



Parker Acquires Chilean Provider of Hydraulic Cylinders and Services

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CLEVELAND, Dec 13, 2006 /PRNewswire-FirstCall via COMTEX News Network/ -- Parker Hannifin (NYSE: PH), the world leader in motion and control technologies, today announced the acquisition of Ingenieria y Servicios Metalcrom Limitada, a Chilean industrial and mobile hydraulic cylinder manufacturer and cylinder repair service provider. Revenues of the acquired business totaled approximately \$2.2 million in 2005. Earnings are expected to be accretive to Parker in the first full year. Terms of the deal were not disclosed.

Metalcrom is headquartered in Santiago with an additional facility in Copiapo and employs approximately 60 people. The company produces hydraulic cylinders for a variety of industrial and mobile markets including mining, steel mills, and pulp and paper.

Metalcrom will be integrated into Parker's Argentina Division within the company's Industrial International segment. Ricardo Machado, President of Parker's Latin American Group, commented that, "The acquisition of Metalcrom, a leader in the Chilean new and repaired industrial and mobile cylinder market, enables us to increase our market share in the mining sector and increases our ability to deliver systems in the future. Metalcrom's local production, delivery and service also help customers avoid the high costs associated with production downtime."

With annual sales exceeding \$9 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 57,000 people in 43 countries around the world. Parker has increased its annual dividends paid to shareholders for 50 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 <http://www.parker.com>, or its investor information site at <http://www.phstock.com>.

Forward-Looking Statements

Forward-looking statements contained in this document and other written reports and oral statements 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 Company's future performance and earnings projections of the Company may differ materially from current expectations, depending on economic conditions within both its industrial and aerospace markets, and the Company's ability to achieve and maintain 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 performance. Among 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, or significant changes in financial condition, 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 insurance and employee retirement and health care benefits, and global economic factors, including manufacturing activity, air travel trends, currency exchange rates, difficulties entering new markets and general economic conditions such as interest rates. The Company undertakes no obligation to update or publicly revise these forward-looking statements to reflect events or circumstances that arise after the date of this Report.

SOURCE Parker Hannifin Corporation

Media, Christopher M. Farage, Vice President, Corp. Communications, +1-216-896-2750, or cfarage@parker.com, or Financial Analysts, Pamela Huggins, Vice President - Treasurer, +1-216-896-2240, or phuggins@parker.com, both of Parker Hannifin Corporation