



Parker Hannifin Announces Acquisition of Linear Motor Company

December 16, 2004

CLEVELAND, Dec. 16 /PRNewswire-FirstCall/ -- Parker Hannifin Corporation (NYSE: PH) and Trilogy Systems Corporation today jointly announced that Parker has acquired the operations of Houston-based Trilogy Systems for an undisclosed amount. Trilogy will join Parker Automation Group's Electromechanical Automation Division, based in Rohnert Park, Calif. The deal is expected to be accretive to earnings in the first full fiscal year.

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

Initially founded in 1986, Trilogy Systems employs 38 people and has annual sales of approximately \$6 million. Trilogy is the leading North American manufacturer of linear motors -- an advanced motion-control technology that provides the unique benefits of both high speed and high precision not achieved by traditional mechanical transmissions. Trilogy's patented designs and motors currently under development offer lower costs, extremely smooth motion, and high force capabilities.

According to Parker Automation Group President Bob Bond, the acquisition provides Parker with all of the main technologies in linear motion that cover the widest range of applications, from semiconductor to machine tool.

"Acquiring Trilogy Systems solidifies Parker's position in the fast-growing linear motor market and we are very pleased to add their strengths to our portfolio," said Bond. "The strong product line increases our ability to be an automation solutions provider for a broad range of global machine builders. It enhances our technology offering, integrates well with our drives and controls products, and provides supply base synergies with our rotary motors."

Trilogy Systems President and Founder Bruce Beakley said, "Parker and Trilogy have enjoyed a long association and market success by combining Parker drives and controls with Trilogy linear motors through common distributors. I'm confident that this acquisition will result in even greater success, new opportunities and long-term growth."

Parker Automation Group's Electromechanical Automation Division manufactures a complete line of motion control products including controllers, servo and stepper drives and servo motors. Parker Automation also manufactures, sells and markets other products used in applications involving motion control, robotics and automation.

With annual sales of more than \$7 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 48,000 people in 46 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; the company's ability to manage costs related to employee retirement and health care benefits and insurance; and global economic factors, including 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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12/16/2004

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CO: Parker Hannifin Corporation; Trilogy Systems Corporation

ST: Ohio, Texas, California

IN: ARO MAC

SU: TNM

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