5 billion as of March 31, 2024, including $1.5 billion of cash on hand and undrawn capacity of $2.0 billion under available credit facilities
- Backlog remains near historically high levels, up 2% with a book to bill of 1.02x

Raising 2024 Guidance

- Maintaining organic revenue growth guidance range of 2% to 4% for the full year
- Raising Adjusted EBITDA[1] guidance to a range of $1,940 to $2,000 million, up 9% to 12% over prior year
- Raising full-year 2024 Adjusted EPS[1] guidance to a range of $3.20 to $3.30, up 8% to 11% over prior year

DAVIDSON, N.C. - May 2, 2024 - Ingersoll Rand Inc. (NYSE: IR) reported record first quarter revenues, Adjusted EBITDA, and Adjusted EPS.

“Our team delivered another strong start to the year with record first quarter revenue, Adjusted EBITDA, and Adjusted EPS,” said Vicente Reynal, chairman and chief executive officer of Ingersoll Rand. “We believe the power of IRX combined with our ownership mindset and leading portfolios strengthens the durability of our company while driving long-term value to shareholders.”

First Quarter 2024 Segment Review

(All comparisons against the first quarter of 2023 unless otherwise noted.)

Industrial Technologies and Services Segment (IT&S): *broad range of compressor, vacuum, blower, and air treatment solutions as well as industrial technologies including power tools and lifting equipment*

- ***Reported Orders*** of $1,398 million, down 4%, or down 7% organic
  - On a two-year stack, up 9%, or up 3% organic
  - Book to bill of 1.02x
- ***Reported Revenues*** of $1,373 million, up 4%, or flat organic[1]
- ***Reported Segment Adjusted EBITDA*** of $411 million, up 19%

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

- ***Reported Segment Adjusted EBITDA Margin*** of 29.9%, up 370 basis points, due to continued pricing strength and IRX driving strong operational execution
- IT&S saw organic orders finish largely in line with expectations, down 7%, mainly due to tough comparisons to the 10% organic order growth in the first quarter of the prior year. The tough comparisons are primarily driven by large, long-cycle orders taken in the prior year in renewable natural gas (RNG) in Americas, electric vehicle (EV) battery and solar end markets in China, and general manufacturing and process gas across all regions. Book to bill remains on track and consistent with the previous guidance of above 1.0x in the first half of the year and approximately 1.0x for the full year.

Precision and Science Technologies Segment (P&ST): *highly specialized fluid management solutions including precision liquid and gas pumps and niche compression technologies*

- ***Reported Orders*** of $309 million, down 5%, or down 5% organic
  - On a two-year stack, down 9%, or down 7% organic
  - Book to bill of 1.04x
- ***Reported Revenues*** of $297 million, down 5%, or down 5% organic[2]
- ***Reported Segment Adjusted EBITDA*** of $91 million, down 3%
- ***Reported Segment Adjusted EBITDA Margin*** of 30.8%, up 50 basis points, driven largely by improvements in pricing versus cost and strong operational execution driven by IRX
- Order declines were primarily driven by the Life Sciences end markets and tough comparisons in large, longer cycle orders. Despite the expected year over year declines, Life Sciences saw a 15% sequential improvement in orders for Q1 2024 as compared to Q4 2023. In the industrial businesses, short cycle orders grew 9% sequentially, driven by demand generation activities and the use of IRX.

Balance Sheet and Cash Flow

Ingersoll Rand remains in a strong financial position with ample liquidity of $3.5 billion. On a reported basis, the Company generated $162 million of cash flow from operating activities and invested $62 million in capital expenditures, resulting in free cash flow[2] of $99 million, compared to cash flow from operating activities of $170 million and free cash flow[2] of $148 million in the prior year period. The year over year decline in free cash flow was driven primarily by the timing of capital expenditures of approximately $40 million and interest payments of approximately $20 million on our recently issued bonds which require interest payments two times per year as compared to our prior indebtedness structure, which generally required even repayment over the course of the year. Net debt to Adjusted EBITDA leverage[2] was 0.7x for the first quarter, which was an improvement of 0.4x as compared to the prior year.

