

INGERSOLL-RAND PLC
Business Review
(In millions, except percentages)

UNAUDITED

	Three Months Ended March 31,	
	2013	2012
<u>Climate Solutions</u>		
Net revenues	\$ 1,616.4	\$ 1,661.8
Segment operating income *	81.2	94.0
and as a % of Net revenues	5.0%	5.7%
<u>Industrial Technologies</u>		
Net revenues	680.3	688.7
Segment operating income *	102.1	91.5
and as a % of Net revenues	15.0%	13.3%
<u>Residential Solutions</u>		
Net revenues	464.0	421.7
Segment operating income (loss) *	6.9	(10.7)
and as a % of Net revenues	1.5%	-2.5%
<u>Security Technologies</u>		
Net revenues	351.7	378.5
Segment operating income *	58.8	69.9
and as a % of Net revenues	16.7%	18.5%
Gain (loss) on sale/(asset impairment)	-	0.3
Unallocated corporate expense	(55.5)	(33.0)
<u>Total</u>		
Net revenues	\$ 3,112.4	\$ 3,150.7
Consolidated operating income	\$ 193.5	\$ 212.0
and as a % of Net revenues	6.2%	6.7%

* Segment operating income is the measure of profit and loss that the Company uses to evaluate the financial performance of the business and as the basis for performance reviews, compensation and resource allocation. For these reasons, the Company believes that Segment operating income represents the most relevant measure of segment profit and loss. The Company may exclude certain charges or gains from Operating income to arrive at a Segment operating income that is a more meaningful measure of profit and loss upon which to base its operating decisions.