

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

**PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of report (Date of earliest event reported): October 18, 2011

PARKER-HANNIFIN CORPORATION

(Exact Name of Registrant as Specified in Charter)

Ohio
**(State or Other Jurisdiction
of Incorporation)**

1-4982
**(Commission
File Number)**

34-0451060
**(IRS Employer
Identification No.)**

6035 Parkland Blvd.
Cleveland, Ohio
(Address of Principal Executive Offices)

44124-4141
(Zip Code)

Registrant's telephone number, including area code: (216) 896-3000

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02 Results of Operations and Financial Condition**Item 7.01 Regulation FD Disclosure**

The following information is furnished pursuant to Item 2.02, "Results of Operations and Financial Condition" and Item 7.01, "Regulation FD Disclosure"

On October 18, 2011, Parker-Hannifin Corporation issued a press release and presented a Webcast announcing earnings for the quarter ended September 30, 2011. The press release and Webcast presentation contains references to sales growth excluding the effects of acquisitions and foreign currency exchange rates. The effects on sales of acquisitions and foreign currency exchange rates are removed to allow investors and the company to meaningfully evaluate changes in sales on a comparable basis from period to period. A copy of the press release is filed as Exhibit 99.1 to this report. A copy of the Webcast presentation is filed as Exhibit 99.2 to this report.

Item 9.01 Financial Statements and Exhibits

(c) Exhibits:

- 99.1 Press release issued by Parker-Hannifin Corporation, dated October 18, 2011.
- 99.2 Webcast presentation by Parker-Hannifin Corporation, dated October 18, 2011.

[GRAPHIC]

For Release: **Immediately**

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Stock Symbol: PH – NYSE**Parker Reports Record Fiscal 2012 First Quarter Sales, Net Income and Earnings per Share**

- **Sales Increased 14%, Reaching a First Quarter Record of \$3.2 billion**
- **Earnings Per Diluted Share Increased 26% to an All-Time Record of \$1.91**
- **Total Segment Operating Margins Reached an All-Time Record of 16.1%**

CLEVELAND, October 18, 2011 – Parker Hannifin Corporation (NYSE: PH), the global leader in motion and control technologies, today reported results for the fiscal 2012 first quarter ended September 30, 2011. Fiscal 2012 first quarter sales were a record at \$3.2 billion, an increase of 14.3 percent from \$2.8 billion in the prior year quarter. Net income was an all-time record at \$298.1 million, an increase of 19.7 percent compared with \$249.0 million in the first quarter of fiscal 2011. Fiscal 2012 first quarter earnings per diluted share were also an all-time record at \$1.91 compared with \$1.51 in the prior year quarter.

Cash flow from operations for the fiscal 2012 first quarter was \$309.5 million, or 9.6 percent of sales. During the quarter, the company repurchased approximately 4.4 million of its outstanding common shares for \$292 million.

“I am pleased we delivered a very strong first quarter performance as we target another record year for Parker,” said Chairman, CEO and President, Don Washkewicz. “Record first quarter sales were driven by strong organic sales growth of 10 percent, while foreign currency translation contributed 3 percent and acquisitions contributed 1 percent. I am particularly pleased that we generated an all-time quarterly record for total segment

operating margins of 16.1 percent reflecting our focus on driving operational excellence across the organization. Segment operating margins were particularly strong in our North America Industrial segment at 18.5 percent, while our Aerospace segment demonstrated the strongest year-over-year improvement in operating margins.”

Segment Results

In the Industrial North America segment, first quarter sales increased 13.1 percent to \$1.2 billion, and operating income was \$223.2 million compared with \$189.4 million in the same period a year ago.

In the Industrial International segment, first quarter sales increased 17.9 percent to \$1.3 billion, and operating income was \$208.2 million compared with \$183.8 million in the same period a year ago.

