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TRANE INC.
Form 425
December 18, 2007

Filed by Ingersoll-Rand Company Limited

Pursuant to Rule 425 under the Securities Act of 1933

and deemed filed pursuant to Rule 14a-12 under

the Securities Exchange Act of 1934

Subject Company: Trane Inc.

Commission File No.: 1-11415

This filing contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, statements relating to anticipated financial and operating results, the companies' plans, objectives, expectations and intentions and other statements including words such as anticipate, believe, plan, estimate, expect, intend, will, should, may, similar expressions. Such statements are based upon the current beliefs and expectations of the management of Ingersoll-Rand Company Limited (IR) and Trane Inc. (Trane) and involve a number of significant risks and uncertainties. Actual results may differ materially from the results anticipated in these forward-looking statements. The following factors, among others, could cause or contribute to such material differences: failure to satisfy any of the conditions of closing, including the failure to obtain Trane stockholder approval; the risks that IR's and Trane's businesses will not be integrated successfully; the risk that IR and Trane will not realize estimated cost savings and synergies; costs relating to the proposed transaction; disruption from the transaction making it more difficult to maintain relationships with customers, employees, distributors or suppliers; the level of end market activity in IR's and Trane's commercial and residential market; weather conditions that could negatively or positively affect business and results of operations; additional developments which may occur that could affect the IR's or Trane's estimate of asbestos liabilities and recoveries; unpredictable difficulties or delays in the development of new product technology; fluctuations in pricing of our products, the competitive environment and related market conditions; changes in law or different interpretations of laws that may affect Trane's or IR's expected effective tax rate; increased regulation and related litigation; access to capital; and actions of domestic and foreign governments. Additional factors that could cause IR's and Trane's results to differ materially from those described in the forward-looking statements can be found in the 2006 Annual Report on Form 10-K of IR and the 2006 Annual Report on Form 10-K of Trane filed with the Securities and Exchange Commission (the SEC) and available at the SEC's Internet site (<http://www.sec.gov>). Neither IR nor Trane undertakes any obligation to update any forward-looking statements to reflect circumstances or events that occur after the date on which such statements were made.

This communication is being made in respect of the proposed merger transaction involving IR, Trane and Indian Merger Sub, Inc. In connection with the proposed transaction, IR will file with the SEC a registration statement on Form S-4 and Trane will mail a proxy statement/prospectus to its stockholders, and each will be filing other documents regarding the proposed transaction with the SEC as well. **BEFORE MAKING ANY VOTING OR INVESTMENT DECISION, INVESTORS ARE URGED TO READ THE PROXY STATEMENT/PROSPECTUS REGARDING THE PROPOSED TRANSACTION AND ANY OTHER RELEVANT DOCUMENTS CAREFULLY IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION.** The final proxy statement/prospectus will be mailed to Trane's stockholders. Stockholders will be able to obtain a free copy of the proxy statement/prospectus, as well as other filings containing information about IR and Trane, without charge, at the SEC's Internet site (<http://www.sec.gov>). Copies of the proxy statement/prospectus and the filings with the SEC that will be incorporated by reference in the proxy statement/prospectus can also be obtained, without charge, by directing a request to Ingersoll-Rand Company Limited, P.O. Box 0445, 155 Chestnut Ridge Road, Montvale, NJ 07645 Attention: Investor

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Relations, (201) 573-0123, or to Trane Inc., One Centennial Avenue, Piscataway, NJ 08855 Attention: Investor Relations, (732) 980-6125.

IR, Trane and their respective directors and executive officers and other persons may be deemed to be participants in the solicitation of proxies in respect of the proposed transaction. Information regarding IR's directors and executive officers is available in IR's proxy statement for its 2007 annual meeting of stockholders and IR's 2006 Annual Report on Form 10-K, which were filed with the SEC on April 23, 2007 and March 1, 2007, respectively, and information regarding Trane's directors and executive officers is available in Trane's proxy statement for its 2007 annual meeting of stockholders and Trane's 2006 Annual Report on Form 10-K, which were filed with the SEC on March 23, 2007 and February 26, 2007, respectively. Other information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, will be contained in the proxy statement/prospectus and other relevant materials to be filed with the SEC when they become available.

