

PARKER HANNIFIN CORP
Form 11-K
June 19, 2014

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 11-K

ý ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the year ended December 31, 2013
OR

.. TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF
1934
For the transition period from to
Commission file number 1-4982

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:
PARKER RETIREMENT SAVINGS PLAN

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:
PARKER-HANNIFIN CORPORATION
6035 PARKLAND BOULEVARD
CLEVELAND, OHIO 44124-4141

Parker Retirement Savings Plan

Index of Financial Statements

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Plan Participants and Board of Directors

Parker-Hannifin Corporation

Parker Retirement Savings Plan

Cleveland, Ohio

We have audited the accompanying statements of net assets available for benefits of the Parker Retirement Savings Plan as of December 31, 2013 and 2012, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Parker Retirement Savings Plan as of December 31, 2013 and 2012, and the changes in net assets available for benefits for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets (held at end of year) as of December 31, 2013 and schedule of reportable transactions for the year then ended are presented for the purpose of additional analysis and are not a required part of the basic financial statements but is supplementary information required by the United States Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. These supplemental schedules are the responsibility of the Plan's management. The supplemental schedules have been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ McGladrey LLP

Cleveland, Ohio

June 19, 2014

Parker Retirement Savings Plan

Statements of Net Assets Available for Benefits
At December 31, 2013 and 2012

| (Dollars in Thousands) | 2013 | 2012 |
|--|-------------|-------------|
| ASSETS | | |
| Plan investments at fair value | \$4,012,732 | \$3,188,805 |
| Notes receivable from participants | 92,301 | 85,606 |
| Employer contribution receivable | 25,246 | 22,684 |
| Participant contribution receivable | 375 | 900 |
| Total assets | 4,130,654 | 3,297,995 |
| LIABILITIES | — | — |
| Net assets available for benefits at fair value | 4,130,654 | 3,297,995 |
| Adjustment from fair value to contract value for fully benefit-responsive investment contracts | (4,082) | (18,485) |
| Net assets available for benefits | \$4,126,572 | \$3,279,510 |

The accompanying notes are an integral part of these financial statements.

Parker Retirement Savings Plan

Statements of Changes in Net Assets Available for Benefits
For The Years Ended December 31, 2013 and 2012

| (Dollars in Thousands) | 2013 | 2012 |
|---|-------------|-------------|
| ADDITIONS | | |
| Participants' contributions | \$136,968 | \$130,460 |
| Employer contributions | 86,217 | 82,961 |
| Net appreciation in fair value of investments | 860,713 | 282,217 |
| Dividend and interest income on investments | 43,480 | 49,800 |
| Interest income on notes receivable from participants | 3,716 | 3,561 |
| Total additions | 1,131,094 | 548,999 |
| DEDUCTIONS | | |
| Distributions to participants | 293,476 | 220,275 |
| Trustee fees and other expenses | 354 | 1,153 |
| Total deductions | 293,830 | 221,428 |
| Net increase before transfers | 837,264 | 327,571 |
| Plan transfers | 9,798 | 28,736 |
| Net increase | 847,062 | 356,307 |
| Net assets available for benefits - beginning of year | 3,279,510 | 2,923,203 |
| Net assets available for benefits - end of year | \$4,126,572 | \$3,279,510 |

The accompanying notes are an integral part of these financial statements.

Parker Retirement Savings Plan

Notes to Financial Statements

(Dollars in Thousands)

1. Summary of Significant Accounting Policies

Investment Valuation

The Parker Retirement Savings Plan's (the Plan) investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. (See Note 7 for discussion of fair value measurements). The Plan presents in the Statements of Changes in Net Assets Available for Benefits interest and dividend income and the net appreciation or depreciation in the fair value of its investments which consists of the realized gains and losses from the sale of investments and the unrealized appreciation and depreciation of investments held by the Plan.

Purchases and sales of securities are reflected on a trade-date basis.

Dividend income is recorded on the ex-dividend date. Interest and other income are recorded as earned on the accrual basis.

Costs incident to the purchase and sale of securities, such as brokerage commissions and stock transfer taxes, as well as investment advisory fees, are charged to the investment fund to which they relate and are netted against dividend and interest income. Certain costs and expenses incurred in administering the Plan are paid out of the Plan's assets and Parker-Hannifin Corporation (the Company) pays the remainder.

Risks and Uncertainties

Management believes that the Plan's investments are well diversified and do not create a significant concentration of interest rate, market or credit risk. However, due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amount reported in the Statements of Net Assets Available for Benefits. Participants assume all risk in connection with any decrease in the fair value of any securities in all the funds. Although the annual rates of return with respect to the contracts held in the Contract Income Fund are guaranteed by major insurance companies and banks, the Company does not make any representations as to the financial capability of such companies or their ability to make payments under the contracts.

Subsequent Events

The Plan has evaluated subsequent events that have occurred through the date these financial statements were issued. No subsequent events occurred that required disclosure in or adjustment to these financial statements.

Other

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

The financial statements of the Plan are prepared using the accrual method of accounting.

Benefit distributions are recorded when paid.

In October 2012, the FASB issued new accounting guidance regarding technical corrections and improvements and further enhancements to fair value measurements. This guidance was adopted for the Plan year beginning January 1, 2013 and did not have a significant impact on the Plan's financial statements.

Parker Retirement Savings Plan

Notes to Financial Statements

(Dollars in Thousands)

2. Description of the Plan

General

The following description of the Plan provides only general information. Participants should refer to the Plan document or Summary Plan Description for a more complete description of the Plan's provisions.

The Plan is a defined contribution plan available to all U.S. domestic regular full-time and part-time non-union employees, and some union employees (if negotiated). Employees are eligible for participation in the Plan the first day of the month following their date of hire and are generally automatically enrolled in the Plan 30 days after their date of hire or rehire. A separate Retirement Income Account (RIA) also exists within the Plan. Some of the Company's employees participate in the RIA in lieu of participating in a defined benefit plan. Similar to a defined benefit plan, participants do not make contributions to the RIA. The Plan is subject to Sections 401(a) and 401(k) of the Internal Revenue Code and the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

Contributions

Participants may elect to contribute, through payroll deductions, not less than 1% nor more than 75% of their total compensation for a Plan year and may change such percentage upon request. Participant contributions are made either on a before-tax and/or after-tax basis. Employee and their associated Company matching contribution are primarily recorded in the period that payroll withholdings are deducted from participants. Contributions are subject to certain limitations.

Company matching contributions are invested solely in a non-participant directed Employee Stock Ownership Plan (the ESOP Fund), which holds primarily Company stock (see Note 5).

Participants may suspend their savings plan contributions at any time and may designate one or more of several available funds within the Plan in which their contributions are to be invested. Investment elections may be changed at any time. Employees have the flexibility to invest their RIA contribution in any investment fund (except the Parker-Hannifin Common Stock Fund) offered by the Plan. The available investment funds are:

(a) Parker-Hannifin Common Stock Fund (Company Stock Fund): Invested primarily in common shares of the Company purchased on the open market. The Plan restricts participants from investing more than 50% of their account balance in the Company Stock Fund.

