

Parker's Win Strategy

Vision

The #1 Motion & Control Company

Goals

#1 Premier Customer Service

Financial Performance

Profitable Growth

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- ◆ Quality Products on Time
- ◆ Value Added Services
- ◆ Best Systems - **PHconnect**

- ◆ Suppliers: **Strategic Procurement**
- ◆ Operations: **Lean**
- ◆ Customers: **Strategic Pricing**
- ◆ European Initiatives



- ◆ Innovative Products
- ◆ Systems Solutions
- ◆ Strong Distribution



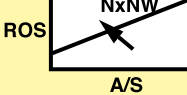
Empowered Employees

What does good look like?

#1 Premier Customer Service

- ◆ 95% + on time delivery
- ◆ Sole source customers
- ◆ Partnership accounts
- ◆ Selling Total Parker

Financial Performance

- ◆ Over the line 
- ◆ 15% operating income
- ◆ Top quartile P/E
- ◆ "Premier" Diversified Ind'l
- ◆ Best cost producer

Profitable Growth

- ◆ 10% compound growth
- ◆ 20% + market share
- ◆ #1, #2 position each Group
- ◆ 30% MROS
- ◆ Strong Distribution
- ◆ 50% Dist / 50% OEM
- ◆ Increasing systems sales
- ◆ High % New product sales

Empowered Employees

- ◆ Aligned with Parker Values
- ◆ High Performance Teams & Leaders
- ◆ Inclusive Culture
- ◆ Accountability