



## MONARCH INDUSTRIES LIMITED

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### For Immediate Release

## MONARCH INDUSTRIES LIMITED ANNOUNCES THE SALE OF ITS PUMP DIVISION TO FRANKLIN ELECTRIC CO., INC.

**Winnipeg, Manitoba - September 4, 2007** - Monarch Industries Limited ("Monarch"), a long-established Canadian manufacturer of centrifugal pumps, hydraulic cylinders, iron castings and cement mixers, announced today the sale of its Pump Division to Franklin Electric Co., Inc. ("Franklin Electric") (NASDAQ: FELE). The Pump Division represents approximately 30% of Monarch's total revenues.

Gene Dunn, President & CEO of Monarch stated, "This transaction represents an exciting opportunity for our Pump Division and its employees. Equally as important, this step will provide the resources and focus necessary for us to accelerate the expansion and modernization of our Hydraulics and Custom Casting & Machining Divisions".

R. Scott Trumbull, Chairman and Chief Executive Officer of Franklin Electric, stated, "The Monarch acquisition is an excellent strategic fit for Franklin. It will incrementally expand both our product line and distribution coverage in the North American market."

The sale is an asset transaction and is effective immediately. Monarch will continue to provide manufacturing services for Franklin Electric for the next 12 to 16 months to complete the transition of the business to Franklin Electric. Certain Pump Division employees, notably those engaged in Sales, Marketing and Engineering, will be offered employment with Franklin Electric commencing immediately and all other employees of the Division will be retained by Monarch to support the Company's ongoing business.

Monarch, established in 1935, operates plants in Winnipeg and Winkler, Manitoba. The Company will continue to manufacture and market hydraulic cylinders; raw and machined iron castings and residential cement mixers across North America under the trade names "**Monarch**"; "**Lion Hydraulics**", "**Big Cat**" and "**Black Lynx**".

Franklin Electric is a global leader in the production and marketing of systems and components for the movement of water and automotive fuels. Recognized as a technical leader in its specialties, Franklin serves customers around the world in residential, commercial, agricultural, industrial, municipal, and fueling applications.

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