(b) Vanguard Institutional Index Fund: Invested in stocks which comprise the S&P 500 Index.

(c) Vanguard Extended Market Index Fund: Invested primarily in the Standard & Poor's Completion Index.

(d) Vanguard FTSE All-World ex-US Index Fund: Invested primarily in securities that tracks the performance of the FTSE All-World ex-US Index. (This fund was closed effective August 1, 2013; all investments were transferred to the Vanguard Total International Stock Index Fund.)

(e) Vanguard Total Bond Market Index Fund: Invested in a sampling of assets in the Barclays Capital U.S. Aggregate Float Adjusted Index and maintains a dollar-weighted average maturity consistent with that of the index.

(f) Vanguard Total International Stock Index Fund: This mutual fund employs an indexing investment approach designed to track the investment return of stocks issued by companies located in developed and emerging markets,

excluding the United States. (Fund became available to participants effective August 1, 2013.)

Contract Income Fund: A separately managed fund invested primarily in high-quality fixed income investments such as contracts issued by insurance companies and banks which provide a return guaranteed by the issuer, and (g) debt securities such as notes and bonds issued by Federal agencies or mortgage and other asset-backed securities, with each of these investments typically providing a stable rate of return for a specific period of time. (See Note 6 for a further description of this fund.)

PIMCO Total Return Portfolio: A managed account invested primarily in securities which have a fixed rate of (h) return such as U.S. government and corporate debt securities, mortgage and other asset-backed securities, U.S. dollar and foreign currency-denominated securities of foreign issuers, and money market instruments.

Parker Retirement Savings Plan

Notes to Financial Statements

(Dollars in Thousands)

2. Description of the Plan (cont'd)

(i) BlackRock Inflation Protected Bond Fund: Invested primarily in inflation-indexed bonds issued by the U.S. and non-U.S. governments, their agencies, and non-U.S. corporations.

Victory EB Diversified Stock Fund: A common/collective fund invested primarily in a portfolio of common stocks (j) of large publicly-held companies and securities convertible into common stock. (This fund was closed effective August 1, 2013; all investments were transferred to the JPMorgan Analyst Large Cap Core Fund.)

JPMorgan Analyst Large Cap Core Fund: A managed account with an objective of outperforming the S&P 500 (k) Index by approximately 2% annualized over a market cycle; generally three to five year time frame. (Fund became available to participants effective August 1, 2013.)

Dodge and Cox International Stock Fund: Invested primarily in equity securities including common stocks, (l) preferred stock, and convertible securities issued by well established non-U.S. companies from at least three different foreign countries, including emerging markets.

Fidelity Freedom K Funds: Twelve mutual funds designed to help participants diversify their assets based on their (m) life cycle. The Freedom Funds are invested in equities, fixed income, and money markets based on the participant's targeted retirement date. (These funds were liquidated and transferred to the equivalent Northern Trust Focus Funds effective February 1, 2014.)

(n) Aberdeen Emerging Markets Fund: A diversified fund invested primarily in equity securities of emerging market country issuers.

(o) Pyramis Small Company Commingled Pool: A fund invested primarily in equity securities of smaller, growing companies listed on national and regional exchanges.

(p) RidgeWorth Mid-Cap Value Equity Trust: A fund invested in a value oriented portfolio of 60 to 80 stocks with emphasis on dividends, valuation and fundamentals.

(q) GMO Global Equity Allocation Series Fund: A mutual fund which invests substantially all of its assets in the GMO Global Equity Allocation Fund. Normally, at least 80% of the fund's assets consist of equity investments.

Participant Accounts

The Plan utilizes the unit value method for allocating Plan earnings for all funds. Unit values are determined on a daily basis and exclude contributions receivable and benefits payable.

Parker-Hannifin Corporation Contributions

The Company generally contributes an amount equal to 100% of the first 3 percent of the before-tax participant contribution and an amount equal to 50% of the 4th percent and 5th percent of the participant's contribution. The Company may also match after-tax participant contributions, but matches only 25% of the 4th percent and 5th percent of after-tax participant contributions. Company contributions match the before-tax contributions prior to the after-tax contributions. Participants may diversify their shares of stock in the ESOP Fund at any time to any of the investment funds available within the Plan.

Additionally, the Company makes a contribution every year in February to the participants' RIA accounts. The amount of the contribution relates to the prior year and is based on a formula taking into account the participant's age and years of service.

Parker Retirement Savings Plan

Notes to Financial Statements

(Dollars in Thousands)

2. Description of the Plan (cont'd)

Notes Receivable from Participants

The Plan has a loan provision which allows an active participant to borrow a minimum of five hundred dollars and up to the lesser of (a) 50% of their account balance or (b) fifty thousand dollars less the largest outstanding loan balance he/she had in the last 12 months. Participants may not borrow or withdraw any funds from their RIA account. The loan must be repaid, with interest equal to the prime rate at the time the loan is entered into plus 1%, over a period from 1 year to 4 1/2 years for a general purpose loan and up to 10 years for a residential loan. Some participant loans have interest rate and repayment terms that differ from the Plan's loan provisions as some loans were included in the net assets of a plan transfer into the Plan. Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent loans are reclassified as distributions based upon the terms of the Plan document.

Contributions Receivable

A RIA contribution receivable of \$23,160 and \$20,373, reflecting the contribution earned by participants in 2013 and 2012 but paid in 2014 and 2013, was recorded at December 31, 2013 and 2012, respectively. For the year ended December 31, 2013 and 2012, the Plan also recorded receivables for Company matching and participants' contributions relating to plan years 2013 and 2012 but credited to participant's accounts during 2014 and 2013 in the amounts of \$2,086 and \$375 and \$2,311 and \$900, respectively.

3. Vesting, Withdrawals and Distributions

Participants are fully vested at all times, except for the RIA. After three years of service, employees are vested in their RIA and may withdraw their RIA money only after termination of employment. In general, a participant's account is paid out after termination of employment, but under certain circumstances, a participant may withdraw in cash a portion of his/her before-tax and/or after-tax contributions, subject to certain limitations and restrictions.

After a participant terminates employment for any reason, all amounts are distributable to the participant or if the participant is deceased, to the participant's designated beneficiary. The distribution may be deferred until the age of 70 1/2 if the participant's account exceeds five thousand dollars. Distributions are made in the form of cash either in a single payment, quarterly installments, or by purchase of an annuity, except that amounts held in the Company Stock Fund and ESOP Fund may be distributed in the form of common shares. The Plan provides that mandatory or involuntary lump-sum distributions in an amount in excess of one thousand dollars but less than five thousand dollars shall only be made in the form of an automatic rollover IRA. Dividends received by the ESOP Fund are either paid to the participants quarterly or annually or reinvested quarterly, at the participants' election.

