

**FOR IMMEDIATE RELEASE:**  
Tuesday, July 11, 2006

**FOR FURTHER INFORMATION:**  
Mark W. Sheahan (612) 623-6656

### **GRACO ACQUIRES LUBRIQUIP, INC.**

**MINNEAPOLIS, MN (July 11, 2006)** – Graco Inc. (**NYSE: GGG**) announced today that it has purchased, from IDEX Corporation (**NYSE: IEX**), the stock of Lubriquip, Inc. based in Warrensville Heights, Ohio. Lubriquip will become part of Graco’s Lubrication Equipment Division and had 2005 sales of approximately \$30 million.

Lubriquip is a leading manufacturer of centralized and automated oil and grease lubrication systems, force-feed lubricators, metering devices and related electronic controls and accessories. The company serves diverse applications in machine tools, transfer machines, conveyors, packaging machinery, transportation equipment, construction machinery, mobile on-road vehicles, rail applications, food processing and paper machinery. The Company’s products are vital for prolonging equipment life, reducing maintenance costs and increasing the productivity of very expensive, performance critical customer equipment.

Graco’s Chairman, President and Chief Executive Officer David Roberts said, “The acquisition of Lubriquip establishes a strong presence for Graco in industrial lubrication end markets. Both Graco and Lubriquip have long histories of designing, manufacturing, marketing and selling lubrication equipment and we will leverage the combined skills of both companies to benefit our customers, channel partners and shareholders.”

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, construction and maintenance industries. For additional information about Graco Inc., please visit us at [www.graco.com](http://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 2005 (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](http://www.graco.com) and the Securities and Exchange Commission’s website at [www.sec.gov](http://www.sec.gov).