In the Aerospace segment, first quarter sales increased 13.9 percent to \$497.5 million, and operating income was \$68.6 million compared with \$43.8 million in the same period a year ago.

In the Climate and Industrial Controls segment, first quarter sales increased 3.3 percent to \$242.5 million, and operating income was \$19.8 million compared with \$21.6 million in the same period a year ago.

Orders

Parker reported an increase of 9 percent in orders for the quarter ending September 30, 2011, compared with the same quarter a year ago. The company reported the following orders by operating segment:

- Orders increased 16 percent in the Industrial North America segment, compared with the same quarter a year ago.
- Orders increased 4 percent in the Industrial International segment, compared with the same quarter a year ago.
- Orders increased 14 percent in the Aerospace segment on a rolling 12-month average basis.
- Orders declined 4 percent in the Climate and Industrial Controls segment, compared with the same quarter

a year ago.

Outlook

For fiscal 2012, the company has increased guidance for earnings from continuing operations to the range of \$7.25 to \$7.85 per diluted share.

Washkewicz added, “We are off to a strong start in fiscal 2012 and anticipate another record year for Parker. We are increasing diluted earnings per share guidance for the year largely based upon our strong first quarter performance, a lower share count and growth in order entry.”

NOTICE OF CONFERENCE CALL: Parker Hannifin’s conference call and slide presentation to discuss its fiscal 2012 first quarter results are available to all interested parties via live webcast today at 10:00 a.m. ET, on the company’s investor information web site at www.phstock.com. To access the call, click on the “Live Webcast” link. From this link, users also may complete a pre-call system test and register for e-mail notification of future events and information available from Parker. A replay of the conference call will also be available at www.phstock.com for one year after the call.

With annual sales exceeding \$12 billion in fiscal year 2011, 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 mobile, industrial and aerospace markets. The company employs approximately 58,000 people in 47 countries around the world. Parker has increased its annual dividends paid to shareholders for 55 consecutive fiscal 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 web site at www.phstock.com.

Notes on Orders

Orders provide near-term perspective on the company’s outlook, particularly when viewed in the context of prior and future quarterly order rates. However, orders are not in themselves an indication of future performance. All comparisons are at

constant currency exchange rates, with the prior year restated to the current-year rates. All exclude acquisitions until they can be reflected in both the numerator and denominator. Aerospace comparisons are rolling 12-month average computations. The total Parker orders number is derived from a weighted average of the year-over-year quarterly percent change in orders for the Industrial North America, Industrial International, and Climate and Industrial Controls segments, and the year-over-year 12-month rolling average of orders for the Aerospace segment.

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, including its individual segments, may differ materially from current expectations, depending on economic conditions within its mobile, industrial and aerospace markets, and the company's ability to maintain and achieve anticipated benefits associated with announced realignment activities, strategic initiatives to improve operating margins, actions taken to combat the effects of the current economic environment, and growth, innovation and global diversification initiatives. A change in economic conditions in individual markets may have a particularly volatile effect on segment performance. Among other factors which may affect future performance are: changes in business relationships with and purchases by or from major customers, suppliers or distributors, including delays or cancellations in shipments, disputes regarding contract terms or significant changes in financial condition, changes in contract cost and revenue estimates for new development programs and changes in product mix; uncertainties surrounding timing, successful completion or integration of acquisitions; ability to realize anticipated costs savings from business realignment activities; threats associated with and efforts to combat terrorism; uncertainties surrounding the ultimate resolution of outstanding legal proceedings, including the outcome of any appeals; 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 insurance and employee retirement and health care benefits; and global economic factors, including manufacturing activity, air travel trends, currency exchange rates, difficulties entering new markets and general economic conditions such as inflation, deflation, interest rates and credit availability. The company makes these statements as of the date of this disclosure, and undertakes no obligation to update them unless otherwise required by law.