Parker Retirement Savings Plan

Notes to Financial Statements

(Dollars in Thousands)

4. Investments

The following represents the fair value of investments held by the Plan at December 31, 2013 and 2012 (investments which exceed 5% of the Plan's net assets in 2013 or 2012 are separately identified):

| | 2013 | 2012 |
|--------------------------------------|-------------|-------------|
| Money Market Fund | \$72 | \$72 |
| Mutual Funds: | | |
| Vanguard Institutional Index Fund | 254,654 | 177,420 |
| Others | 1,003,307 | 787,105 |
| Common/Collective Funds: | | |
| Victory EB Diversified Stock Fund | — | 233,678 |
| Others | 240,425 | 159,115 |
| Contract Income Fund | 525,587 | 517,615 |
| Managed Accounts: | | |
| JPMorgan Analyst Large Cap Core Fund | 290,465 | — |
| PIMCO Total Return Portfolio | 143,845 | 180,455 |
| Company Stock Fund | 336,980 | 262,354 |
| ESOP Fund | 1,217,397 | 870,991 |
| Total investments | \$4,012,732 | \$3,188,805 |

The following table presents the investment income for the Plan for the years ended December 31, 2013 and 2012:

| | 2013 | 2012 |
|---|-----------|-----------|
| Net appreciation in fair value of investments: | | |
| Mutual Funds | \$171,276 | \$85,680 |
| Common/Collective Funds | 122,729 | 54,245 |
| Managed Accounts | 21,841 | 13,172 |
| Company Stock Fund | 124,698 | 38,054 |
| ESOP Fund | 420,169 | 91,066 |
| Total net appreciation in fair value of investments | 860,713 | 282,217 |
| Interest and dividends | 43,480 | 49,800 |
| | \$904,193 | \$332,017 |

Parker Retirement Savings Plan

Notes to Financial Statements

(Dollars in Thousands)

5. Nonparticipant-Directed Investments

Information about the net assets and the significant components of the changes in net assets relating to the non-participant directed investments at December 31, 2013 and 2012 is as follows:

| | 2013 | 2012 | |
|-------------------------------|-------------------------|-----------|---|
| ESOP Fund | \$1,217,397 | \$870,991 | |
| | Year ended December 31, | | |
| | 2013 | 2012 | |
| Changes in Net Assets: | | | |
| Net appreciation | \$420,169 | \$91,066 | |
| Employer contributions | 62,691 | 59,620 | |
| Dividend and interest income | 10,960 | 10,263 | |
| Transfers to other plan funds | (82,032) | (40,570) |) |
| Distributions to participants | (65,382) | (47,366) |) |
| | \$346,406 | \$73,013 | |

6. Contract Income Fund

The Contract Income Fund holds a portfolio of traditional, separate account and synthetic guaranteed investment contracts (GICs) and other short-term securities. All contracts are fully benefit-responsive.

As required by FASB Accounting Standards Codification (ASC) Topic No. 962, Plan Accounting—Defined Contribution Pension Plans, the Statements of Net Assets Available for Benefits presents the Plan's investments at fair value within the Plan at December 31, 2013 and 2012 as well as the adjustment of the Contract Income Fund investments from fair value to contract value. The Statements of Changes in Net Assets Available for Benefits are prepared on a contract value basis.

The average yields earned by the GICs are as follows:

| | 2013 | 2012 | |
|-------------------------------------|------|--------|---|
| Average yield earned by entire fund | 1.90 | % 2.02 | % |
| Return on plan assets for 12 months | 1.96 | % 2.52 | % |

Traditional GICs are unsecured, general account obligations of insurance companies. The obligation is backed by the general account assets of the insurance company that writes the investment contract. The crediting rate on this product is typically fixed for the life of the investment. Separate account GICs are investments in a segregated account of assets maintained by an insurance company for the benefit of the investors. The total return of the segregated account assets supports the separate account GICs' return. The crediting rate on this product will reset periodically and it will have an interest rate of not less than 0%.

General fixed maturity synthetic GICs consist of an asset or collection of assets and a benefit responsive, book value wrap contract purchased for the portfolio. The wrap contract provides book value accounting for the asset and assures that book value, benefit responsive payments will be made for participant directed withdrawals. The crediting rate of the contract is set at the start of the contract and typically resets every quarter. Generally, fixed maturity synthetics are held to maturity. The initial crediting rate is established based on the market interest rates at the time the initial asset is purchased and it will have an interest crediting rate of not less than 0%.

Constant duration synthetic GICs consist of a portfolio of securities and a benefit responsive, book value wrap contract purchased for the portfolio. The wrap contract amortizes gains and losses of the underlying securities over the portfolio duration, and assures that book value, benefit responsive payments will be made for participant-directed withdrawals. The crediting rate on a constant duration synthetic GIC resets every quarter based on the book value of the contract, the market yield of the underlying assets, the market value of the underlying assets and the average duration of the underlying assets.

Parker Retirement Savings Plan

Notes to Financial Statements

(Dollars in Thousands)

6. Contract Income Fund (cont'd)

The crediting rate aims at converging the book value of the contract and the market value of the underlying portfolio over the duration of the contract and therefore will be affected by movements in interest rates and/or changes in the market value of the underlying portfolio. The initial crediting rate is established based on the market interest rates at the time the underlying portfolio is first put together and it will have an interest crediting rate of not less than 0%. Withdrawals and transfers resulting from certain events, including employer initiated events and changes in the qualification of the Plan may limit the ability of the fund to transact at book or contract value. These events may cause liquidation of all or a portion of a contract at market value. The Plan administrator does not believe that the occurrence of any event which would limit the Plan's ability to transact at book or contract value is probable.

7. Fair Value Measurements

The following is a summary of the investments held by the Plan that were measured at fair value on a recurring basis at December 31, 2013.

| | Total | Quoted Prices In Active Markets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
|---|---------|--|--|--|
| Money Market Fund | \$72 | \$72 | \$ — | \$— |
| Mutual Funds | | | | |
| Fidelity Freedom K Funds | 691,974 | 691,974 | — | — |
| Vanguard Institutional Index Fund | 254,654 | 254,654 | — | — |
| Dodge and Cox International Stock Fund | 141,027 | 141,027 | — | — |
| BlackRock Inflation Protected Bond Fund | 22,450 | 22,450 | — | — |
| Vanguard Total Bond Market Index Fund | 35,295 | 35,295 | — | — |
| Vanguard Extended Market Index Fund | 73,765 | 73,765 | — | — |
| Vanguard Total International Stock Index Fund | 21,440 | 21,440 | — | — |
| Aberdeen Emerging Markets Fund | 14,070 | 14,070 | — | — |
| GMO Global Equity Allocation Series Fund | 3,286 | 3,286 | — | — |
| Common / Collective Funds | | | | |
| Pyramis Small Company Commingled Pool | 187,337 | — | 187,337 | — |
| RidgeWorth Mid-Cap Value Equity Trust | 53,088 | — | 53,088 | — |
| Managed Accounts | | | | |
| JPMorgan Analyst Large Cap Core Fund | 290,465 | 290,465 | — | — |
| PIMCO Total Return Portfolio | 143,845 | — | 143,845 | — |
| Contract Income Fund | | | | |
| Short-Term Investment Fund | 31,273 | 31,273 | — | — |
| Traditional GICs | 15,151 | — | 15,151 | — |
| Separate Account GICs | 46,533 | — | 46,533 | — |

