



## **Parker Sets Business Alliance & Equity Investment in Japan's Taiyo Ltd.**

February 25, 2002

OSAKA, Japan and CLEVELAND, Feb 25, 2002 /PRNewswire-FirstCall via COMTEX/ -- Parker Hannifin Corporation (NYSE: PH) and Osaka-based Taiyo Ltd. today announced their agreement to form a global strategic alliance, with a 40-percent equity investment by Parker in Taiyo. The transaction is to be completed in March, and is expected to be accretive to Parker earnings during this year.

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

Taiyo posted sales of approximately \$165 million (21 billion Yen) for its fiscal year ended on March 20, 2001. The company develops and manufactures a broad range of automation products, including hydraulic and pneumatic actuators, cylinders and specialized pneumatic products.

The alliance presents growth opportunities for both companies in automation markets, including:

- Shared technology development;
- Expanded global marketing and distribution; and
- Leveraged operating capabilities to serve the industrial markets in Japan, Southeast Asia, Europe and the Americas.

"This alliance will strengthen Parker's presence in the important Japanese market, " said Marwan Kashkoush, hydraulics group president of Parker Hannifin. "This investment offers growth opportunities for both companies at a time when industrial demand for automation technology is poised for a rebound."

Referring to the alliance, Akihiko Takashima, Chairman of Taiyo, said, "We are really pleased to have signed the agreement and welcome the equity participation of Parker. We wish for profitable growth of both partners through this business alliance, and Taiyo will do its best to enhance mutual business opportunities with Parker."

Taiyo, Ltd., headquartered in the greater Osaka area, manufactures a broad range of automation products. Taiyo has manufacturing facilities in Yamaguchi, Osaka, Nara and Tsukuba, Japan and Lombard, Illinois, USA. The company has 680 employees in Japan.

With annual sales exceeding \$6 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 45,000 people in 45 countries around the world. For more information, visit the company's web site at [www.parker.com](http://www.parker.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, events or developments are forward-looking statements. It is possible that the company's future performance may differ materially from current expectations expressed in these forward-looking statements, due to a variety of factors such as changes in: business relationships with and purchases by or from major customers or suppliers; competitive market conditions and resulting effects on sales and pricing; increases in raw-material costs which cannot be recovered in product pricing; and global economic factors, including currency exchange rates and difficulties entering new markets.

SOURCE Parker Hannifin Corporation

CONTACT: Lorrie Paul Crum, VP - Corp. Communications +1-216-896-2750, or Financial Analysts, Timothy K. Pistell, VP & Treasurer, +1-216-896-2130, both of Parker Hannifin Corporation