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Parker Aerospace, COMAC, and AVIC Systems Hold Contract Signing Ceremony for Fuel, Inerting, and Hydraulic Systems on New C919 Aircraft

Parker and AVIC Systems to Form Joint Venture to Support C919 Program

NANJING, China, April 14 /PRNewswire-FirstCall/ -- Parker Aerospace, a business segment of Parker Hannifin Corporation (NYSE: PH), the global leader in motion and control technologies; the Commercial Aircraft Corporation of China, Ltd. (COMAC); and China Aviation Industry Systems Company (AVIC Systems) held a contract-signing ceremony today naming Parker the fuel, inerting, and hydraulic systems provider for the new COMAC C919 large aircraft, and to announce a joint venture between Parker and AVIC Systems.

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

The system contracts will generate more than US\$2.5 billion in revenue over the life of the program for Parker.

Executive members of Parker Aerospace, COMAC, AVIC Systems, and Nanjing city officials attended the ceremony.

"Parker is honored to have been chosen to supply the fuel, inerting, and hydraulic systems on the C919," said Parker Aerospace Vice President of Asia Pacific Pui Ho. "We are committed to China and to supporting its rapidly expanding aerospace industry."

Fuel and inerting systems. The Parker Aerospace Fluid Systems and Electronic Systems Divisions will be responsible for the complete fuel and inerting systems for the aircraft. The fuel system equipment will handle multiple functions for the aircraft's fuel system and includes engine feed, auxiliary power unit feed, refuel and defuel, venting, scavenge, fuel quantity gauging, and integrated modular avionics fuel gauging and management software. The inerting system includes the conditioned air supply and electronic control, as well as nitrogen-enriched air generation and distribution, reducing the flammability of fuel vapors in the aircraft's fuel tanks and increasing aircraft safety.

Hydraulic system. Parker Aerospace's Hydraulic Systems Division will be responsible for the complete C919 hydraulic system, including engine-driven pumps, variable frequency motor pumps, power transfer unit, reservoirs, filter assemblies, shutoff valves, quick disconnects, and other equipment. The hydraulic system contract also features a hydraulic

control and monitoring software package for the C919 integrated modular avionics controller. The hydraulic system provides the functions necessary to power and control the aircraft's flight control system, landing gear and steering systems, and thrust-reversers.

Joint venture. Parker Aerospace and AVIC Systems have signed an agreement to form a joint venture for the development and support of the C919 large aircraft program. Financial terms of the agreement have not been disclosed.

The new venture is being formed to provide local, in-country support of the joint development of Parker's hydraulic and fuel systems for the C919. A significant portion of the systems' component design, test, and manufacture will take place at the new facility, as well as systems integration and test functions.

"We are happy to form this joint venture with long-time customer and partner AVIC Systems," said Ho. "Parker is committed to supporting the C919 program with experienced, U.S. and local engineers and technical experts."

ARJ21 Gold Supplier. Parker Aerospace provides the fuel, hydraulic, and flight control systems for COMAC's ARJ21 aircraft and has been a Gold Supplier for the program for six consecutive years. The regional jet made its first flight in 2009.

About Parker Aerospace. Parker Aerospace is an operating segment of Parker Hannifin Corporation. Parker Aerospace designs, manufactures, and services hydraulic, fuel, flight control, fluid conveyance, and engine components and systems for aerospace and other high-technology markets. Based in Irvine, California, its product lines include primary and secondary flight control actuation, power generation and control components, thrust-reverser actuation systems, electrohydraulic servovalves, electric motor-driven hydraulic pumps, fuel pumps, motor-operated valves and fuel equipment, lubrication oil reservoirs, lubrication and scavenge pumps, fuel measurement and management systems, cockpit instrumentation, flight inspection systems, lightning-safe products, pneumatic subsystems and components, fluid metering delivery and atomization devices, wheels, brakes, and fluid conveyance products such as hoses, tubes, disconnects, and fittings.

About Parker Hannifin. With annual sales exceeding \$10 billion in fiscal year 2009, 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 52,000 people in 48 countries around the world. Parker has increased its annual dividends paid to shareholders for 53 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>.

Parker Hannifin China was established in the 1980s. It was one of the first three joint ventures after China opened to the outside world and attracted foreign direct investment. Parker Hannifin owns over 2,000 product lines in China with a wide range of products covering more than 50 markets. It is committed to providing products technologies in aerospace, climate control, electromechanical, filtration, fluid and gas handling, hydraulics, pneumatics, process control, and seal & shielding. Products and solutions are widely used in diesel engines, wind turbines, the shipbuilding industry, oceanic exploration, the steel industry, heavy mobile equipment, high-speed railways and factory automation. Parker

Hannifin has 11 plants based in Shanghai, Wuxi, Qingdao, Tianjin, Shenyang, Dongguan and Shenzhen. Sales sites and regional offices are mainly located in Shanghai, Chengdu and Beijing. Parker Hannifin has more than 3,000 employees in China.

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 recession, 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; uncertainties surrounding timing, successful completion or integration of acquisitions; 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 employee retirement and health care benefits and insurance; 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.

SOURCE Parker Hannifin Corporation