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| | | | | |
|----------------------------------|-------------|-------------|------------|-----|
| Fixed Maturity Synthetic GICs | 40,720 | — | 40,720 | — |
| Constant Duration Synthetic GICs | 391,910 | — | 391,910 | — |
| Company Stock Fund | 336,980 | 336,980 | — | — |
| ESOP Fund | 1,217,397 | 1,217,397 | — | — |
| Total at December 31, 2013 | \$4,012,732 | \$3,134,148 | \$ 878,584 | \$— |

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Parker Retirement Savings Plan

Notes to Financial Statements

(Dollars in Thousands)

7. Fair Value Measurements (cont'd)

A summary of the investments held by the Plan that were measured at fair value on a recurring basis at December 31, 2012 follows:

| | Total | Quoted Prices In Active Markets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
|--|-------------|--|--|--|
| Money Market Fund | \$72 | \$72 | \$ — | \$— |
| Mutual Funds | | | | |
| Fidelity Freedom K Funds | 527,541 | 527,541 | — | — |
| Vanguard Institutional Index Fund | 177,420 | 177,420 | — | — |
| Dodge and Cox International Stock Fund | 104,482 | 104,482 | — | — |
| BlackRock Inflation-Protected Bond Fund | 47,004 | 47,004 | — | — |
| Vanguard Total Bond Market Index Fund | 44,234 | 44,234 | — | — |
| Vanguard Extended Market Index Fund | 35,146 | 35,146 | — | — |
| Vanguard FTSE All-World ex-US Index Fund | 16,753 | 16,753 | — | — |
| Aberdeen Emerging Markets Fund | 11,346 | 11,346 | — | — |
| GMO Global Equity Allocation Series Fund | 599 | 599 | — | — |
| Common / Collective Funds | | | | |
| Victory EB Diversified Stock Fund | 233,678 | — | 233,678 | — |
| Pyramis Small Company Commingled Pool | 128,745 | — | 128,745 | — |
| RidgeWorth Mid-Cap Value Equity Trust | 30,370 | — | 30,370 | — |
| Contract Income Fund | | | | |
| Short-Term Investment Fund | 78,498 | 78,498 | — | — |
| Stable Value Pooled Fund | 3,514 | — | 3,514 | — |
| Traditional GICs | 18,014 | — | 18,014 | — |
| Separate Account GICs | 77,967 | — | 77,967 | — |
| Fixed Maturity Synthetic GICs | 4,603 | — | 4,603 | — |
| Constant Duration Synthetic GICs | 335,019 | — | 335,019 | — |
| PIMCO Total Return Portfolio | 180,455 | — | 180,455 | — |
| Company Stock Fund | 262,354 | 262,354 | — | — |
| ESOP Fund | 870,991 | 870,991 | — | — |
| Total at December 31, 2012 | \$3,188,805 | \$2,176,440 | \$ 1,012,365 | \$— |

Refer to Note 2 for information on the above investments.

Fair values are transferred between levels of the fair value hierarchy when facts and circumstances indicate that a change in the method of estimating the fair value of a financial asset is warranted. At December 31, 2013 and 2012, there were no transfers between levels of the fair value hierarchy.

The following is a description of the valuation methodologies used to measure the fair values in the tables above. There have been no changes in the methodologies used to measure fair value at December 31, 2013 and 2012.

Money Market Fund, Mutual Funds, Company Stock Fund and ESOP Fund: Measured at fair value using quoted market prices.

Common / Collective Funds: Measured at fair value using the funds' closing net asset values. The common / collective funds consist of common stocks and securities convertible into common stock. These investments can be redeemed daily and without any restrictions on the timing of the redemption. Redemption of the entire investment balance generally requires at least a 30-day notice. At December 31, 2013 and 2012, the Plan had no unfunded commitments related to these investments.

Parker Retirement Savings Plan

Notes to Financial Statements

(Dollars in Thousands)

7. Fair Value Measurements (cont'd)

Contract Income Fund: The short-term investment fund is measured at fair value using quoted market prices. Separate account GICs, fixed maturity synthetic GICs and constant duration synthetic GICs are measured at fair value as provided by FT Interactive, insurance company and the external investment manager based upon the contracts' underlying securities. The underlying securities of separate account GICs primarily include fixed income securities consisting of government and corporate issued bonds and mortgage and asset-backed securities. The underlying securities of the fixed maturity synthetic GICs primarily include investments in commercial, mortgage and asset-backed securities, Freddie Mac and Fannie Mae securities, rate reduction bonds and GNMA project loans. The underlying securities of the constant duration synthetic GICs primarily include fixed income government bonds and asset and mortgage-backed securities index funds, some of which are held in collective trusts. The investments held in the collective trusts can be redeemed daily and without any restriction on the timing of the redemption. At December 31, 2013 and 2012, the Plan had no unfunded commitments related to the investments held in the collective trusts. The stable value pooled fund and traditional GICs are measured at fair value by reference to third-party index rates for instruments with comparable durations. In the December 31, 2012 table presented above, the classification of the fixed maturity synthetic GICs category has been changed from the prior year classification to more accurately categorize the assets within the fair value hierarchy. There has been no change in the method used to calculate the fair value of these assets.

PIMCO Total Return Portfolio: Measured at fair value using a net asset value per share. The account provides exposure to U. S. Government bonds, corporate bonds, foreign bonds and mortgage bonds. These investments can be redeemed daily and without any restrictions on the timing of the redemption. At December 31, 2013 and 2012, the Plan had no unfunded commitments related to these investments.

JPMorgan Analyst Large Cap Core Fund: Measured at fair value using quoted market prices. The fund holds equity securities, real estate investment trusts and cash (money market fund and collateral held for futures). At December 31, 2013, the Plan had no unfunded commitments related to these investments.

The primary investment objective of all investment funds, except the Contract Income Fund, is to obtain a maximum total return and capital appreciation in an amount that at least equals various market-based benchmarks. The primary investment objective of the Contract Income Fund is to provide for a stable rate of return while preserving principal.

8. Tax Status

The Internal Revenue Service (IRS) has determined and informed the Company by letter dated December 27, 2005, that the terms of the Plan and related trust comply with applicable sections of the Internal Revenue Code (IRC). Since receiving the determination letter, the Plan has been amended to provide for various administrative changes including adding additional investment funds. The Plan administrator believes that the Plan continues to be designed and operated in compliance with the applicable provisions of the IRC.

