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## **Parker Acquires Asian Technology Company Which Produces Critical Elastomer Seals for Precision Markets**

CLEVELAND, April 3 /PRNewswire-FirstCall/ -- Parker Hannifin Corporation (NYSE: PH), the world leader in motion and control technologies, today announced the acquisition of Rayco Technologies, an Asian elastomer and seal technology company with compounding, mixing and precision molding capabilities that serves several high-end markets such as electronics and medical. Revenues of the acquired business totaled approximately \$26 million in 2006. Earnings are expected to be accretive to Parker in the first full year of operation. Terms of the deal were not disclosed.

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

Commencing operations in 1954, Rayco employs approximately 500 people, occupying more than 176,000 square feet of manufacturing and office space in Singapore and China. A global provider of safety critical parts and miniature seals, the company has two locations that serve disk drive, electronics, medical, semiconductor, consumer and automotive markets.

Rayco will be integrated into Parker's worldwide Seal group within the company's international industrial segment. "The acquisition of Rayco Technologies will expand Parker's capabilities in the fast growing markets in Asia, especially within industries that require high-quality, distinctive sealing technologies for critical applications," commented Heinz Droxner, Parker Seal Group President. "Rayco brings a quality team, impressive compounding, mixing and precision molding capabilities, and serves important markets currently untapped by Parker."

"The management and staff of Rayco fully support the transaction and look forward to growing within Parker's Seal group and continuing to serve new and existing customers," said CW Lim, Rayco Managing Director. "This is a move forward for Rayco and will open new opportunities for both companies."

With annual sales exceeding \$9 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 57,000 people in 43 countries around the world. Parker has increased its annual dividends paid to shareholders for 50 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 reports and oral statements 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 Company's future performance and earnings projections of the Company may differ materially from current expectations, depending on economic conditions within both its 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 and growth and innovation 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 or suppliers, including delays or cancellations in shipments, or significant changes in financial condition, 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 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 interest rates. The Company undertakes no obligation to update or publicly revise these forward-looking statements to reflect events or circumstances that arise after the date of this report.

SOURCE Parker Hannifin Corporation