



## **Parker Hannifin Acquires Kenmore International**

October 26, 2005

CLEVELAND, Oct. 26 /PRNewswire-FirstCall/ -- Parker Hannifin (NYSE: PH) today announced that it is acquiring Kenmore International, a leading manufacturer and distributor of components for global refrigeration and air conditioning markets, from Lai Berg Holding, AS of Norway. The acquisition is expected to close in the coming weeks once final regulatory approval is received. Terms of the sale were not disclosed. Kenmore produced sales of approximately \$110 million in 2004. The acquisition is expected to be accretive within a year of its integration as part of Parker's Climate and Industrial Controls (CIC) business group.

(Logo: <http://www.newscom.com/cgi-bin/prnh/19990816/PHLOGO>)

Kenmore operates facilities in Turkey, China, India, the United Kingdom and the U.S. employing more than 1,000 people in the design, manufacture and sale of system protectors and related components. Additional capabilities in condenser and evaporator design will help extend Parker's current product range.

"After a long and close association with the owners of Kenmore, we are excited to welcome their company to our product lineup and global organization," said Lynn Cortright, President, Climate and Industrial Controls at Parker. "Kenmore's distribution network and brand recognition, including the Virginia KMP name in the US, strengthen our existing offerings for domestic and commercial refrigeration and air conditioning appliances. Kenmore operations in India, China and Turkey will become the Climate and Industrial Controls Group's first wholly independent operations in those countries to serve growing strategic markets," said Cortright.

"Our companies are an excellent strategic fit," said Nic Berg, Kenmore Group Chief Executive Officer. "Consolidation in our industry has accelerated as customers demand global service. By combining forces with Parker, our companies will be favorably positioned with a leading market share to serve customers in this more competitive global environment."

Kenmore International is not associated with the Sears brand of Kenmore appliances.

With annual sales exceeding \$8 billion, Parker Hannifin is the world's leading diversified manufacturer of motion and control technologies and systems, providing precision-engineered solutions for a wide variety of commercial, mobile, industrial and aerospace markets. The company employs more than 50,000 people in 46 countries around the world. Parker has increased its annual dividends paid to shareholders for 49 consecutive years, among the top five longest-running dividend-increase records in the S&P 500 index. For more information, visit the company's web site at [www.parker.com](http://www.parker.com), or its investor information site at [www.phstock.com](http://www.phstock.com).

### **Forward-Looking Statements:**

Forward-looking statements contained in this and other written and oral reports are made based on known events and circumstances at the time of release, and as such, are subject in the future to unforeseen uncertainties and risks. All statements regarding future performance, earnings projections, events or developments are forward-looking statements. It is possible that the future performance and earnings projections of the company and individual segments may differ materially from current expectations, depending on economic conditions within both its industrial and aerospace markets, and the company's ability to achieve anticipated benefits associated with announced realignment activities, strategic initiatives to improve operating margins, and growth and innovation initiatives. A change in economic conditions in individual markets may have a particularly volatile effect on segment results. Among the other factors which may affect future performance are: changes in business relationships with and purchases by or from major customers or suppliers, including delays or cancellations in shipments; uncertainties surrounding timing, successful completion or integration of acquisitions; threats associated with and efforts to combat terrorism; competitive market conditions and resulting effects on sales and pricing; increases in raw- material costs that cannot be recovered in product pricing; the company's ability to manage costs related to employee retirement and health care benefits and insurance; and global economic factors, including manufacturing activity, air travel trends, currency exchange rates, difficulties entering new markets and general economic conditions such as inflation and interest rates. The company makes these statements as of the date of this disclosure, and undertakes no obligation to update them.

SOURCE Parker Hannifin Corporation

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