The following is a presentation made to Trane employees on December 18, 2007.

The Next Chapter in Our Success Story
Global Town Hall Meeting

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Next Chapter of Success
This
filing
contains
forward-looking
statements
within
the

meaning
of
the
Private
Securities
Litigation
Reform
Act
of
1995.
Such
statements
include,
but
are
not
limited
to,
statements
relating
to
anticipated
financial
and
operating
results,
the
companies
plans,
objectives,
expectations
and
intentions
and
other
statements
including
words
such
as
anticipate,
believe,
plan,
estimate,
expect,
intend,
will,
should,
may,
and

other
similar
expressions.

Such statements are based upon the current beliefs and expectations of the management of Ingersoll-Rand Company Limited (Trane) and involve

a
number
of
significant
risks
and
uncertainties.

Actual
results
may
differ
materially
from
the
results
anticipated
in
these
forward
looking
statements.

The
following
factors,
among
others,
could
cause
or
contribute
to
such
material
differences:
failure
to
satisfy
any
of
the
conditions
of
closing,
including
the

failure
to
obtain
Trane
stockholder
approval;
the
risks
that
IR s
and
Trane s
businesses
will
not
be
integrated
successfully;
the
risk
that
IR
and
Trane
will
not
realize
estimated
cost
savings
and
synergies;
costs
relating
to
the
proposed
transaction;
disruption
from
the
transaction
making
it
more
difficult
to
maintain
relationships
with

customers
employees,
distributors
or
suppliers
the
level
of
end
market
activity
in
IR s
and
Trane s
commercial
an
d residential
market;
weather
conditions
that
could
negatively
or
positively
affect
business
and
results
of
operations;
additional
developments
which
may
occur
that
could
affect
the
IR s
or
Trane s
estimate
of
asbestos
liabilities
and
recoveries;

unpredictable
difficulties
or
delays
in
the
development
of
new
product
technology;
fluctuations
in
pricing
of
our
products,
the
competitive
environment
and
related
market
conditions;
changes
in
law
or
different
interpretations
of
laws
that
may
affect
Trane's
or
IR's
expected
effective
tax
rate;
increased
regulation
and
related
litigation;
access
to
capital;

and
actions
of domestic and foreign governments.

Additional
factors
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and
Trane's
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update any forward-looking

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or
events

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after

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date

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which

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directors
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in
IR s
proxy
statement
for
its
2007
annual
meeting
of
stockholders
and
IR s
2006
Annual
Report
on
Form
10-K,
which
were
filed
with
the
SEC
on
April
23,
2007
and
March
1,
2007,
respectively,
and
information

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Next Chapter of Success
Agenda

Discuss today's news

Introduce Ingersoll Rand

Explore the strategic value of the combined company

Share our vision of the future together

Questions and answers

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Next Chapter of Success
Combining two great
companies to create
a premier global
diversified industrial
company!
Continuing our journeys . together

5

Next Chapter of Success

The transaction

Effective early 2008, pending shareholder approval and
government clearances

All worldwide assets

All worldwide operations

Commercial and Residential businesses

6
Next Chapter of Success
Introduction to Ingersoll Rand

7

Next Chapter of Success
Ingersoll Rand facts

Operate in every major
geographic region

\$8+ billion diversified industrial company

~35,000 employees worldwide

80 manufacturing facilities
worldwide

Strategic brands are #1 or #2 in their
markets

8
Next Chapter of Success
Powerful market leading brands
#1 N. America
lock and door
hardware
#1 Worldwide
golf cars
#1 N. America

retail display
cases
#1 N. American
service provider
#1 Worldwide
transport
refrigeration
#1 N. America
air compressors,
air tools
#1 or #2 in Major Markets

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Next Chapter of Success

Formative years

1871 Simon Ingersoll and the Rand
brothers separately launch
businesses based on new rock-drill
technologies

1905

June 1 , Ingersoll-Sergeant

Drill Company merges with the Rand
Drill Company to form Ingersoll-Rand
Company

1906 Listed on the New York Stock
Exchange

1910 Paid first annual dividends on
common shares
st

10
Next Chapter of Success
Hoover Dam
A legacy of progress
Panama Canal
NY City
Subway System

Ports & harbors

Bridges

Tunnels

Roads & highways

Manufacturing

Petrochemical processing

Coal and precious mining production

Food & beverage production

Security

Electrical utilities

Agriculture

Construction

Major Engineering Projects

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Next Chapter of Success
Charting a new course

