



## **Parker Signs Agreement to Divest AFIS Product Line to NXT LLC**

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CLEVELAND, June 8 /PRNewswire-FirstCall/ -- Parker Hannifin Corporation (NYSE: PH) and NXT LLC today announced they have reached an agreement in principle for NXT to purchase the AFIS (Automatic Flight Inspection System ) product line, from Parker's Aerospace Group for an undisclosed amount. The system currently accounts for less than \$1 million of Parker's total sales. Based in Oklahoma City, NXT plans on aggressively pursuing the domestic and international flight inspection marketplace. The divestiture is expected to be completed by the end of September, subject to negotiation and execution of definitive documentation and receipt of necessary government approvals.

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

"NXT and Parker Hannifin will work together to ensure the integrity of the AFIS product line, which has a long history of support for the US domestic and international aviation communities," said Richard Gucciardo, Parker Aerospace Group.

"We look forward to the opportunities that the addition of the AFIS product line will provide both domestically and internationally," said John Heiderstadt, VP, Operations, NXT LLC. "We are confident our staff's expertise will deliver quality support and innovation in the field of flight inspection."

Approaching \$7 billion in sales, 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 48 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 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 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; and global economic factors, including currency exchange rates, difficulties entering new markets and general economic conditions such as 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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