



Graco Inc. and U.S. Federal Trade Commission Reach Settlement on Spray Foam Equipment

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MINNEAPOLIS--(BUSINESS WIRE)--Apr. 18, 2013-- Graco Inc. (NYSE:GGG) today announced it has reached a non-monetary settlement agreement resolving a Federal Trade Commission (FTC) non-public investigation of the Company's business related to spray foam equipment used by contractors doing business in the United States.

The settlement expressly states that Graco does not admit any violation of law or that the facts alleged in the FTC's complaint are true. Indeed, the Company believes that the complaint contains inaccuracies with regard to both the law and the facts, and relates to events which occurred many years ago.

While the Company believes it would prevail in a court of law, its spray foam equipment business covered by the FTC's decision and order accounted for less than 5 percent of the Company's consolidated net sales in the fourth quarter of fiscal year 2012. Consequently, management has concluded that a settlement enables Graco to put an end to the expense and distraction of protracted litigation with the FTC. The Company believes that spray foam equipment contractors rely on innovative Graco technologies and products in this niche industry to rapidly evolve, enabling them to increase the share of spray foam insulation in the broader insulation industry. The Company expects these vibrant dynamics to continue in the future.

This agreement related to spray foam equipment is not associated with the FTC's ongoing review of Graco's 2012 acquisition of the Finishing Brands, which included powder and liquid finishing businesses from Illinois Tool Works, Inc.

ABOUT GRACO

Graco Inc. supplies technology and expertise for the management of fluids and coatings in both industrial and commercial applications. It designs, manufactures and markets systems and equipment to move, measure, control, dispense and spray fluid and coating materials. A recognized leader in its specialties, Minneapolis-based Graco serves customers around the world in the manufacturing, processing, construction, and maintenance industries. For additional information about Graco Inc., please visit us at www.graco.com.

Source: Graco Inc.

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