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PARKER HANNIFIN CORPORATION - SEPTEMBER 30, 2011
CONSOLIDATED STATEMENT OF INCOME
(Unaudited)

	Three Months Ended September 30,	
	2011	2010
<u>(Dollars in thousands except per share amounts)</u>		
Net sales	\$ 3,233,881	\$ 2,829,273
Cost of sales	<u>2,414,442</u>	<u>2,137,874</u>
Gross profit	819,439	691,399
Selling, general and administrative expenses	386,466	333,584
Interest expense	23,221	24,633
Other (income), net	<u>(1,833)</u>	<u>(3,182)</u>
Income before income taxes	411,585	336,364
Income taxes	<u>113,427</u>	<u>87,334</u>
Net income	298,158	249,030
Less: Noncontrolling interests	<u>1,140</u>	<u>1,859</u>
Net income attributable to common shareholders	\$ 297,018	\$ 247,171
Earnings per share attributable to common shareholders:		
Basic earnings per share	<u>\$ 1.95</u>	<u>\$ 1.53</u>
Diluted earnings per share	<u>\$ 1.91</u>	<u>\$ 1.51</u>
Average shares outstanding during period - Basic	152,439,026	161,272,536
Average shares outstanding during period - Diluted	<u>155,429,408</u>	<u>164,107,220</u>
Cash dividends per common share	<u>\$.37</u>	<u>\$.27</u>

BUSINESS SEGMENT INFORMATION BY INDUSTRY
(Unaudited)

	Three Months Ended September 30,	
	2011	2010
<u>(Dollars in thousands)</u>		
Net sales		
Industrial:		
North America	\$ 1,204,817	\$ 1,064,915
International	1,289,115	1,092,981
Aerospace	497,492	436,680
Climate & Industrial Controls	<u>242,457</u>	<u>234,697</u>
Total	\$ 3,233,881	\$ 2,829,273
Segment operating income		
Industrial:		
North America	\$ 223,227	\$ 189,362
International	208,219	183,800
Aerospace	68,637	43,776
Climate & Industrial Controls	<u>19,792</u>	<u>21,552</u>
Total segment operating income	519,875	438,490
Corporate general and administrative expenses	<u>58,016</u>	<u>33,354</u>
Income before interest expense and other	461,859	405,136
Interest expense	23,221	24,633
Other expense	<u>27,053</u>	<u>44,139</u>
Income before income taxes	\$ 411,585	\$ 336,364

PARKER HANNIFIN CORPORATION - SEPTEMBER 30, 2011

CONSOLIDATED BALANCE SHEET

(Unaudited)

(Dollars in thousands)	September 30, 2011	June 30, 2011	September 30, 2010
Assets			
Current assets:			
Cash and cash equivalents	\$ 424,354	\$ 657,466	\$ 923,836
Accounts receivable, net	1,881,303	1,977,856	1,694,313
Inventories	1,456,078	1,412,153	1,295,137
Prepaid expenses	93,597	111,934	104,216
Deferred income taxes	144,002	145,847	130,094
Total current assets	3,999,334	4,305,256	4,147,596
Plant and equipment, net	1,712,870	1,797,179	1,770,983
Goodwill	2,904,201	3,009,116	2,915,602
Intangible assets, net	1,115,900	1,177,722	1,180,021
Other assets	589,285	597,532	695,519
Total assets	\$ 10,321,590	\$ 10,886,805	\$ 10,709,721
Liabilities and equity			
Current liabilities:			
Notes payable	\$ 78,547	\$ 75,271	\$ 391,303
Accounts payable	1,120,339	1,173,851	953,259
Accrued liabilities	803,158	909,147	742,087
Accrued domestic and foreign taxes	233,665	232,774	195,455
Total current liabilities	2,235,709	2,391,043	2,282,104
Long-term debt	1,668,600	1,691,086	1,745,812
Pensions and other postretirement benefits	845,576	862,938	1,327,195
Deferred income taxes	149,022	160,035	149,701
Other liabilities	309,195	293,367	212,332
Shareholders' equity	5,017,264	5,383,854	4,894,945
Noncontrolling interests	96,224	104,482	97,632
Total liabilities and equity	\$ 10,321,590	\$ 10,886,805	\$ 10,709,721

