



Czech Republic Minister of Industry and Trade Milan Urban Helps Launch Production at New Expansion of Parker Factory in Chomutov's Industrial Zone

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An additional 300 to 400 people to be employed

CHOMUTOV, Czech Republic, March 5 /PRNewswire-FirstCall/ -- Parker Hannifin Corporation today celebrated the grand opening of a new plant expansion at its factory in Chomutov's industrial zone, located about 90 miles northwest of Prague near the German border.

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

The new \$20 million (564 CzK) expansion on 12,000 square meters will employ an additional 370 people. \$10 million (262 million CzK) of the investment was for construction. The new expansion will bring the plant to nearly 1,000 employees covering 22,000 square meters, making this one of Parker's largest production facilities in the world.

On site to launch the expansion opening were Mayor of the City of Chomutov Ivana Rapkova, the American Ambassador to the Czech Republic William Cabaniss and Parker Hannifin Executive Vice President of Sales, Marketing and Operations Support Jack Myslenski.

"Investing in Chomutov is a key strategy for our company's long-term global growth," Myslenski said. According to him, a majority of the plant's current production is exported. This new expansion will change that since much of the air conditioning and hydraulic components and systems product lines being added will be sold into the Czech automotive, agriculture and construction machinery industries.

Approximately 85 percent of Parker employees in Chomutov are factory workers who usually undergo training programs lasting between one month and one-year, depending on the position.

"The balance of factory workers to technical employees will change as well since customer support and order entry departments along with some production development and customer sample capabilities are being added to manage the growing automotive business," said Dr. Wolfgang Gohl, Parker's plant manager in the Chomutov industrial zone. "This means highly qualified specialist will be employed by Parker in Chomutov. We are working in cooperation with the Czech Technical University in Prague to attract young graduates with technical specializations. They will help develop motion and control technologies and systems for the automotive industry, and also for industrial machinery, transport systems, and construction and agricultural equipment."

Chomutov is just one place in Czechia where Parker Hannifin is expanding its presence. The next planned investment for this year is a trading center in Prague (valued at 45 million CzK). In 2005, the company is planning to build a new factory to produce O-rings in Sadska near Podebrady.

Parker Hannifin entered the Czech market in early 1991, when it opened its first sales office in Prague. In 1994 Parker began manufacturing ventures with Czech companies, and in 1995 it launched its own production plant for seals for hydraulic and pneumatic systems in Sadska investing 120 million CzK in the new facility. In 1999, the company began operations in Chomutov in a small rented facility. Over the next three years, the company continued to expand its operations in Chomutov in a variety of leased locations until in 2001, when Parker invested 400 million CzK in building a new, state-of-the-art plant. Also, part of Parker Hannifin is Astron of Prerov, which produces prefab steel buildings.

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 46,000 people in 44 countries around the world. Parker has increased its annual dividends paid to shareholders for 47 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 , or its investor information site at www.phstock.com .

SOURCE Parker Hannifin Corporation

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