

# YORK INTERNATIONAL

YORK International Corporation – Delivering Results and Investing in Our Future

YRK

ANNUAL REPORT, 2001

YORK.com

## Outlook

### Letter To Our Shareholders

#### Increased earnings\* in a Challenging Environment

#### Dear Fellow Stockholder:

2001 was a significant year at YORK International. I'm proud to highlight our accomplishments. We delivered an 11%\* increase in earnings per share, generated \$253 million in cash from operating activities and successfully implemented the cost reduction actions we identified over the past two years. These successes were achieved in the midst of a very challenging year for the economy and the world. All of our equipment markets were down versus 2000 and we experienced margin pressures in most regions.



Michael R. Young  
President and Chief Executive Officer

In 2001, we continued to focus on improving our long-term cost structure. Several key initiatives were successfully implemented delivering savings of \$25 million in 2001. During the process, we closed or sold six factories and are now in the process of closing our manufacturing facility in North Carolina. We discontinued a number of underperforming product lines, and consolidated and streamlined other products and facilities to maximize utilization and improve performance. We reduced selling, general and administrative expenses by 3.5%\* while absorbing a 7.1% increase in new product development and engineering spending, which is a component of SG&A expense.

In 2001 we achieved a significant reduction in working capital and paid down \$135 million of debt. We reduced inventory and receivables by \$192 million even though we grew revenue by 1%. This illustrates our focus on better asset management and the need to improve the return on our invested capital.

There were many other accomplishments in 2001  
*Please Turn to Page 6*

\*Excludes special items. Details of the special items are fully disclosed in Management's Discussion and Analysis.

## YORK's News—

\*\*\*

### Products

**TO SATISFY** the market's desire for ecological and economical products, ESG introduced its Eco<sup>2</sup> line of packaged rooftop heating and cooling systems.

(Article on Page 10)

\*\*\*

**The demand** for quiet chillers is now seeing growing emphasis in all global markets.

(Article on Page 7)

\*\*\*

**YORK Refrigeration** has been notably active in promoting the advantages of using CO<sub>2</sub> as a refrigerant in industrial refrigeration systems of many kinds.

(Article on Page 5)

\*\*\*

**Optimization is the name of the game** when it comes to the MaxE Chiller product line.

(Article on Page 10)

\*\*\*

**The OptiSpeed Variable Speed Drive** can lower energy costs by as much as 30% while providing many important benefits to customers in the U.S. and around the globe.

(Article on Page 10)

\*\*\*

**Large-tonnage centrifugal chillers** are named the Titan Series for some very big reasons.

(Article on Page 7)

\*\*\*

**PowerFlow™, a revolutionary rotary spray nozzle** from YORK Refrigeration's Imeco brand, increases efficiency and reduces downtime costs by drastically reducing plugging.

(Article on Page 6)

\*\*\*

**The recently released TS Technology**, developed by Bristol Compressors, is quickly gaining popularity for its comfort-enhancing results.

(Article on Page 10)

\*\*\*

### Operations

**A new state-of-the-art refrigeration equipment test centre for YORK Refrigeration opened in Højbjerg, Denmark.** The facility was designed as a significant upgrade of the Company's existing Danish capacity for accurate, controlled testing of industrial refrigeration equipment.

(Article on Page 5)

*The new, extended facility is also used by YORK Refrigeration's R&D department for the testing and trials of new products and refrigerants, as well as for the evaluation of new product ideas, resulting in new products and systems getting to the market faster and more cost-effectively.*

\*\*\*

**Luxaire Heating and Air Conditioning**, a core brand of YORK Unitary Products Group, is making wishes come true through its sponsorship agreement with the Make-A-Wish Foundation.

(Article on Page 6)

\*\*\*

**The YORK Technician Training and Career Development Program** provides the expertise to consistently exceed the level of service YORK customers require.

