Graco Acquires Airlessco(R) and LubeSci(TM) Assets

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MINNEAPOLIS--(BUSINESS WIRE)--

Graco Inc. (NYSE: GGG) announces today that it has acquired the Airlessco(R) spray painting assets of Durotech Co. Graco also announces today that it has completed the acquisition of the LubeSci(TM) automated lubrication assets of Lubrication Scientifics, Inc.

In 2007, the Airlessco and LubeSci businesses had combined annual sales of approximately $17 million. The aggregate purchase price for these assets is approximately $20 million. The company expects to complete the transfer of the LubeSci assets to Graco's Anoka facility by the end of the first quarter of 2009. The Airlessco business will remain at its current location in Moorpark, California.

Graco's President and Chief Executive Officer Patrick J. McHale said, "The Airlessco and LubeSci product lines highly complement Graco's contractor business and industrial lubrication products. Each brand is known for its high quality and innovation. We welcome the opportunities these acquisitions create for Graco as we reinforce our unwavering commitment to technical excellence, world-class manufacturing and superior customer service. We expect that these acquisitions will be accretive to cash flows by the end of 2009."

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

Cautionary Statement Regarding Forward-Looking Statements

A forward-looking statement is any statement made in this earnings release and other reports that the Company files periodically with the Securities and Exchange Commission, as well as in press releases, analyst briefings, conference calls and the Company's Annual Report to shareholders, which reflects the Company's current thinking on market trends and the Company's future financial performance at the time they are made. All forecasts and projections are forward-looking statements. The Company undertakes no obligation to update these statements in light of new information or future events.

The Company desires to take advantage of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995 by making cautionary statements concerning any forward-looking statements made by or on behalf of the Company. The Company cannot give any assurance that the results forecasted in any forward-looking statement will actually be achieved. Future results could differ materially from those expressed, due to the impact of changes in various factors. These risk factors include, but are not limited to: economic conditions in the United States and other major world economies, currency fluctuations, political instability, changes in laws and regulations, and changes in product demand. Please refer to Item 1A of, and Exhibit 99 to, the Company's Annual Report on Form 10-K for fiscal year 2007 (and most recent Form 10-Q, if applicable) for a more comprehensive discussion of these and other risk factors. These reports are available on the Company's website at www.graco.com and the Securities and Exchange Commission's website at www.sec.gov.

Source: Graco Inc.