Heavy Machinery

Deep Cyclical

Engineered Products

Product-centric

Match GDP Growth

Change Averse

Low Tech

Disconnected Businesses

Diversified Industrial

Balanced Across the Cycle

Commercial Businesses

Customer Focused

Outpacing Market Growth

Change Culture

Innovative, Visionary

Leveraged Enterprise

Old Ingersoll Rand

New Ingersoll Rand

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Next Chapter of Success
Portfolio transformation 2000 through 2007

Strengthened core businesses

Divested non-core operations (\$6.5 Billion revenues)

Pumps

Bearings

Drills

Dresser-Rand

Road Development

Bobcat, Utility Equipment and Attachments

Made 65 acquisitions since 2000 (\$3 Billion revenues)

Trane represents a major milestone in our
successful transformation

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Next Chapter of Success
Earnings Per Share
Cyclical Machinery
Diversified Industrial
-\$1.00
-\$0.50
\$0.00
\$0.50

\$1.00

\$1.50

\$2.00

\$2.50

\$3.00

\$3.50

\$4.00

90

00

06

07

\$4.50

2007 FC

\$3.55-\$3.60

EPS Target:

12-15% YOY Growth

Improved Earnings Performance

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Next Chapter of Success

Ingersoll Rand's values

Integrity

We act in the highest legal and ethical standards in everything we do.

Respect

We communicate and act in ways that respect and value the worth of all people, cultures, viewpoints and backgrounds.

Teamwork

We
work
together
and
share
resources
to
provide
greater
value
to
our
customers, employees, business partners and shareholders.

Innovation

We use our diverse skills, talents and ideas to develop innovative, imaginative and creative solutions to challenges.

Courage

We speak up for what is right and take measured risks so our company can thrive.

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Next Chapter of Success
Ingersoll Rand's commitment
We **inspire progress**
by
unleashing the potential in
people and technologies.
We help people tackle
difficult challenges and

handle routine yet critical
tasks with **efficiency and**

speed.

Our products and services
enable customers to achieve
real progress and **create a**

positive impact
in their
world.

A

Passion

for

Progress

16
Next Chapter of Success
Dramatic Growth
by focusing on innovative solutions for our customers
Operational Excellence...
by
pursuing
continuous

improvement

in

all

our

operations

Dual Citizenship

by leveraging enterprise-wide strengths

We are dedicated to driving Shareholder Value by

achieving:

Ingersoll Rand's vision

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Next Chapter of Success

Innovation

Recurring Revenue Growth (Services and
Aftermarket)

Acquisitions

Channel Development / Expansion

Dramatic Growth

Focused on pursuing global growth through four key areas of focus:

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Next Chapter of Success

Formalized Business Operating
System supporting continuous
improvement

Optimizing processes using Lean
Six Sigma tools

Enterprise Focus Areas driving
repeatable results across business
processes

Strategic Management

Global Leadership

Customer Value

Innovation

Life Cycle Management

World Class Operations
Operational Excellence

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Next Chapter of Success
Dual Citizenship

Sharing knowledge, best
practices, and resources
company-wide

Utilizing cross-business

councils in virtually all
business disciplines

Promoting talent movement
across business units,
regions, and functions
Enabling a One Ingersoll Rand
Culture

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Next Chapter of Success
Leadership
College
Sales
College
Marketing
College
Ingersoll Rand University
Ingersoll Rand University
Curriculum
Curriculum
Operational
Excellence
College
Core Business Skills

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Next Chapter of Success
Ingersoll Rand's business structure today
Climate Control
Technologies
Industrial
Technologies
Security
Technologies

Club Car
(Golf Cars
And Utility Vehicles)
Hussmann
(Stationary
Refrigeration)
Thermo King
(Transport
Refrigeration)
Ingersoll Rand
(Air Solutions, Tools,
Energy Systems and
Material Handling)
Sectors
Primary
Brands &
Businesses
Multiple Brands
(Exit
Devices, Door
Closers, Biometric
Access Control,
Integrated Systems)
Schlage
(Mechanical
And Electronic Locks)

