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Parker Acquires PGI International to Broaden Instrumentation Technologies

CLEVELAND, Nov. 13, 2012 /PRNewswire/ -- Parker Hannifin Corporation (NYSE:PH), the global leader in motion and control technologies, today announced that it has acquired PGI International, headquartered in Houston, Texas. PGI is a market leading designer and manufacturer of specialized, high-pressure flow control components and systems for oil & gas, agriculture, and petro-chemical applications. Terms of the transaction were not disclosed.

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

PGI International has sales of approximately \$100 million and 550 employees, and their products are used to enable safe and reliable connection, isolation, measurement and control of high-pressure fluids. The acquired company will become a part of Parker's Instrumentation Group and approximately 80 percent of revenues will be reported in the North American Industrial segment and the remaining 20 percent of revenues will be reported in the International Industrial segment.

"This acquisition will strengthen Parker's position in the Oil and Gas and General Instrumentation markets," said John Greco, Vice President and President – Instrumentation Group. "The addition of PGI provides product and manufacturing technologies and expanded systems capabilities along with a solid name in the industry. We are excited about the opportunities to combine our organizations to allow us to extend more solutions to our customers."

With annual sales exceeding \$13 billion in fiscal year 2012, 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 60,000 people in 48 countries around the world. Parker has increased its annual dividends paid to shareholders for 56 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 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.

SOURCE Parker Hannifin Corporation