

Donaldson Company Increases Quarterly Cash Dividend; Announces Two-for-One Stock Split

MINNEAPOLIS--(BUSINESS WIRE)--Jan. 16, 2004--Donaldson Company, Inc. (NYSE:DCI), announced today that the company's board of directors has increased the common stock cash dividend for the 17th consecutive fiscal year and authorized a two-for-one split of the company's common stock.

The board declared a regular cash dividend of eleven cents per share, payable March 12, 2004 on a pre-split basis, to shareholders of record as of February 20, 2004. As of December 31, 2003, there were approximately 43,400,000 shares outstanding. The current declaration is the 194th consecutive quarterly cash dividend paid by Donaldson over a time span of 48 years.

The board also declared a two-for-one stock split effected in the form of a 100 percent dividend. The stock split will be distributed March 19, 2004, to shareholders of record as of March 5, 2004. The company's last stock split was a two-for-one split in January 1998.

About Donaldson Company, Inc.

Donaldson Company, Inc., headquartered in Minneapolis, is a leading worldwide provider of filtration systems and replacement parts. Founded in 1915, Donaldson is a technology-driven company committed to satisfying customer needs for filtration solutions through innovative research and development. Donaldson serves customers in the industrial and engine markets including dust collection, power generation, specialty filtration, compressed air purification, off-road equipment, industrial compressors, and trucks. Our 9,000 employees contribute to the company's success at over 30 manufacturing locations around the world. In fiscal year 2003, Donaldson reported sales of more than \$1.2 billion and achieved its 14th consecutive year of double-digit earnings growth. Donaldson is a member of the S&P MidCap 400 Index and Donaldson shares are traded on the New York Stock Exchange under the symbol DCI. Additional company information is available at www.donaldson.com.

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