(Article on Page 6)

\*\*\*

**YORK designed, manufactured and installed** most of the critical refrigeration and snowmaking systems for the 2002 Winter Olympic Games in Salt Lake City, Utah.

(Article on Page 7)

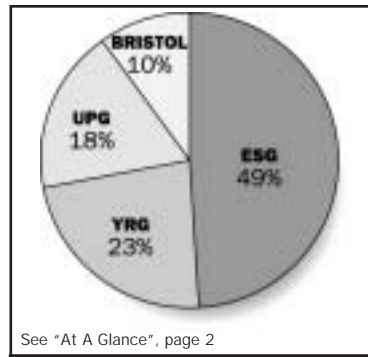
\*\*\*

**The United Nations** chose 2001 as the International Year of Volunteers. YORK employees in Brazil worked on several projects to make a contribution to this cause.

(Article on Page 7)

### REVENUE AT A GLANCE

Revenue by Segment



See "At A Glance", page 2

### Earning Recognition

\*\*\*

#### YORK Products Earn Good Housekeeping Seal

The prestigious Good Housekeeping Seal was awarded to YORK Heating & Air Conditioning residential heating and cooling units, which passed the stringent review and approval process of the Good Housekeeping Institute.

"The Good Housekeeping Seal is a welcome acknowledgement of our heating and cooling products for the home," said Matt Peterson, Vice President of Sales and Marketing for YORK Unitary Products Group. "The Good Housekeeping Institute's review of our product specifications and manufacturing processes was thorough. Customers who are familiar with the Seal can be reassured that YORK products measure up to the Institute's standards."

"The Good Housekeeping Seal is an indication of a brand's equity in the marketplace and provides consumers with confidence in the brand they have selected," added Peterson. According to Good Housekeeping, 94 percent of consumers respect the Seal, 92 percent trust the Seal, and 85 percent believe a product is good or superior if it carries the Good Housekeeping Seal.

### Expanding Service Market Fuels YORK Growth

**The word is out—the global service market is promising...and huge.**

Representing an estimated \$20 billion, the air conditioning and refrigeration service market historically logs a growth rate of 6%. YORK International's ability to capitalize on this promising sector is remarkable—between 1998 and 2001, the average yearly growth of the service component of YORK's operations was over 10%.

Add to that the fact that service is one of the most profitable lines and requires minimal capital investment, and it's easy to see why YORK has made service a top priority. "There is tremendous opportunity for growth in the service market," says CEO Michael Young. "First, because the market itself is growing and second, because globally, corporations are becoming more service-minded. Because of YORK's expertise and reputation, it's natural for customers to turn to us for comprehensive, worldwide solutions. For the past several years, we have worked to position ourselves so that we are able to make the most of this great opportunity."

Fueling service growth are several factors. One, the installed base of equipment, worldwide, is aging and tends to need more service, retrofitting and augmentation—both now and for the foreseeable future.

Two, because of the increasing sophistication of YORK's capabilities, specifically remote monitoring and diagnostics, customers are turning to YORK for total equipment solutions, including service.

Three, in critical applications, such as in the petrochemical and food industries and in the military, equipment downtime is simply not acceptable. YORK equipment is prevalent in these critical areas and functions very reliably there. Since companies require the same kind of reliability in their service, and YORK is able to provide that level of professional service consistently, this segment has a lot of potential for YORK.

It is clear that growth for the service market is promising...and huge.  
*Please Turn to Page 9*

## CONTENTS

THE ANNUAL FINANCIAL STATEMENTS APPEAR IN THE ENCLOSED INSERT

OPERATIONS	
Financial Highlights.....	2
YORK at a Glance .....	6
Letter to Shareholders.....	1, 6
Engineered Systems Group.....	3, 5
YORK Refrigeration Group .....	4, 6
Unitary Products Group.....	3, 5
Bristol Compressors .....	4
Investor and Stockholder Info ..	11
Board of Directors.....	11
YORK Management .....	11