CONSOLIDATED STATEMENT OF CASH FLOWS

(Unaudited)

(Dollars in thousands)	Three Months Ended September 30,	
	2011	2010
Cash flows from operating activities:		
Net income	\$ 298,158	\$ 249,030
Depreciation and amortization	84,832	84,986
Stock incentive plan compensation	27,898	29,242
Net change in receivables, inventories, and trade payables	(83,758)	(54,956)
Net change in other assets and liabilities	(11,761)	(224,180)
Other, net	(5,873)	38,758
Net cash provided by operating activities	309,496	122,880
Cash flows from investing activities:		
Acquisitions (net of cash of \$5,899 in 2011 and \$1 in 2010)	(87,299)	(8,129)
Capital expenditures	(43,989)	(52,690)
Proceeds from sale of plant and equipment	5,660	2,169
Other, net	181	(318)
Net cash (used in) investing activities	(125,447)	(58,968)
Cash flows from financing activities:		
Net (payments for) common stock activity	(290,940)	(3,305)
Net (payments for) proceeds from debt	(203)	293,952
Dividends	(63,004)	(43,648)
Net cash (used in) provided by financing activities	(354,147)	246,999
Effect of exchange rate changes on cash	(63,014)	37,399
Net (decrease) increase in cash and cash equivalents	(233,112)	348,310
Cash and cash equivalents at beginning of period	657,466	575,526
Cash and cash equivalents at end of period	\$ 424,354	\$ 923,836



Parker Hannifin Corporation

Quarterly Earnings Release
1st Quarter FY2012

October 18, 2011

Forward-Looking Statements

Forward-Looking Statements:

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Non-GAAP Financial Measures

This presentation reconciles sales amounts reported in accordance with U.S. GAAP to sales amounts adjusted to remove the effects of acquisitions made within the prior four quarters and the effects of currency exchange rates on sales. The effects of acquisitions and currency exchange rates are removed to allow investors and the company to meaningfully evaluate changes in sales on a comparable basis from period to period.

Discussion Agenda

- CEO 1st Quarter Highlights
- Key Performance Measures & Outlook
- Questions & Answers
- CEO Closing Comments