The Board also authorized a $1 billion increase to the Company's share repurchase program. This increase is incremental to the amount remaining on the existing $750 million authorization, which is expected to be exhausted by the end of 2024. These authorizations do not have any expiration date. The program authorizes Ingersoll Rand to repurchase shares from time to time, in the open market at prevailing market prices (including through Rule 10b5-1 plans), in privately negotiated transactions, a combination thereof, or through other transactions. The actual timing, number, manner, and value of any shares repurchased will depend on several factors, including the market price of the Company's stock, general market and economic conditions, the Company's liquidity requirements, applicable legal requirements, and other business considerations.

Consistent with our comprehensive capital allocation strategy led by M&A, in the first quarter of 2024, Ingersoll Rand deployed $143 million to M&A. Ingersoll Rand closed on the acquisition of Controlled Fluidics, a specialized manufacturer of thermoplastic, high-performance plastic bonding, and custom plastic assembly products for life sciences, medical, aerospace, and industrial applications. In addition, the Company closed on the acquisition of Ethafilter s.r.l., a leading producer of filters and filter elements that can be used with all major brands in the compressed air sector. The Company also returned $81 million to shareholders through $73 million in share repurchases and $8 million through its quarterly dividend payment in the first quarter.

[2] Non-GAAP measure (definitions and/or reconciliations in tables below)

Raising 2024 Guidance

Ingersoll Rand is raising its guidance for full-year 2024 Adjusted EBITDA and Adjusted EPS ranges based on the strong performance in the first quarter, and its expectations of continued strong commercial and operational performance for the balance of the year:

	Key Metrics[2]	
	Initial Guidance as of 2/15/24	**Revised Guidance as of 5/2/24**
Revenue - Total Ingersoll Rand	5-7%	4-6%
Ingersoll Rand (Organic)[1]	2-4%	2-4%
Industrial Technologies & Services (Organic)	2-4%	2-4%
Precision & Science Technologies (Organic)	2-4%	2-4%
FX Impact[3]	~1%	~Flat
M&A[4]	~$160M	~$170M
Corporate Costs	(~$160M)	(~$170M)
Adjusted EBITDA[1]	$1,915M - $1,975M (+7% - +11% YoY)	$1,940M - $2,000M (+9% - +12% YoY)
Adjusted EPS[1]	$3.14 - $3.24 (+6% - +9% YoY)	$3.20 - $3.30 (+8% - +11% YoY)

Reconciliations of non-GAAP measures related to full-year 2024 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.

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[1] Non-GAAP measure (definitions and/or reconciliations in tables below)
[2] All revenue outlook commentary expressed in percentages and based on growth as compared to 2023
[3] Based on March 2024 FX rates; does not include impact of FX on M&A
[4] Reflects all completed and closed M&A as of May 1, 2024

Conference Call

Ingersoll Rand will host a live earnings conference call to discuss the first quarter results on Friday, May 3, 2024 at 8:00 a.m. (Eastern Time). To participate in the call, please dial 1-888-330-3073, domestically, or 1-646-960-0683, internationally, and use access Code 8970061. A real-time audio webcast of the presentation can be accessed via the Events and Presentations section of the Ingersoll Rand Investor Relations website (https://investors.irco.com), where related materials will be posted prior to the conference call. A replay of the webcast will be available after conclusion of the conference and can be accessed on the Ingersoll Rand Investor Relations website.

Forward-Looking Statements

This news release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including statements related to Ingersoll Rand Inc.'s (the "Company" or "Ingersoll Rand") 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) adverse impact on our operations and financial performance due to natural disaster, catastrophe, global pandemics, geopolitical tensions, cyber events, or other events outside of our control; (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; and (11) 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 release. 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.

About Ingersoll Rand Inc.