On January 31, 2011, the Company submitted a determination letter filing based on the current plan provisions to the IRS. On March 14, 2011, the Company received an acknowledgment of its filing from the IRS and is currently awaiting approval.

United States generally accepted accounting principles require plan management to evaluate uncertain tax positions taken by the Plan. The Plan administrator has concluded that as of December 31, 2013 and 2012, there were no uncertain tax positions taken or expected to be taken by the Plan. The Plan has not recognized any interest or penalties related to uncertain tax positions. The Plan is subject to routine audits by taxing jurisdictions; however, there are

currently no audits in progress for any tax years prior to 2010.

9. Plan Termination

Although it has not expressed any intent to do so, the Company, by action of its Board of Directors, without further approval by the shareholders, has the right to amend, modify, suspend, or terminate the Plan in its entirety, or as to any subsidiary or operating location. No amendment, modification, suspension, or termination may permit assets held in trust by the trustee to be used for or diverted to purposes other than for the exclusive benefit of participants or their beneficiaries. If the Plan is terminated, all participant accounts would become fully vested.

12

Parker Retirement Savings Plan

Notes to Financial Statements

(Dollars in Thousands)

10. Party-In-Interest

Certain Plan investments that are held by the Plan are investment funds managed by Fidelity Management Trust Company (Fidelity) and Pyramis Global Advisors Trust Company, a Fidelity Investment Company. Fidelity is the trustee as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions.

The Plan also holds shares of Parker-Hannifin Corporation common stock. Investment activity related to these shares qualify as party-in-interest transactions.

11. Plan Transfers

As a result of the Company's acquisitions, various qualified defined contribution plans were merged into the Plan. The value of the individual participant accounts did not change as a result of the transfer of assets to the Plan.

During the plan year ended December 31, 2013, net assets of the plan identified below were transferred to the Plan:

| Plan Name | Merger Date | Net Assets Transferred |
|----------------------------|----------------|------------------------|
| PGI 401(k) Retirement Plan | April 11, 2013 | \$9,798 |

During the plan year ended December 31, 2012, net assets of the plans identified below were transferred to the Plan:

| Plan Name | Merger Date | Net Assets Transferred |
|--|-------------------|------------------------|
| Hi-Tech Rubber, Inc. Salary Savings Plan | June 29, 2012 | \$6,798 |
| Snap-Tite Inc. 401(k) Savings Plan | August 10, 2012 | 20,847 |
| Olear USA, Inc. 401(k) Profit Sharing Plan | November 1, 2012 | 676 |
| QTI Human Resources Inc. 401(k) Plan | December 18, 2012 | 415 |
| Total transfers during 2012 | | \$28,736 |

12. Reconciliation of Financial Statements to Form 5500

Fully benefit-responsive GICs are recorded on the Form 5500 at fair value while in the Plan's financial statements these investments are presented at fair value with an adjustment to contract value. Notes receivable from participants are reported on the Form 5500 as participant loans and are considered to be plan investments while in the Plan's financial statements they are classified as receivables from participants. On Form 5500, the Plan recorded the fair value of \$92,301 for participant loans, less \$2,853 for deemed distributions to participants, at December 31, 2013.

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Parker Retirement Savings Plan
 Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)
 December 31, 2013
 EIN 34-0451060
 (Dollars in Thousands)

| (a) | (b) | (c) | (d) | (e) |
|-----|---|---|------|---------------|
| | Identity of issue, borrower, lessor, or similar party | Description of investment including maturity date, rate of interest, collateral, par, or maturity value | Cost | Current value |
| * | Fidelity Investments | Money Market Fund | ** | \$72 |
| | Vanguard Group, Inc. | Vanguard Institutional Index Fund | ** | 254,654 |
| | Dodge & Cox | Dodge and Cox International Stock Fund | ** | 141,027 |
| | Black Rock Advisors LLC | BlackRock Inflation Protected Bond Fund | ** | 22,450 |
| | Vanguard Group, Inc. | Vanguard Total Bond Market Index Fund | ** | 35,295 |
| | Vanguard Group, Inc. | Vanguard Extended Market Index Fund | ** | 73,765 |
| | Vanguard Group, Inc. | Vanguard Total International Stock Index Fund - Institutional Shares | ** | 21,440 |
| | Aberdeen Asset Management Inc. | Aberdeen Emerging Markets Fund | ** | 14,070 |
| | GMO LLC | GMO Global Equity Allocation Series Fund | ** | 3,286 |
| * | Fidelity Investments | Fidelity Freedom K Income Fund | ** | 10,473 |
| * | Fidelity Investments | Fidelity Freedom K 2000 Fund | ** | 4,448 |
| * | Fidelity Investments | Fidelity Freedom K 2005 Fund | ** | 5,237 |
| * | Fidelity Investments | Fidelity Freedom K 2010 Fund | ** | 24,790 |
| * | Fidelity Investments | Fidelity Freedom K 2015 Fund | ** | 83,801 |
| * | Fidelity Investments | Fidelity Freedom K 2020 Fund | ** | 145,112 |
| * | Fidelity Investments | Fidelity Freedom K 2025 Fund | ** | 136,795 |
| * | Fidelity Investments | Fidelity Freedom K 2030 Fund | ** | 107,047 |
| * | Fidelity Investments | Fidelity Freedom K 2035 Fund | ** | 67,771 |
| * | Fidelity Investments | Fidelity Freedom K 2040 Fund | ** | 58,144 |
| * | Fidelity Investments | Fidelity Freedom K 2045 Fund | ** | 19,502 |
| * | Fidelity Investments | Fidelity Freedom K 2050 Fund | ** | 28,854 |
| * | Pyramis Global Advisors Trust Co. | Pyramis Small Company Commingled Pool | ** | 187,337 |
| | RidgeWorth Investments | RidgeWorth Mid-Cap Value Equity Trust | ** | 53,088 |
| | PIMCO Investments LLC | Short-Term Investment Funds | ** | 14,727 |
| | PIMCO Investments LLC | PIMCO PRIV US GOVT SEC Fund, 1.88%, 12/01/2026 | ** | 22,783 |
| | PIMCO Investments LLC | PIMCO PRIV Real Return Bond SEC, 1.51%, 06/1/2022 | ** | 19,103 |
| | PIMCO Investments LLC | PIMCO PRIV Mortgage SEC Fund, 2.86%, 11/1/2019 | ** | 40,249 |
| | PIMCO Investments LLC | PIMCO PRIV High Yield SEC Fund, 9.27%, 12/1/19 | ** | 3,061 |
| | PIMCO Investments LLC | PIMCO PRIV Investment Grade CORP SEC, 5.06%, 5/01/2020 | ** | 22,123 |
| | PIMCO Investments LLC | PIMCO PRIV ABS Sector Fund, 2.07%, 11/1/2016 | ** | 3,520 |
| | PIMCO Investments LLC | PIMCO MUNI Sector Fund PORTF, 5.57%, 5/1/2024 | ** | 1,509 |
| | PIMCO Investments LLC | | ** | 4,611 |