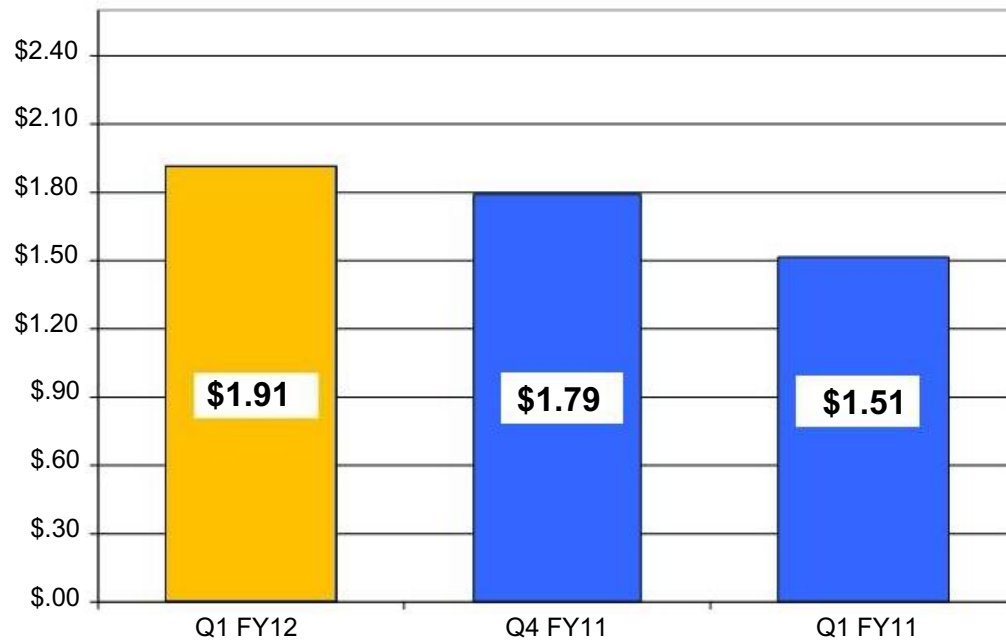
First Quarter FY12 Highlights

- ◆ **Record 1st Quarter Revenue:** Q1 Revenues Increased 14.3% Year-over-Year to \$3.2B
- ◆ **All Time Q1 Record Operating Margin:** Sequential Quarter Improvement to 16.1%, from 14.8% in Q4 FY11 and 15.5% in Q1 FY11
 - ❖ NA Industrial Achieved record ROS level of 18.5%
 - ❖ All Time Quarterly Net Income Record of \$297M
- ◆ **Continued Cost Control:** Incremental Marginal Return on Sales of 20% for Q1 FY12
- ◆ **Continued Strong Cash Flow:** Q1 FY12 Operating Cash Flow/Revenue of 9.6%
- ◆ **Share Repurchases:** Repurchased 4.4M Shares for a Total of \$292M
- ◆ **Strong Balance Sheet:** Cash Balance Greater than \$400M and Debt/Total Capitalization Metric of 25.8%
- ◆ **Strong End Market Demand:** Order Improvement of 9% Year-over-Year.

Financial Highlights

Diluted Earnings per Share

1st Quarter



Influences on 1st Quarter Earnings

Diluted Earnings Per Share Increase Year-over-Year of \$.40 or 26% Primarily Driven By:

- ◆ Improved Segment Operating Income Moving Margins to 16.1% from 15.5% (\$.37 EPS Impact)
- ◆ Lower Shares Outstanding due to Share Repurchase (\$.10 EPS Impact)

Offset by:

- ◆ Increased Expense Below Segment Operating Income due to Higher Market-driven Benefit Expense, Offset by Favorable Currency (\$.02 EPS Impact)
- ◆ Higher Tax Rate due to Fewer Discrete Items in Q1 '12 (\$.04 EPS Impact)

Financial Highlights

Sales – 1st Quarter

Dollars in millions	1st Quarter		
	FY2012	% Change	FY2011
<u>Sales</u>			
As reported	\$ 3,234	14.3 %	\$ 2,829
Acquisitions	22	0.8 %	
Currency	86	3.0 %	
Adjusted Sales	\$ 3,126	10.5 %	
<u>Operating Margin</u>			
As reported	\$ 520		\$ 438
% of Sales	16.1 %		15.5 %

Segment Reporting

Industrial North America

Dollars in millions	1st Quarter		
	FY2012	% Change	FY2011
<u>Sales</u>			
As reported	\$ 1,205	13.1 %	\$ 1,064
Acquisitions	11	1.1 %	
Currency	4	0.4 %	
Adjusted Sales	\$ 1,190	11.6 %	
<u>Operating Margin</u>			
As reported	\$ 223		\$ 189
% of Sales	18.5 %		17.8 %

Segment Reporting

Industrial International

Dollars in millions

1st Quarter

	1st Quarter		
	FY2012	% Change	FY2011
<u>Sales</u>			
As reported	\$ 1,289	17.9 %	\$ 1,093
Acquisitions	10	0.9 %	
Currency	77	7.0 %	
Adjusted Sales	\$ 1,202	10.0 %	
<u>Operating Margin</u>			
As reported	\$ 208		\$ 184
% of Sales	16.2 %		16.8 %