Ingersoll Rand Inc. (NYSE:IR), driven by an entrepreneurial spirit and ownership mindset, is dedicated to Making Life Better for our employees, customers, shareholders, and planet. Customers lean on us for exceptional performance and durability in mission-critical flow creation and industrial solutions. Supported by over 80+ respected brands, our products and services excel in the most complex and harsh conditions. Our employees develop customers for life through their daily commitment to expertise, productivity, and efficiency. For more information, visit www.IRCO.com.

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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/(Decline)," "Two-Year Stack (for Organic Revenue Growth/(Decline))," "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/(Decline) and Two-Year Stack (for Organic Revenue Growth/(Decline)) are 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/(Decline) is defined as As Reported Revenue growth less the impacts of Foreign Currency and Acquisitions. Two-Year Stack with respect to Organic Revenue is defined as the sum of current year and prior year Organic Revenue Growth/(Decline). 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.

Management and Ingersoll Rand's board of directors regularly use these measures as tools in evaluating the Company's operating and financial performance and in establishing discretionary annual compensation. Such measures are provided in addition to, and should not be considered to be a substitute for, or superior to, the comparable measures under GAAP. In addition, Ingersoll Rand believes that Organic Revenue Growth/(Decline), Two-Year Stack (for Organic Revenue Growth/(Decline)), Adjusted EBITDA, Adjusted Net Income, Adjusted Diluted EPS, Incrementals/Decrementals and Free Cash Flow are frequently used by investors and other interested parties in the evaluation of issuers, many of which also present Adjusted EBITDA, Adjusted Net Income, Adjusted Diluted EPS, and Free Cash Flow when reporting their results in an effort to facilitate an understanding of their operating and financial results and liquidity.

Organic Revenue Growth/(Decline), Two-Year Stack (for Organic Revenue Growth/(Decline)), Adjusted EBITDA, Adjusted Net Income, Adjusted Diluted EPS and Free Cash Flow should not be considered as alternatives to revenue growth, net income, diluted earnings per share or any other performance measure derived in accordance with GAAP, or as alternatives to cash flow from operating activities as a measure of our liquidity. Organic Revenue Growth/(Decline), Two-Year Stack (for Organic Revenue Growth/(Decline)), Adjusted EBITDA, Adjusted Net Income, Adjusted Diluted EPS and Free Cash Flow have limitations as analytical tools, and you should not consider such measures either in isolation or as substitutes for analyzing Ingersoll Rand's results as reported under GAAP.

Reconciliations of Organic Revenue Growth/(Decline), Two-Year Stack (for Organic Revenue Growth/(Decline)), Adjusted EBITDA, Adjusted Net Income, Adjusted Diluted EPS and Free Cash Flow to their most comparable U.S. GAAP financial metrics for historical periods are presented in the tables below.

Reconciliations of non-GAAP measures related to full-year 2024 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.

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INGERSOLL RAND INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited; in millions, except per share amounts)

	For the Three Month Period Ended March 31,	
	2024	**2023**
Revenues	$ 1,670.1	$ 1,629.3
Cost of sales	923.8	965.1
Gross Profit	746.3	664.2
Selling and administrative expenses	336.3	311.1
Amortization of intangible assets	91.6	92.4
Other operating expense, net	25.2	20.4
Operating Income	293.2	240.3
Interest expense	36.8	38.9
Other income, net	(13.2)	(9.6)
Income Before Income Taxes	269.6	211.0
Provision for income taxes	54.4	48.1
Income (loss) on equity method investments	(10.7)	0.3
Net Income	204.5	163.2
Less: Net income attributable to noncontrolling interests	2.3	2.1
Net Income Attributable to Ingersoll Rand Inc.	$ 202.2	$ 161.1
Basic earnings per share	0.50	0.40
Diluted earnings per share	0.50	0.39

INGERSOLL RAND INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Unaudited; in millions, except share amounts)

