



News Release

FOR IMMEDIATE RELEASE

Trane's TRACE 700 Software Approved by IRS for Energy Saving Calculation

Translate energy savings into tax deductions

Piscataway, N.J., October 5, 2006 – The U.S. Internal Revenue Service (IRS) recently announced that commercial property owners can potentially enjoy significant tax deductions by making their buildings more energy efficient, and in its Notice, also officially approved Trane's TRACE 700 software to certify energy savings.

As corporations begin to prepare their taxes at the end of the year, now is the time to address potentially significant savings. Trane's TRACE 700 software, the first of four programs accepted by the IRS for energy savings certification, enables building owners to translate energy savings into tax deductions.

The commercial building deduction, enacted in the Energy Policy Act of 2005, allows taxpayers to deduct the cost of energy efficient property installed in commercial buildings. Buildings that achieve a 50 percent energy savings target can deduct up to \$1.80 per square foot of building floor area. Buildings below the 50 percent threshold may still qualify for a deduction of up to 60 cents per square foot of floor space, if they meet a 16.67 percent energy savings target for HVAC equipment.

"No matter what kind of HVAC system a building uses, it's to the owner or leaseholder's advantage to run the TRACE 700 software to see what kind of savings they might be able to collect at tax season," said Thomas Gorman, marketing manager C.D.S. "The financial savings achieved through a commercial building deduction are likely to have a significant impact on a company's bottom line."

The TRACE program is an analytic tool for building system designers. It enables them to optimize the building, system and equipment designs on the basis of energy utilization and life-cycle costs. Using the TRACE program in the early stages of building planning allows the building owner and design team to receive the maximum benefit of a detailed analysis. TRACE can also be invaluable for assessing the energy and economic impact of building renovation or system retrofit projects.

As a world leader in energy efficient HVAC systems and solutions, Trane is committed to delivering high performance buildings for life and is uniquely positioned to help customers reduce their total building energy usage.

Consult with your tax advisor to determine how this tax benefit may help your business.

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Trane, the air conditioning systems and services business of American Standard Companies, is a leading global provider of indoor comfort systems and comprehensive facility solutions. Its offerings include energy efficient heating, ventilating and air conditioning systems, service and parts support, advanced building controls and financing solutions. Each Trane system is designed to meet the specific needs of customers who want heating, cooling, dehumidifying and air cleaning systems for residential, commercial, institutional and industrial applications. In 2004, Trane contributed \$5.3 billion to American Standard's total sales of \$9.509. For more information, visit the Trane Web site at www.trane.com.

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