Segment Reporting

Aerospace

Dollars in millions

1st Quarter

	1st Quarter		
	FY2012	% Change	FY2011
Sales			
As reported	\$ 498	13.9 %	\$ 437
Acquisitions	0	0.0 %	
Currency	1	0.2 %	
Adjusted Sales	\$ 497	13.7 %	
Operating Margin			
As reported	\$ 69		\$ 44
% of Sales	13.8 %		10.0 %

Segment Reporting

Climate & Industrial Controls

Dollars in millions	1st Quarter		
	FY2012	% Change	FY2011
<u>Sales</u>			
As reported	\$ 242	3.3 %	\$ 235
Acquisitions	1	0.3 %	
Currency	4	1.8 %	
Adjusted Sales	\$ 237	1.2 %	
<u>Operating Margin</u>			
As reported	\$ 20		\$ 22
% of Sales	8.2 %		9.2 %

Parker Order Rates

Three Month Rolling at Period End

	<u>SEPT '11</u>	<u>JUN '11</u>	<u>SEPT '10</u>	<u>JUN '10</u>
Total Parker	+ 9 %	+ 15 %	+ 29 %	+ 35 %
Industrial North America	+ 16 %	+ 11 %	+ 31 %	+ 46 %
Industrial International	+ 4 %	+18 %	+ 34 %	+ 46 %
Aerospace	+ 14 %	+27 %	+ 16 %	- 3 %
Climate & Industrial Controls	- 4 %	+ 1 %	+ 23 %	+ 35 %

Excludes Acquisitions & Currency

3-month year-over-year comparisons of total dollars, except Aerospace

Aerospace is calculated using a 12-month rolling average

Balance Sheet Summary

- ◆ Cash
- ◆ Working capital
 - Accounts receivable
 - Inventory
 - Accounts payable