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Next Chapter of Success

Global corporate and shared service operations

Dublin

Prague

Bangalore

Davidson

Montvale

Shanghai

23

Next Chapter of Success

Climate Control Technologies

2006 Revenues:

\$3.17 Billion

Employees:

12,300

Manufacturing

Locations:

25

Markets:

Supermarkets and convenience stores

Perishable-goods transportation

Bus and rail air conditioning

HVAC

Technologies to control the integrity of environments
and perishable goods

24

Next Chapter of Success

Truck and trailer refrigeration

Auxiliary power units

Bus and rail air conditioning

Sea-going container
refrigeration
Climate Control Technologies

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Next Chapter of Success

Refrigerated display cases

HVAC equipment

Light commercial service

Climate Control Technologies

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Next Chapter of Success

All of the activities and processes necessary to preserve foods and perishables from their point of origin through their point of consumption or use.

Cold Chain

Food

Harvest

Vending &
Logistics Mgmt
End-Use
Food Service
End-Use
Retail
Large
Warehousing
Food
Processing
Transport
Transport
Transport

27

Next Chapter of Success

Technologies to improve the productivity, efficiency, and
profitability of commercial and industrial operations

2006 Revenues:

\$2.58 Billion

Employees:

8,800

Manufacturing

Locations:

23

Markets:

Manufacturing processes

Industrial operations

Golf and recreation

Energy management

Industrial Technologies

28

Next Chapter of Success

Tools and material-handling equipment

Air and gas compressors

Golf cars and utility vehicles

Microturbines
Industrial Technologies

29

Next Chapter of Success

Technologies to enhance the security and safety of residential, commercial and institutional properties, protect assets and improve workplace productivity

2006 Revenues:

\$2.29 Billion

Employees:

11,800

Manufacturing

Locations:

33

Markets:

Residential and multi-family housing

Commercial, institutional and government
facilities

DIY, Big-box

Architectural design and remodeling
Security Technologies

30

Next Chapter of Success

Mechanical and electronic locks

Biometric and access control technologies

Security and scheduling software

Security integration and services
Security Technologies

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Next Chapter of Success
The combined company

\$17 billion in projected annual revenues; \$11+ billion
revenues in the global climate control market

Expanded product and service offerings for climate control
markets

Increased scale and global presence

Enhanced innovation and new product development capabilities

Stronger competitive position in our markets

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Next Chapter of Success

A strong strategic fit

A leading climate control business for the 21
century

Shared industry expertise

Commitment to leadership in climate control markets

Complementary products and services with no overlap

Both market leaders in respective core products

Similar heritage of innovation and success

Prepared to meet the growing global demand for climate control solutions

st

33

Next Chapter of Success
Complementary products

Air conditioning systems and services

Building controls

Commercial and residential HVAC

Truck, trailer and sea container refrigeration equipment

Refrigerated retail displays and stationary refrigeration

Bus and rail HVAC

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Next Chapter of Success

Expanding customer value

Broader line of products and services

End-to-end solutions across the cold chain

Expanded global presence

Positioned to participate in emerging-market growth

Enhanced service network

Immediate opportunities in light-commercial services

Broader technology base to drive innovation

Climate quality, energy efficiency, alternative refrigerants

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Next Chapter of Success
The new Ingersoll Rand
Climate Control
Technologies
Industrial
Technologies
Security
Technologies

Trane

Residential

Trane

Commercial

~\$11 Billion

~\$3 Billion

~\$3 Billion

*2008 Pro Forma

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Next Chapter of Success

What to expect

Operate Commercial and Residential businesses as
separate units within Ingersoll Rand

Run corporate and shared service functions consistent with
Ingersoll Rand's multi-site approach

Identify cross-selling and service revenue synergies

Identify material, supplier, procurement, manufacturing and administrative efficiencies

Communicate frequently using multiple channels and methods

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Next Chapter of Success
What's next?

Shareholder approval

Government reviews

Transition period

Joint integration teams

Creating a
premier global organization!