	March 31, 2024	December 31, 2023
Assets		
Current assets:		
Cash and cash equivalents	$ 1,452.3	$ 1,595.5
Accounts receivable, net of allowance for credit losses of $55.3 and $53.8, respectively	1,245.2	1,234.2
Inventories	1,051.8	1,001.1
Other current assets	257.5	219.6
Total current assets	4,006.8	4,050.4
Property, plant and equipment, net of accumulated depreciation of $518.5 and $500.8, respectively	742.2	711.4
Goodwill	6,609.9	6,609.7
Other intangible assets, net	3,589.6	3,611.1
Deferred tax assets	32.7	31.5
Other assets	547.8	549.4
Total assets	$ 15,529.0	$ 15,563.5
Liabilities and Stockholders' Equity		
Current liabilities:		
Short-term borrowings and current maturities of long-term debt	$ 31.3	$ 30.6
Accounts payable	694.0	801.2
Accrued liabilities	999.3	995.5
Total current liabilities	1,724.6	1,827.3
Long-term debt, less current maturities	2,687.0	2,693.0
Pensions and other postretirement benefits	149.5	150.0
Deferred income tax liabilities	624.2	612.6
Other liabilities	424.0	433.9
Total liabilities	$ 5,609.3	$ 5,716.8
Stockholders' equity:		
Common stock, $0.01 par value; 1,000,000,000 shares authorized; 429,651,459 and 428,589,061 shares issued as of March 31, 2024 and December 31, 2023, respectively	4.3	4.3
Capital in excess of par value	9,569.8	9,550.8
Retained earnings	1,891.3	1,697.2
Accumulated other comprehensive loss	(302.6)	(227.6)
Treasury stock at cost; 25,926,540 and 25,241,667 shares as of March 31, 2024 and December 31, 2023, respectively	(1,307.5)	(1,240.9)
Total Ingersoll Rand stockholders' equity	$ 9,855.3	$ 9,783.8
Noncontrolling interests	64.4	62.9
Total stockholders' equity	$ 9,919.7	$ 9,846.7
Total liabilities and stockholders' equity	$ 15,529.0	$ 15,563.5

INGERSOLL RAND INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited; in millions)

	Three Month Period Ended March 31,	
	2024	**2023**
Cash Flows From Operating Activities:		
Net income	$ 204.5	$ 163.2
Adjustments to reconcile net income to net cash provided by operating activities:		
Amortization of intangible assets	91.6	92.4
Depreciation	25.6	21.6
Non-cash restructuring charges	—	0.9
Stock-based compensation expense	14.1	12.1
Income (loss) on equity method investments	10.7	(0.3)
Foreign currency transaction losses (gains), net	(0.7)	1.0
Non-cash adjustments to carrying value of LIFO inventories	6.7	7.8
Other non-cash adjustments	1.4	2.9
Changes in assets and liabilities:		
Receivables	(11.5)	(83.7)
Inventories	(58.2)	(45.3)
Accounts payable	(101.5)	(70.6)
Accrued liabilities	(1.8)	56.5
Other assets and liabilities, net	(19.3)	11.8
Net cash provided by operating activities	161.6	170.3
Cash Flows Used In Investing Activities:		
Capital expenditures	(62.3)	(22.4)
Net cash paid in acquisitions	(143.3)	(566.4)
Disposals of property, plant and equipment	—	7.3
Net cash used in investing activities	(205.6)	(581.5)
Cash Flows Used In Financing Activities:		
Principal payments on long-term debt	(7.1)	(11.0)
Purchases of treasury stock	(72.9)	(77.0)
Cash dividends on common shares	(8.1)	(8.1)
Proceeds from stock option exercises	11.2	9.2
Payments of deferred and contingent acquisition consideration	(2.2)	(1.9)
Other financing	(0.5)	(0.5)
Net cash used in financing activities	(79.6)	(89.3)
Effect of exchange rate changes on cash and cash equivalents	(19.6)	6.8
Net decrease in cash and cash equivalents	(143.2)	(493.7)
Cash and cash equivalents, beginning of period	1,595.5	1,613.0
Cash and cash equivalents, end of period	$ 1,452.3	$ 1,119.3