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| | | | |
|--|---|----|--------|
| | PIMCO PRIV EMERG MKT SECT, 5.43%, 8/1/2024 | | |
| PIMCO Investments LLC | PIMCO PRIV INTL Sector Fund, 3.25%, 5/1/2017 | ** | 12,159 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | ADOBE SYSTEMS INC; 33,943 SHARES | ** | 2,032 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | AIR PRODUCTS & CHEMICALS INC; 10,650 SHARES | ** | 1,190 |

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Parker Retirement Savings Plan
 Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)
 December 31, 2013
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 (Dollars in Thousands)

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|-----|--|--|-------------|-------------------------|
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | ALCOA INC; 193,587 SHARES | ** | 2,058 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | ALEXION PHARMACEUTICALS INC; 16,450 SHARES | ** | 2,189 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | ALLERGAN INC; 7,913 SHARES | ** | 879 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | ALLIANCE DATA SYSTEMS CORP; 3,975 SHARES | ** | 1,045 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | AMAZON.COM INC; 8,327 SHARES | ** | 3,321 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | AMERICAN ELECTRIC POWER; 32,056 SHARES | ** | 1,498 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | AMERICAN INTERNATIONAL GROUP; 15,188 SHARES | ** | 775 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | ANADARKO PETROLEUM CORP; 23,944 SHARES | ** | 1,899 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | APPLE INC; 12,662 SHARES | ** | 7,105 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | AUTOZONE INC; 3,157 SHARES | ** | 1,509 |

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| | | | |
|--|---|----|-------|
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | AXIALL CORP; 10,175 SHARES | ** | 483 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | BALL CORP; 26,984 SHARES | ** | 1,394 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | BANK OF AMERICA CORP; 365,858 SHARES | ** | 5,696 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | BAXTER INTERNATIONAL INC; 31,438 SHARES | ** | 2,187 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | BIOGEN IDEC INC; 14,603 SHARES | ** | 4,085 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | BRISTOL-MYERS SQUIBB CO; 92,138 SHARES | ** | 4,897 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | CBS CORP-CLASS B NON VOTING; 34,918 SHARES | ** | 2,226 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | CSX CORP; 109,008 SHARES | ** | 3,136 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | CVS CAREMARK CORP; 42,466 SHARES | ** | 3,039 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | CAPITAL ONE FINANCIAL CORP; 31,846 SHARES | ** | 2,440 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | CELGENE CORP; 21,860 SHARES | ** | 3,693 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | CERNER CORP; 16,960 SHARES | ** | 945 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | CHENIERE ENERGY INC; 20,994 SHARES | ** | 905 |

| | | | |
|--|-----------------------------------|----|-------|
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | CHEVRON CORP; 27,376 SHARES | ** | 3,420 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | CISCO SYSTEMS INC; 150,558 SHARES | ** | 3,380 |

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Parker Retirement Savings Plan
 Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)
 December 31, 2013
 EIN 34-0451060
 (Dollars in Thousands)

| (a) | (b) Identity of issue, borrower, lessor, or similar party | (c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value | (d) Cost | (e) Current value |
|-----|--|--|-------------|-------------------------|
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | CITIGROUP INC; 102,175 SHARES | ** | 5,324 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | CITRIX SYSTEMS INC; 18,327 SHARES | ** | 1,159 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | COCA-COLA CO; 64,086 SHARES | ** | 2,647 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | COGNIZANT TECH SOLUTIONS-A; 16,715 SHARES | ** | 1,688 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | COMCAST CORP-CLASS A; 81,891 SHARES | ** | 4,255 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | COSTCO WHOLESALE CORP; 15,617 SHARES | ** | 1,859 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | DTE ENERGY COMPANY; 14,214 SHARES | ** | 944 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | DISH NETWORK CORP-A; 28,642 SHARES | ** | 1,659 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | EQT CORP; 10,306 SHARES | ** | 925 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | EAST WEST BANCORP INC; 19,792 SHARES | ** | 692 |

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|--|---|----|-------|
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | EBAY INC; 48,469 SHARES | ** | 2,660 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | EMERSON ELECTRIC CO; 49,823 SHARES | ** | 3,497 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | EXXON MOBIL CORP; 63,605 SHARES | ** | 6,437 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | FLUOR CORP; 41,525 SHARES | ** | 3,334 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | FREEPORT-MCMORAN COPPER; 66,359 SHARES | ** | 2,504 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | GENERAL MILLS INC; 51,434 SHARES | ** | 2,567 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | GENERAL MOTORS CO; 68,283 SHARES | ** | 2,791 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | GOOGLE INC-CL A; 6,904 SHARES | ** | 7,737 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | WW GRAINGER INC; 5,956 SHARES | ** | 1,521 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | HALLIBURTON CO; 40,588 SHARES | ** | 2,060 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | HARTFORD FINANCIAL SVCS GRP; 25,025 SHARES | ** | 907 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | HEWLETT-PACKARD CO; 21,761 SHARES | ** | 609 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | HOME DEPOT INC; 56,500 SHARES | ** | 4,652 |

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|--|---|----|-------|
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | HONEYWELL INTERNATIONAL INC; 30,683 SHARES | ** | 2,803 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | HUMANA INC; 17,670 SHARES | ** | 1,824 |

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Parker Retirement Savings Plan
 Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)
 December 31, 2013
 EIN 34-0451060
 (Dollars in Thousands)

| (a) | (b) Identity of issue, borrower, lessor, or similar party | (c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value | (d) Cost | (e) Current value |
|-----|--|--|-------------|-------------------------|
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | INTERCONTINENTALEXCHANGE GROUP INC; 11,638 SHARES | ** | 2,618 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | JOHNSON & JOHNSON; 90,081 SHARES | ** | 8,251 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | JOHNSON CONTROLS INC; 48,818 SHARES | ** | 2,504 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | KLA-TENCOR CORPORATION; 12,798 SHARES | ** | 825 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | LAM RESEARCH CORP; 54,185 SHARES | ** | 2,950 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | LENNAR CORP-A; 12,932 SHARES | ** | 512 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | LINKEDIN CORP- A; 2,069 SHARES | ** | 449 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | LOWE'S COS INC; 57,196 SHARES | ** | 2,834 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | LULULEMON ATHLETICA INC; 16,991 SHARES | ** | 1,003 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | MARATHON OIL CORP; 43,701 SHARES | ** | 1,543 |

