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Parker Completes Cash Tender Offer to Acquire the Remaining Shares in TAIYO, LTD. of Japan

CLEVELAND, March 15, 2012 /PRNewswire/ -- Parker Hannifin Corporation (NYSE: PH), the global leader in motion and control technologies, today announced that it has successfully completed its previously announced cash tender offer to purchase the outstanding shares not owned by Parker in TAIYO, LTD., a majority owned subsidiary of Parker, which is headquartered in Osaka, Japan. The tender offer, which was formally made by Parker Hannifin Japan Holdings GK, resulted in ownership by Parker of 97.82% of the outstanding shares of TAIYO. At the offer price of 250 yen (approximately \$3.08) per common share, the total consideration paid for the tendered shares was 5.5 billion yen (approximately \$70 million).

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

Parker has been the majority shareholder in TAIYO since June 2006 and owned 56.49 percent of the outstanding shares in TAIYO prior to the tender offer. TAIYO has annual sales of approximately 17.3 billion yen (approximately \$215 million) and develops and manufactures a broad range of motion and control products. TAIYO will remain part of Parker's Global Hydraulics Group and its results will continue to be reported in the Industrial International segment. Parker has been consolidating 100 percent of the sales of TAIYO in its financial statements.

"We are pleased to have completed this transaction and officially welcome the people of TAIYO to Parker Hannifin," said Jeff Cullman, President of Parker's Hydraulics Group. "Based on the strong working relationship we have developed over the past ten years, we anticipate a seamless transition to full Parker ownership. This completed transaction places Parker in a strong position to offer our world class hydraulic and automation systems in Japan and other target growth markets in the region."

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.

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 the 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; ability to identify acceptable strategic acquisition targets; uncertainties surrounding timing, successful completion or integration of acquisitions, including obtaining the minimum number of shares tendered by TAIYO shareholders to complete the tender offer; 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.

SOURCE Parker Hannifin Corporation