INGERSOLL RAND INC. AND SUBSIDIARIES
UNAUDITED ADJUSTED FINANCIAL INFORMATION
(Dollars in millions)

	For the Three Month Period Ended March 31,	
	2024	**2023**
Ingersoll Rand		
Revenues	$ 1,670.1	$ 1,629.3
Adjusted EBITDA	$ 458.5	$ 400.1
Adjusted EBITDA Margin	27.5%	24.6%

INGERSOLL RAND INC. AND SUBSIDIARIES
RECONCILIATION OF NET INCOME TO ADJUSTED NET INCOME AND ADJUSTED NET INCOME ATTRIBUTABLE TO INGERSOLL RAND AND ADJUSTED DILUTED EARNINGS PER SHARE
(Unaudited; in millions)

	For the Three Month Period Ended March 31,	
	2024	**2023**
Net Income	$ 204.5	$ 163.2
Plus:		
Provision for income taxes	54.4	48.1
Amortization of acquisition related intangible assets	89.5	89.8
Restructuring and related business transformation costs	10.7	4.3
Acquisition and other transaction related expenses and non-cash charges	15.3	18.0
Stock-based compensation	14.1	12.1
Foreign currency transaction losses (gains), net	(0.7)	1.0
Loss (income) on equity method investments	10.7	(0.3)
Adjustments to LIFO inventories	6.8	7.8
Cybersecurity incident costs	0.6	—
Other adjustments	0.4	(1.4)
Minus:		
Income tax provision, as adjusted	86.4	75.6
Adjusted Net Income	319.9	267.0
Less: Net income attributable to noncontrolling interest	2.3	2.1
Adjusted Net Income Attributable to Ingersoll Rand Inc.	$ 317.6	$ 264.9
Adjusted Basic Earnings Per Share[1]	$ 0.79	$ 0.66
Adjusted Diluted Earnings Per Share[2]	$ 0.78	$ 0.65
Average shares outstanding:		
Basic, as reported	403.5	405.0
Diluted, as reported	407.9	409.2
Adjusted diluted[2]	407.9	409.2

[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.

INGERSOLL RAND INC. AND SUBSIDIARIES
RECONCILIATION OF NET INCOME TO ADJUSTED EBITDA AND ADJUSTED NET INCOME AND CASH FLOWS FROM OPERATING ACTIVITIES TO FREE CASH FLOW
(Unaudited; in millions)

	For the Three Month Period Ended March 31,	
	2024	**2023**
Net Income	$ 204.5	$ 163.2
Plus:		
Interest expense	36.8	38.9
Provision for income taxes	54.4	48.1
Depreciation expense	24.7	20.7
Amortization expense	91.6	92.4
Restructuring and related business transformation costs	10.7	4.3
Acquisition and other transaction related expenses and non-cash charges	15.3	18.0
Stock-based compensation	14.1	12.1
Foreign currency transaction losses (gains), net	(0.7)	1.0
Loss (income) on equity method investments	10.7	(0.3)
Adjustments to LIFO inventories	6.8	7.8
Cybersecurity incident costs	0.6	—
Interest income on cash and cash equivalents	(11.4)	(4.7)
Other adjustments	0.4	(1.4)
Adjusted EBITDA	$ 458.5	$ 400.1
Minus:		
Interest expense	36.8	38.9
Income tax provision, as adjusted	86.4	75.6
Depreciation expense	24.7	20.7
Amortization of non-acquisition related intangible assets	2.1	2.6
Interest income on cash and cash equivalents	(11.4)	(4.7)
Adjusted Net Income	$ 319.9	$ 267.0
Free Cash Flow:		
Cash flows from operating activities	$ 161.6	$ 170.3
Minus:		
Capital expenditures	62.3	22.4
Free Cash Flow	$ 99.3	$ 147.9

INGERSOLL RAND INC. AND SUBSIDIARIES
RECONCILIATION OF SEGMENT ADJUSTED EBITDA TO NET INCOME
(Unaudited; in millions)