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|--|---|----|-------|
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | MARATHON PETROLEUM CORP; 18,549 SHARES | ** | 1,702 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | MARSH & MCLENNAN COS; 37,076 SHARES | ** | 1,793 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | MASCO CORP; 59,786 SHARES | ** | 1,361 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | MCKESSON CORP; 12,713 SHARES | ** | 2,052 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | METLIFE INC; 50,956 SHARES | ** | 2,748 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | METTLER-TOLEDO INTERNATIONAL; 2,477 SHARES | ** | 601 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | MICROSOFT CORP; 158,267 SHARES | ** | 5,924 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | MONDELEZ INTERNATIONAL INC-A; 101,501 SHARES | ** | 3,583 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | MONSANTO CO; 24,248 SHARES | ** | 2,826 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | MORGAN STANLEY; 111,340 SHARES | ** | 3,492 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | NEXTERA ENERGY INC; 28,666 SHARES | ** | 2,454 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | NISOURCE INC; 39,357 SHARES | ** | 1,294 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | OCCIDENTAL PETROLEUM CORP; 11,007 SHARES | ** | 1,047 |

| | | | |
|--|----------------------------|----|-------|
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | ORACLE CORP; 77,221 SHARES | ** | 2,954 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | PACCAR INC; 77,777 SHARES | ** | 4,602 |

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Parker Retirement Savings Plan
 Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)
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 (Dollars in Thousands)

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|-----|--|--|-------------|-------------------------|
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | PEPSICO INC; 34,924 SHARES | ** | 2,897 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | PHILIP MORRIS INTERNATIONAL; 39,786 SHARES | ** | 3,467 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | PHILLIPS 66; 22,297 SHARES | ** | 1,720 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | PRICELINE GROUP INC/THE; 1,464 SHARES | ** | 1,702 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | PROCTER & GAMBLE CO/THE; 37,844 SHARES | ** | 3,081 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | PULTEGROUP INC; 21,192 SHARES | ** | 432 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | QEP RESOURCES INC; 21,615 SHARES | ** | 663 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | QUALCOMM INC; 45,751 SHARES | ** | 3,396 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | SPX CORP; 14,970 SHARES | ** | 1,491 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | SVB FINANCIAL GROUP; 8,406 SHARES | ** | 881 |

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|--|--|----|-------|
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | SCHLUMBERGER LTD; 50,747 SHARES | ** | 4,573 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | SEMPRA ENERGY; 15,774 SHARES | ** | 1,416 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | STATE STREET CORP; 26,332 SHARES | ** | 1,932 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | TJX COMPANIES INC; 43,206 SHARES | ** | 2,754 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | TERADYNE INC; 66,101 SHARES | ** | 1,165 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | TIME WARNER INC; 52,706 SHARES | ** | 3,675 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | TIME WARNER CABLE; 12,003 SHARES | ** | 1,626 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | TOLL BROTHERS INC; 16,629 SHARES | ** | 615 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | UNION PACIFIC CORP; 15,822 SHARES | ** | 2,658 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | UNITED STATES STEEL CORP; 38,574 SHARES | ** | 1,138 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | UNITED TECHNOLOGIES CORP; 67,617 SHARES | ** | 7,695 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | UNITEDHEALTH GROUP INC; 45,673 SHARES | ** | 3,439 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | VF CORP; 34,448 SHARES | ** | 2,147 |

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|--|--|----|-------|
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | VERIZON COMMUNICATIONS INC; 52,903 SHARES | ** | 2,600 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | VERTEX PHARMACEUTICALS INC; 26,475 SHARES | ** | 1,967 |

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Parker Retirement Savings Plan
 Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)
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 EIN 34-0451060
 (Dollars in Thousands)

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|-----|--|--|-------------|-------------------------|
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | VISA INC-CLASS A SHARES; 18,938 SHARES | ** | 4,217 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | VMWARE INC-CLASS A; 10,811 SHARES | ** | 970 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | WELLS FARGO & CO; 136,892 SHARES | ** | 6,215 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | WILLIAMS COS INC; 37,838 SHARES | ** | 1,459 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | YUM! BRANDS INC; 18,332 SHARES | ** | 1,386 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | ZIONS BANCORPORATION; 24,396 SHARES | ** | 731 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | AXIS CAPITAL HOLDINGS LTD; 5,000 SHARES | ** | 238 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | ACCENTURE PLC-CL A; 21,371 SHARES | ** | 1,757 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | EATON CORP PLC; 19,805 SHARES | ** | 1,508 |
| | JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | ENSCO PLC-CL A; 24,797 SHARES | ** | 1,418 |

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|--|---|----|---------|
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | FREESCALE SEMICONDUCTOR LTD; 17,616 SHARES | ** | 283 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | INVESCO LTD; 37,964 SHARES | ** | 1,382 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | ACE LTD; 23,107 SHARES | ** | 2,392 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | ROYAL CARIBBEAN CRUISES LTD; 14,278 SHARES | ** | 677 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | AVAGO TECHNOLOGIES LTD; 50,953 SHARES | ** | 2,695 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | SIMON PROPERTY GROUP INC; 13,532 SHARES | ** | 2,059 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | BOSTON PROPERTIES INC; 9,631 SHARES | ** | 967 |
| JPMorgan Inv. Mgmt Co - JPMorgan Analyst Large Cap Core Fund | CASH HELD IN MONEY MARKET AND FUTURES ACCOUNTS | ** | 4,578 |
| * Fidelity Investments | Short-Term Investment Fund100-31-GDPH GOVT MM Portfolio, 0.01% | ** | 31,273 |
| ING Life Insurance & Annuity Co. | Separate Account GIC - 60403 | ** | 51,168 |
| Metropolitan Life Insurance Co. | Traditional GIC - GAC 32945 | ** | 7,575 |
| Prudential Financial Inc. | Traditional GIC - GA 63033 | ** | 7,576 |
| New York Life | Separate Account GIC - GA 29012 | ** | 46,533 |
| Prudential Financial Inc. | Pru Core Conservative International Bond Fund | ** | 130,506 |
| Monumental Life Insurance Co. | MFB NTGI-QM COLTV Daily 1-5 YR CR BD Index Fund | ** | 21,521 |
| Monumental Life Insurance Co. | NT Collective Short-Term GOVT Bond Index Fund | ** | 14,351 |
| Monumental Life Insurance Co. | MFB NT Collective 1-10 YR INTERM GOVT Bond Index Fund | ** | 14,348 |

