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Sun Hydraulics Pursues Equity Stake in High Country Tek, Inc.

SARASOTA, FL -- (MARKET WIRE) -- 11/01/07 -- Sun Hydraulics Corporation (NASDAQ: SNHY) today announced its intention to acquire up to 48% of the shares of High Country Tek, Inc. (HCT), which would represent approximately 36% of its shares on a fully diluted basis. The price is expected to be $2.4 million. The proposed transaction contemplates that Sun Hydraulics will have the option to purchase the remaining outstanding stock after December 31, 2009. Closing is subject to certain conditions, including approval by HCT shareholders.

HCT, located in Nevada City, California, designs and manufacturers ruggedized electronic/hydraulic control solutions for mobile equipment markets; products include digital valve controllers, designed specifically for the hydraulic industry, and a patented suite of software products called Intella(TM). The products' modular architecture allows customers to add functionality, reliability, and precision, while preserving their investment in prior application development. More information on HCT can be found at their website, www.highcountrytek.com.

"HCT adds products, sales personnel, and system integration capabilities that dovetail into our business strategy," commented Allen Carlson, Sun Hydraulics' President and CEO. "This investment is complementary to our electro-hydraulic efforts, including our earlier investment in WhiteOak Controls. HCT will help Sun get closer to our customers and better understand their electro-hydraulic system requirements. We expect our relationships with HCT and WhiteOak will help us secure additional integrated package and system business that will result in increased market share."

Sun Hydraulics Corporation is a leading designer and manufacturer of high performance screw-in hydraulic cartridge valves and manifolds for worldwide industrial and mobile markets. For more information about Sun, please visit our website at www.sunhydraulics.com.

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