

INGERSOLL RAND CO LTD  
Form 10-Q  
May 12, 2008

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

**FORM 10-Q**

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE  
SECURITIES EXCHANGE ACT OF 1934  
**For the quarterly period ended March 31, 2008**

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE  
SECURITIES EXCHANGE ACT OF 1934  
**For the transition period from \_\_\_\_\_ to \_\_\_\_\_**

**Commission File Number 1-985**

**INGERSOLL-RAND COMPANY LIMITED**

*(Exact name of registrant as specified in its charter)*

**Bermuda**  
*(State or other jurisdiction of  
incorporation or organization)*

**75-2993910**  
*(I.R.S. Employer  
Identification No.)*

**Clarendon House  
2 Church Street  
Hamilton HM 11, Bermuda**  
*(Address of principal executive offices)*

**(441) 295-2838**  
*(Registrant's telephone number, including area code)*

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES  NO   
Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).  
YES  NO

The number of Class A common shares outstanding as of May 2, 2008 was 272,885,519.

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**PART I - FINANCIAL INFORMATION**Item 1. Financial Statements

**INGERSOLL-RAND COMPANY LIMITED**  
**CONDENSED CONSOLIDATED INCOME STATEMENT**  
**(Unaudited)**

<i>In millions, except per share amounts</i>	Three months ended March 31,	
	2008	2007
Net revenues	\$ 2,163.3	\$ 1,976.2
Cost of goods sold	(1,540.9)	(1,416.0)
Selling and administrative expenses	(375.4)	(351.6)
Operating income	247.0	208.6
Interest expense	(27.5)	(35.6)
Other, net	39.4	(0.1)
Earnings before income taxes	258.9	172.9
Provision for income taxes	(47.2)	(16.3)
Earnings from continuing operations	211.7	156.6
Discontinued operations, net of tax	(30.1)	60.9
Net earnings	\$ 181.6	\$ 217.5
<b>Basic earnings per common share:</b>		
Continuing operations	\$ 0.77	\$ 0.51
Discontinued operations	(0.11)	0.20
Net earnings	\$ 0.66	\$ 0.71
<b>Diluted earnings per common share:</b>		
Continuing operations	\$ 0.77	\$ 0.50
Discontinued operations	(0.11)	0.20
Net earnings	\$ 0.66	\$ 0.70
Dividends per common share	\$ 0.18	\$ 0.18

*See accompanying notes to condensed consolidated financial statements.*

**INGERSOLL-RAND COMPANY LIMITED**  
**CONDENSED CONSOLIDATED BALANCE SHEET**  
**(Unaudited)**

<i>In millions</i>	March 31, 2008	December 31, 2007
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 4,068.3	\$ 4,735.3
Accounts and notes receivable, less allowance of \$12.4 in 2008 and \$12.2 in 2007	1,716.6	1,660.7
Inventories	909.0	827.2
Other current assets	463.2	477.5
Total current assets	7,157.1	7,700.7
Property, plant and equipment, net	935.3	904.9
Goodwill	4,110.9	3,993.3
Intangible assets, net	740.3	724.6
Other noncurrent assets	1,108.5	1,052.7
Total assets	\$ 14,052.1	\$ 14,376.2
<b>LIABILITIES AND EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 768.1	\$ 721.2
Accrued compensation and benefits	260.8	338.9
Accrued expenses and other current liabilities	719.6	1,434.6
Short-term borrowings and current maturities of long-term debt	750.0	741.0
Total current liabilities	2,498.5	3,235.7
Long-term debt	712.7	712.7
Postemployment and other benefit liabilities	937.1	941.9
Other noncurrent liabilities	1,488.4	1,480.5
Minority interests	96.8	