

Walvoil Purchases McElroy Fluid Power

Monday, November 1, 2004:

President and CEO of McElroy Manufacturing, Inc., A.H. "Chip" McElroy, announced the sale of its Tulsa OK based fluid power division to Walvoil. Walvoil Fluid Power is a wholly owned subsidiary of Walvoil S.p.A., located in Reggio Emilia, Italy. The sale is expected to be complete by mid-December 2004.

The key to the sale was the strength, capabilities and success of the McElroy Fluid Power organization. McElroy Fluid Power has been the USA importer and master distributor of Walvoil products for the last 19 years. Most important to both McElroy and Walvoil is that operations continue normally at their present location and with the same group of proven employees. This commitment ensures that the division's customers will continue to receive uninterrupted support and service. This acquisition will allow Walvoil to establish a greater presence in its largest international market.

The adjoining of McElroy to Walvoil looks to be a promising endeavor. Walvoil is the largest Italian manufacturer of Mobile Hydraulic Directional Control Valves. The Walvoil group of companies has become a leading supplier to Mobile Equipment OEM's internationally. The name McElroy is recognized worldwide as manufacturer of the most reliable, efficient, rugged and technically advanced fusion equipment. McElroy holds dozens of U.S. and foreign patents on fusion related equipment. Best wishes to both companies!!!

For additional information please visit the Walvoil of McElroy websites:

<http://www.walvoil.com/>

<http://www.mcelroy.com/>