### ITEMS of NOTE

**Achieved** record sales of \$3.9 billion.

**Exceeded** cash projections and delivered debt reduction of \$135 million.

**Completed** the renewal of the revolving credit agreements and a \$200 million bond offering.

**Reduced** interest expense 17.7% and tax rate by 170 basis points\*.

**Realized** growth and invested in the service businesses.

**Improved** the long-term cost structure and realized benefits of the cost reduction initiatives.

**Consolidated and streamlined** operations and discontinued under-performing product lines.

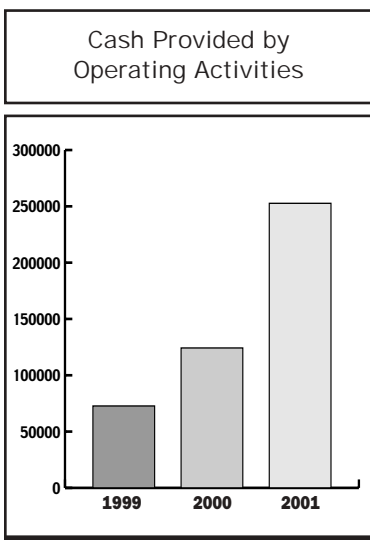
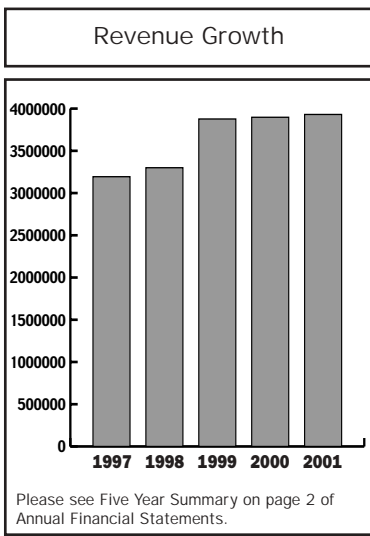
THIS IS A REPORT BY AND FROM YORK INTERNATIONAL CORP. AND IS NOT AUTHORIZED, SPONSORED OR ENDORSED BY ANY NEWSPAPER, PERIODICAL OR INDEPENDENT SOURCE OF BUSINESS INFORMATION.

## AT A GLANCE

## Supplying HVAC&R to the World

### Residential, Commercial and Industrial Applications

YORK International is the largest independent supplier of heating, ventilation, air conditioning and refrigeration (HVAC&R) products in the United States and a leading competitor globally. YORK designs, manufactures, sells and services heating, ventilation and air conditioning systems for residential and commercial markets; gas compression equipment for industrial processing; industrial and commercial refrigeration equipment; and compressors for residential and commercial air conditioning and refrigeration applications.



## YORK International Corporation Financial Highlights

(in thousands, except per share data)

	2001	2000	1999
Net sales	\$3,930,677	\$3,897,403	\$3,877,029
Income from operations*	101,671	169,286	163,945
Net income*	45,989	106,607	75,882
Diluted earnings per share of common stock*	\$ 1.17	\$ 2.78	\$ 1.91
Diluted earnings per share, excluding special items†	\$ 3.00	\$ 2.70	\$ 3.12
Cash dividends per share	\$ 0.60	\$ 0.60	\$ 0.60
Diluted weighted average common shares outstanding	39,147	38,281	39,832

\* In 2001, 2000 and 1999, the Company recorded charges to operations for restructuring and other cost reduction initiatives. Also, in 2000 and 1999, the Company recorded charges for acquisition, integration and restructuring activities related to the 1999 Sabroe acquisition.

† Details of the special items are fully disclosed in Management's Discussion and Analysis.

### Engineered Systems Group

#### Products & Services:

The Engineered Systems Group (ESG) is an industry leader in providing air conditioning systems to the industrial and large commercial air conditioning markets worldwide. Its broad line of products and services includes application-specific chillers, air handling equipment, controls, and air conditioning systems. ESG's HVAC parts, maintenance, repair, and retrofit aftermarket service organization is very well-respected and the largest of its kind in the world.



