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Parker Refinances \$1.5 Billion Credit Facility Over Five Years

--Company is a leader amongst A-rated diversified industrials in securing post-recession five year bank financing

-- Facility to fund ongoing growth initiatives

CLEVELAND, March 15, 2011 /PRNewswire/ -- Parker Hannifin Corporation (NYSE: PH), the global leader in motion and control technologies, today announced the company has successfully refinanced its syndicated credit facility at \$1.5 billion over the next five years.

With a total of 21 lenders around the world, solely led by KeyBank National Association, the credit facility is a key component of the company's overall capital structure and supports the issuance of U.S. commercial paper.

(Logo: <https://photos.prnewswire.com/prnh/19990816/PHLOGO>)

"We believe that Parker is the first Single A diversified industrial company to secure favorable credit for a five year term during the present economic recovery period," said Jon P. Marten, Parker Executive Vice President -- Finance and Administration and Chief Financial Officer. "Although we refinanced ahead of the expiration of the prior facility, we chose to take advantage of the continuing recovery in the credit markets to secure Parker's aggregate capital structure in full support of future growth initiatives.

"The availability of back-up credit from this world-wide group of respected lenders gives us the flexibility to finance acquisitions, invest in global expansion, and drive organic growth through the funding of research and development initiatives. Refinancing our credit facility at this level and length of term reflects the depth and strength of our global network of lenders and their confidence in our prospects for continued growth and financial performance."

With annual sales of \$10 billion in fiscal year 2010, 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 55,000 people in 46 countries around the world. Parker has increased its annual dividends paid to shareholders for 54 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.

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 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 results. Among the 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, and changes in contract cost and revenue estimates for new development programs; uncertainties surrounding timing, successful completion or integration of acquisitions; ability to realize anticipated cost savings from business realignment actions; 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.

SOURCE Parker Hannifin Corporation