



Parker Hannifin Acquires Korean-based Valve Maker Hanil Hydraulics

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CLEVELAND, June 27, 2005 /PRNewswire-FirstCall via COMTEX/ -- Parker Hannifin Corporation (NYSE: PH) today announced it has acquired Hanil Hydraulics Company, Ltd., a Korean-based maker of hydraulic valves used in construction equipment applications. Terms of the deal were not disclosed. The acquisition is expected to be accretive to earnings within the first full year of integration.

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

With annual revenues of approximately \$25 million, Hanil Hydraulics employs 140 people. The company produces sectional valves, gear pumps and monoblock spool valves for mobile equipment including excavators, forklifts, and lift trucks, primarily serving the Korean and Chinese markets. Hanil will become part of Parker's Asia Pacific Hydraulics Group.

"Hanil's excellent engineering capabilities, quality products and focus on customer needs make it an excellent fit with Parker," comments Parker Vice President, Asia Pacific Michael Chung. "Acquiring Hanil expands our manufacturing capabilities in Asia and supports our commitment to premier service by being close to our customers and providing them with the best and broadest hydraulic products and services available from one company."

Mr. Koh, Hanil Chairman and Chief Executive Officer, commented, "We are very pleased to be joining Parker and look forward to the synergies this acquisition will bring to both our customers and employees."

With annual sales approaching \$8 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 49 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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