Peter C. Spellar

President of Engineered Systems Group

#### Primary Customers:

Building owners, architects, mechanical contractors, developers and retailers, building consultants and governmental agencies.

#### Applications:

Hospitals, schools, manufacturing complexes, office buildings, shopping malls, airports, and other industrial and commercial facilities globally.

#### Financial Results<sup>(1)</sup>:

ESG net sales increased 3.8% to \$1,930.3 million in 2001 from \$1,859.8 million in 2000. The increase is primarily due to strength in the global service business, partially offset by declines in shipments of chillers, particularly in North America and Europe. Excluding the currency translation impact, net sales increased 5.7% over 2000. EBIT increased 10.9% to \$131.5 million (6.8% of net sales) in 2001 from \$118.6 million (6.4% of net sales) in 2000 primarily due to the increased service revenue and manufacturing cost reductions. Excluding the currency translation impact, EBIT increased 9.3% over 2000.

### YORK Refrigeration Group

#### Products & Services:

YORK Refrigeration Group (YRG) is the world's leading supplier of industrial refrigeration systems. It designs, manufactures and sells screw and reciprocating compressors, condensers, evaporators, heat exchangers, process refrigeration systems, hygienic air distribution systems, gas compression systems and automated plant control systems, and contracting maintenance and service.



Ole Andersen

President of YORK Refrigeration Group

#### Primary Customers:

Electronic and computer manufacturers, food and beverage processors, pharmaceutical and petrochemical producers, textile manufacturers, mechanical contractors and refrigeration contractors.

#### Applications:

Food and beverage processing and storage, the chemical and petrochemical industries, commercial marine applications, the pharmaceutical and textile industries, electronics factories, and sporting venues.

#### Financial Results<sup>(1)</sup>:

YRG net sales decreased 6.5% to \$932.1 million in 2001 from \$997.0 million in 2000, reflecting declines in the North American food and beverage and process refrigeration equipment markets. Also, a focus on improving the quality of its contracting business in Europe resulted in a planned reduction in contracting revenue. EBIT decreased 11.9% to \$57.3 million (6.2% of net sales) in 2001 from \$65.1 million (6.5% of net sales) in 2000, due to pricing pressures and reduced volume in the North American market, partially offset by the benefits of cost reduction actions. Excluding the currency translation impact, net sales decreased 1.7% from 2000 and EBIT decreased 6.0% from 2000.

### Unitary Products Group

#### Products & Services:

A designer and manufacturer of a complete line of heating, ventilation and air conditioning systems, the Unitary Products Group (UPG) supplies the light commercial and residential markets. UPG offers high-quality residential central air conditioning systems, gas and oil furnaces, heat pumps, indoor air quality accessories, replacement parts, commercial packaged units and split systems, and also small chillers and ventilation equipment through an expanding distribution network.



Thomas F. Huntington

President of Unitary Products Group

#### Primary Customers:

Independent heating and air conditioning product distributors, original equipment manufacturers of manufactured homes, and mechanical contractors.

#### Applications:

Residential single and multi family homes, manufactured homes, shopping centers, movie theaters, restaurants, health clubs, and other small commercial facilities.

#### Financial Results<sup>(1)</sup>:

UPG net sales decreased 0.1% to \$766.4 million in 2001 from \$767.2 million in 2000 as a result of declines in the North American unitary and manufactured housing markets, partially offset by the development of new distribution activities in 2001. EBIT increased 14.4% to \$59.1 million (7.7% of net sales) in 2001 from \$51.7 million (6.7% of net sales) in 2000. The improvement reflected the benefits of the cost reduction process, partially offset by costs associated with distribution changes.