Strong Cash Flow

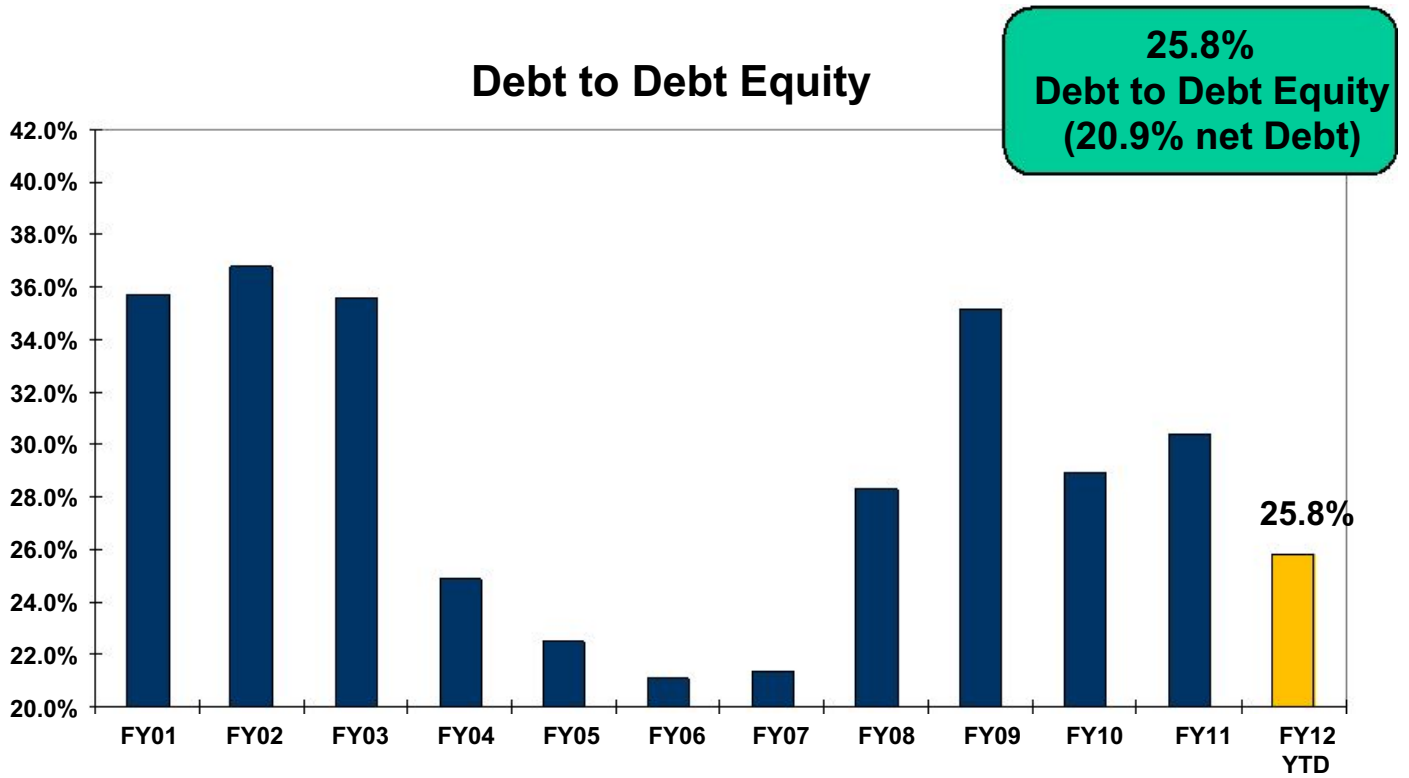
Cash from Operating Activities

1st Quarter

Cash From Operating Activities

	<u>Q1 '12</u>	<u>Q1 '11</u>
As Reported	\$ 309M	\$123M
As Reported % Sales	9.6%	4.3%

Financial Leverage



FY 2012 Earnings Outlook Assumptions Segment Sales & Operating Margins

FY 2012 Sales change versus FY 2011	
Industrial North America	6.5 % -- 10.0 %
Industrial International	5.9 % -- 9.4 %
Aerospace	7.1 % -- 10.1 %
Climate & Industrial Controls	1.1 % -- 4.6 %

FY 2012 Operating margin percentages	
Industrial North America	17.2 % -- 17.5 %
Industrial International	15.5 % -- 15.9 %
Aerospace	13.2 % -- 13.5 %
Climate & Industrial Controls	8.1 % -- 8.5 %

FY 2012 Earnings Outlook Assumptions below Operating Margin (+/- 2.0%)

- Expenses Below Segment Operating Margin*
 - ❖ \$406M at Midpoint

- Tax Rate = 28%

* *Corporate Admin, Interest and Other Expense (Income)*

Earnings Outlook – FY12

	<u>Low</u>	<u>Midpoint</u>	<u>High</u>
Diluted Earnings Per Share	\$7.25	\$7.55	\$7.85

Questions & Answers...

Appendix

Income Statement

▪ 1st Quarter FY2012

Income Statement – 1st Quarter

Quarter

Dollars in millions

	FY 2012		FY 2011	
		% of Sales		% of Sales
Net Sales	\$ 3,233.9	100.0 %	\$ 2,829.3	100.0 %
Cost of sales	2,414.5	74.7 %	2,137.9	75.6 %
Gross profit	819.4	25.3 %	691.4	24.4 %
S, G & A	386.5	12.0 %	333.6	11.8 %
Interest expense	23.2	.7 %	24.6	.8 %
Other (income), net	(1.8)	(.1)%	(3.1)	(.1)%
Income before taxes	411.5	12.7 %	336.3	11.9 %
Income taxes	113.4	3.5 %	87.3	3.1 %
Net income	\$ 298.1	9.2 %	\$ 249.0	8.8 %
Less: Noncontrolling interests	\$ 1.1	.0 %	\$ 1.8	.1 %
Net income attributable to common shareholders	\$ 297.0	9.2 %	\$ 247.2	8.7 %