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Parker Retirement Savings Plan
 Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)
 December 31, 2013
 EIN 34-0451060
 (Dollars in Thousands)

| (a) Identity of issue, borrower, lessor, or similar party | (c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value | (d) Cost | (e) Current value |
|---|---|----------|-------------------|
| Monumental Life Insurance Co. | MFB NT Collective Asset-Backed SEC Bond Index Fund | ** | 28,687 |
| Monumental Life Insurance Co. | MFB NT Collective COMM MTG-Backed SEC Index Fund | ** | 3,584 |
| Monumental Life Insurance Co. | MFB NT COLTV MTG-Backed SEC Index Fund | ** | 32,984 |
| Monumental Life Insurance Co. | MFB NT GI-QM Collective Daily 1-10 YR INTERM Credit Bond IDX Fund | ** | 27,967 |
| Bank of America N.A. | MFB NTGI-QM Collective Daily 1-5 YR CR BD Index Fund | ** | 10,019 |
| Bank of America N.A. | NT Collective Short-Term GOVT Bond Index Fund | ** | 6,681 |
| Bank of America N.A. | MFB NT Collective 1-10 YR INTERM GOVT Bond Index Fund | ** | 6,680 |
| Bank of America N.A. | MFB NT Collective Asset-Back Securities Bond Index Fund | ** | 13,355 |
| Bank of America N.A. | MFB NT Collective Comm MTG-Backed Securities Index Fund | ** | 1,669 |
| Bank of America N.A. | MFB NT COLTV MTG-Backed SEC Index Fund | ** | 15,371 |
| Bank of America N.A. | MFB NT GI-QM Collective Daily 1-10 YR INTERM Credit Bond IDX | ** | 13,019 |
| American General Life | Cash | ** | 752 |
| American General Life | CCCIT 2013-A3 A3, 1.11%, 7/22/2016 | ** | 1,109 |
| American General Life | CD 2006-CD2 A2, 5.41%, 1/15/2014 | ** | 405 |
| American General Life | CHAIT 2012-A3 A3, 0.79%, 6/15/2015 | ** | 1,129 |
| American General Life | FHR 2668 AZ, 4.0%, 8/15/2018 | ** | 1,157 |
| American General Life | FHR 3722 AH, 2.25%, 5/15/2020 | ** | 1,441 |
| American General Life | FHR 3893 HC, 3.0%, 2/18/2020 | ** | 1,071 |
| American General Life | FHR 3896 CH, 3.0%, 1/15/2019 | ** | 1,070 |
| American General Life | FHR 4002 DB, 2.0%, 6/15/2021 | ** | 680 |
| American General Life | FITAT 2013-1 A3, 0.88%, 7/15/2016 | ** | 853 |
| American General Life | FNR 2010-29 PA, 4.50%, 8/25/2017 | ** | 802 |
| American General Life | FNR 2011-106 LE, 3.0%, 12/26/2018 | ** | 985 |
| American General Life | FNR 2011-36 QC, 3.0%, 2/25/2019 | ** | 1,134 |
| American General Life | FNR 2011-5 UD, 2.00%, 11/25/2020 | ** | 1,734 |
| American General Life | FNR 2011-76 A, 3.5%, 05/28/2019 | ** | 967 |
| American General Life | GNR 2010-87 NE, 3.0%, 2/20/2020 | ** | 936 |
| American General Life | GNR 2011-17 JA, 4.0%, 3/20/2020 | ** | 859 |
| American General Life | GNR 2011-45 LG, 3.25%, 3/20/2023 | ** | 1,150 |

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| | | | |
|-----------------------|-------------------------------------|----|-------|
| American General Life | GNR 2012-38 TE, 1.50%, 3/16/2020 | ** | 1,236 |
| American General Life | GNR 2013-127 A, 2.0%, 8/16/2019 | ** | 995 |
| American General Life | GNR 2013-193A, 2.0%, 3/16/2019 | ** | 1,991 |
| American General Life | GSMS 2013-GC13 A1, 1.21%, 4/10/2018 | ** | 1,274 |
| American General Life | HART 2013-B A3, 0.71%, 5/16/2016 | ** | 1,001 |
| American General Life | JDOT 2013-B A3, 0.87%, 10/17/2016 | ** | 1,405 |
| American General Life | JPMBB 2013-C12 A1, 1.08%, 5/15/2018 | ** | 1,120 |

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Parker Retirement Savings Plan
 Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)
 December 31, 2013
 EIN 34-0451060
 (Dollars in Thousands)

| (a) | (b) Identity of issue, borrower, lessor, or similar party | (c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value | (d) Cost | (e) Current value |
|-----|--|--|-------------|-------------------------|
| | American General Life | JPMBB 2013-C14 A1, 1.26%, 7/16/2018 | ** | 948 |
| | American General Life | JPMCC 2005-LDP4 A4, 4.92%, 8/17/2015 | ** | 998 |
| | American General Life | MLMT 2005-CIP1 A2, 4.96%, 5/12/2014 | ** | 441 |
| | American General Life | MPEF 2007-A A1, 4.98%, 1/15/2014 | ** | 314 |
| | American General Life | MSBAM 2013-C13 A1, 1.12%, 11/15/2018 | ** | 1,993 |
| | American General Life | T 0 1/4 05/15/16, 0.25%, 5/16/2016 | ** | 649 |
| | American General Life | T 0 5/8 10/15/16, 0.63%, 10/17/2016 | ** | 6,222 |
| | American General Life | VALET 2013-2 A3, 0.70%, 5/22/2017 | ** | 898 |
| | American General Life | VWALT 2013-A A2A, 0.63%, 4/20/2015 | ** | 1,001 |
| * | Parker-Hannifin Corporation | Company Stock Fund (2,578,869 shares) | ** | 336,980 |
| * | ESOP Fund | Parker-Hannifin Corporation common stock (9,364,308 shares) | \$210,272 | 1,217,397 |
| * | Participant Loans | Participant Loans - 3.25% - 9.50%, maturing through 2025 | ** | 89,448 |
| | Total | | \$210,272 | \$4,102,180 |
| | * Denotes Party-in-Interest | | | |
| | ** Cost information is not required for participant-directed investments | | | |

Parker Retirement Savings Plan
 Schedule H, Line 4(j) – Schedule of Reportable Transactions
 Year Ended December 31, 2013
 EIN 34-0451060
 (Dollars in Thousands)

| (a) Identity of party involved | (b) Description of asset (include interest rate and maturity in case of a loan) | (c) Purchase price | (d) Selling price | (g) Cost of asset | (h) Current value of asset on transaction date | (i) Net gain or loss |
|-----------------------------------|--|-----------------------|----------------------|----------------------|---|-------------------------|
| Victory Capital Management, Inc. | Victory EB Diversified Stock Fund | — | \$286,356 | \$196,582 | \$286,356 | \$89,774 |

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Administrator of the Plan has duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

PARKER RETIREMENT SAVINGS PLAN

BY: Parker-Hannifin Corporation,
Plan Administrator

BY: /s/ Jon P. Marten
Jon P. Marten
Executive Vice President-Finance & Administration and Chief Financial Officer

Parker-Hannifin Corporation,
Plan Administrator
June 19, 2014

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the Registration Statements on Form S-8 (Nos. 333-130123 and 333-186733) of Parker-Hannifin Corporation of our report dated June 19, 2014, relating to our audit of the financial statements and supplement schedules of the Parker Retirement Savings Plan which appears in this Annual Report on Form 11-K of the Parker Retirement Savings Plan for the year ended December 31, 2013.

/s/ McGladrey LLP

Cleveland, Ohio

June 19, 2014