### Bristol Compressors

#### Products & Services:

Offering dual-technology products using both reciprocating and scroll designs, Bristol Compressors (Bristol) meets the changing needs of the global residential and light commercial air conditioning markets. Bristol's innovations in compressors for air conditioning and heat pump systems incorporate peak efficiency, reliability, and quieter operation. These attributes make Bristol's products the best choice for many commercial and residential applications.



Wayne J. Kennedy

President of Bristol Compressors

#### Primary Customers:

Large OEMs (original equipment manufacturers) in the U.S., Asia, Latin America, and the Middle East. Bristol supplies aftermarket needs through a broad network of wholesalers, OEM re-sellers and international representatives.

#### Applications:

Air conditioning and heat pump systems for commercial, residential, room air conditioning, multi-evaporator and minisplit applications on a global basis.

#### Financial Results<sup>(1)</sup>:

Bristol's net sales decreased 3.0% to \$509.7 million in 2001 from \$525.7 million in 2000 due to the decline in the North American unitary market, partially offset by increased international sales. EBIT decreased 17.5% to \$39.4 million (7.7% of net sales) in 2001 from \$47.8 million (9.1% of net sales) in 2000 due to a higher ratio of lower-margin international product sales.

(1) EBIT excludes special items. Details of the special items are fully disclosed in Management's Discussion and Analysis of Results in the enclosed Annual Financial Statements.



C. David Myers

Vice President and Chief Financial Officer

## Engineered Systems Group Considered Industry Leader

### Provides Ongoing Value to its Global Customer Base

The Engineered Systems Group (ESG) is a global industry leader in designing, manufacturing and servicing top-quality air conditioning systems that satisfy a variety of commercial and industrial needs around the world. ESG products excel in meeting the wide-ranging demands of the healthcare industry, airports, pharmaceutical manufacturing, microelectronics, and educational facilities. From supplying large volumes of conditioned air throughout the facility to providing a high quality of air with sophisticated filtration and control systems, ESG provides the complete equipment and support services package.

YORK systems are known for superior energy efficiency, reliability and serviceability. These products are supported by an expanding network of expert service technicians. With the industry's largest global service organization, ESG is a proven leader. ESG's after-market service parts and replacement business fills the needs of a diverse group of commercial and industrial customers worldwide.

Investments in the service business deliver results as it continues to grow globally. These investments take the shape of information technology improvements, new product introductions and distribution enhancements. A state-of-the-art automated service delivery system will enhance productivity by redesigning the service process and improving customer satisfaction. The expansion and aging of the installed base of equipment globally, a focus on global strategic accounts, and the general increasing demand for service-ready products also contribute to our optimism for the aftermarket business.

The OptiView Control Panel is an example of a new service-ready product which is designed to enhance monitoring capability and enable control of air conditioning systems and equipment with better diagnostic capability in keeping with the service-ready trend.

Other product development advances are focused on technical leadership, modular designs, sound attenuation and improvements in energy efficiency. New product introductions such as the MaxE chiller line featuring new screw chillers and OptiSpeed variable-speed drives deliver unprecedented real-world energy

savings. These new offerings contribute to better penetration in targeted market segments.

For out-of-the-ordinary applications, the new Titan line of enhanced large-tonnage chillers meets such challenges as extreme temperatures, limited availability of water and unique drive solutions. Customers are also realizing significant energy savings with the OptiSpeed variable speed drive by retrofitting many existing chillers.

New product developments also focus on providing the best solution for customers' cooling requirements, offering design flexibility and reducing costs. Flexibility of design is central to the recently introduced, award-winning FlexSys underfloor

*Please Turn to Page 5*

## Unitary Products Group is on the Move

The Unitary Products Group (UPG) delivers a wide range of product choices for residential and light commercial applications. UPG designs, manufactures and distributes a full line of cooling and heating systems that can be found in private homes, apartments and commercial facilities. UPG's product offerings include heat pumps, split-system air conditioners, gas furnaces, air-handling units and controls, commercial packaged units and split systems.