	For the Three Month Period Ended March 31,	
	2024	**2023**
Orders		
Industrial Technologies and Services	$ 1,398.4	$ 1,450.3
Precision and Science Technologies	309.0	326.5
Total Orders	$ 1,707.4	$ 1,776.8
Revenue		
Industrial Technologies and Services	$ 1,373.4	$ 1,317.2
Precision and Science Technologies	296.7	312.1
Total Revenue	$ 1,670.1	$ 1,629.3
Segment Adjusted EBITDA		
Industrial Technologies and Services	$ 411.1	$ 345.6
Precision and Science Technologies	91.4	94.5
Total Segment Adjusted EBITDA	$ 502.5	$ 440.1
Less items to reconcile Segment Adjusted EBITDA to Income Before Income Taxes:		
Corporate expenses not allocated to segments	$ 44.0	$ 40.0
Interest expense	36.8	38.9
Depreciation and amortization expense	116.3	113.1
Restructuring and related business transformation costs	10.7	4.3
Acquisition and other transaction related expenses and non-cash charges	15.3	18.0
Stock-based compensation	14.1	12.1
Foreign currency transaction losses (gains), net	(0.7)	1.0
Adjustments to LIFO inventories	6.8	7.8
Cybersecurity incident costs	0.6	—
Interest income on cash and cash equivalents	(11.4)	(4.7)
Other adjustments	0.4	(1.4)
Income Before Income Taxes	269.6	211.0
Provision for income taxes	54.4	48.1
Income (loss) on equity method investments	(10.7)	0.3
Net Income	$ 204.5	$ 163.2

INGERSOLL RAND INC. AND SUBSIDIARIES
ORDERS GROWTH (DECLINE) BY SEGMENT[1]

	For the Three Month Period Ended March 31,		Two-Year Stack[2]
	2024	2023	
Ingersoll Rand			
Organic growth (decline)	(6.9%)	7.6%	0.7%
Impact of foreign currency	(0.1%)	(3.8%)	(3.9%)
Impact of acquisitions	3.1%	5.2%	8.3%
Total orders growth (decline)	(3.9%)	9.0%	5.1%
Industrial Technologies & Services			
Organic growth (decline)	(7.2%)	10.0%	2.8%
Impact of foreign currency	(0.2%)	(3.9%)	(4.1%)
Impact of acquisitions	3.8%	6.1%	9.9%
Total orders growth (decline)	(3.6%)	12.2%	8.6%
Precision & Science Technologies			
Organic decline	(5.4%)	(1.7%)	(7.1%)
Impact of foreign currency	—%	(3.2%)	(3.2%)
Impact of acquisitions	—%	1.8%	1.8%
Total orders decline	(5.4%)	(3.1%)	(8.5%)

[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.
[2] Two-year stack is defined as the sum of current year growth/(decline) and prior year growth/(decline).

INGERSOLL RAND INC. AND SUBSIDIARIES
REVENUE GROWTH (DECLINE) BY SEGMENT[1]

	For the Three Month Period Ended March 31,		Two-Year Stack[2]
	2024	2023	
Ingersoll Rand			
Organic growth (decline)	(0.8%)	20.4%	19.6%
Impact of foreign currency	(0.1%)	(4.3%)	(4.4%)
Impact of acquisitions	3.4%	5.8%	9.2%
Total revenue growth	2.5%	21.9%	24.4%
Industrial Technologies & Services			
Organic growth (decline)	0.2%	24.5%	24.7%
Impact of foreign currency	(0.1%)	(4.5%)	(4.6%)
Impact of acquisitions	4.2%	6.7%	10.9%
Total revenue growth	4.3%	26.7%	31.0%
Precision & Science Technologies			
Organic growth (decline)	(5.0%)	6.0%	1.0%
Impact of foreign currency	0.1%	(3.5%)	(3.4%)
Impact of acquisitions	—%	2.4%	2.4%
Total revenue growth (decline)	(4.9%)	4.9%	—%

[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.
[2] Two-year stack is defined as the sum of current year growth/(decline) and prior year growth/(decline).