UPG's products are distributed throughout the United States and Canada by a network of company-owned branches and independent distributors. The highest standards of design, manufacturing and quality provide the foundation to meet today's most critical concerns—energy efficiency,

alternative refrigerants, and indoor air quality—to improve the indoor and outdoor environment.

UPG's residential heating and cooling products earned the prestigious Good Housekeeping Seal, successfully clearing the stringent review and approval process of the Good Housekeeping Institute. The Good Housekeeping Seal is a nationwide acknowledgment of product quality and an indication of a brand's equity in the marketplace, providing consumers with confidence in the brands they select.

UPG is committed to continuous improvement and providing the best value for its customers. Through new product introductions, product redesigns, proactive enhancements to customer support through e-com-

merce, and improvements in distribution, UPG is making great progress.

UPG's new product introductions and redesigns focus on energy efficiency, the use of new refrigerants, better diagnostics and controls, lower sound levels and compact designs. In keeping with these requirements, UPG recently introduced the Simplicity Control System. The Simplicity's advanced technology, designed specifically for commercial unitary rooftop and split-system units, networks HVAC units to maintain peak operating efficiency. The Stellar ECO<sup>2</sup> Series, a new line of residential air conditioning units, delivers performance and economy with the latest in environmentally responsible refrigerant technology. Advances in furnaces and

*Please Turn to Page 5*

**Vive un aire fresco.**

Más de 125 años mejorando tu ambiente

Servicio • Asesoría • Garantía • Equipos  
Refacciones • Controles • Capacitación

UNIDADES DE VENTANA    MINI SPLIT    UNIDADES TIPO PAQUETE    MANEJADORAS DE AIRE    CHILLER TIPO TORNEILLO ENFRÍADO POR AIRE    CHILLER TIPO TORNEILLO ENFRÍADO POR AGUA    CHILLER TIPO CENTRÍFUGO

**YORK**  
Aire Acondicionado y Calefacción

**Un Aire Nuevo**

e-mail: york.mexico@mx.york.com

Av. Paseo de la Reforma 76, 8° Piso, Col. Juárez, C.P. 06600, México, D.F. • Tel.: 5140 1200 Fax: 5140 1206

w w w . y o r k . c o m . m x

## Bristol Continues to Set Industry Standards

Bristol Compressors designs and manufactures a full line of superior hermetic reciprocating and scroll compressors used in residential and commercial air conditioning and heat pump applications. These compressors are sold and distributed to original equipment manufacturers and wholesale distributors in six continents and over 50 countries.

Customers around the world have come to rely on Bristol Compressors. The reason is simple: Bristol provides the widest range of hermetic air conditioning compressors available from one manufacturer, and all Bristol products are designed to meet the highest standards of quality, reliability and performance.

The culture at Bristol is built around innovation, manufacturing excellence, uncompromising quality and a commitment to its customers worldwide. Its success reflects this emphasis on customer satisfaction.

Bristol's leadership in dual

technologies provides flexibility to customers so they can pursue various applications and markets while conveniently using a single source for their compressor needs. As a result, many manufacturers have committed 100% of their compressor requirements to Bristol.

A leader in compressor development, Bristol's innovative new technologies continue to set the standard in the industry. Its reputation has been strengthened because, with Bristol, efficient, quiet and cost-effective performance is synonymous with quality and dependability.

The NxGen Infinity II Scroll by Bristol is the result of ten years of compressor manufacturing and engineering experience. It sets a new standard in scroll compressor performance—a scroll that is smaller, quieter, more reliable, and more efficient than ever. The Infinity II is also designed for today's refrigerants as well as for alternative refrigerants, such as R410A and R407C.

TS Technology is getting high marks from consumers all over the country, and for a very good reason. It makes things more comfortable. In fact, TS Technology changes the rules of comfort, providing quieter operation, better humidity control and more constant indoor temperatures—all this while making operating costs more comfortable for the wallet.

Excellence in manufacturing continues to be the hallmark of Bristol operations. Its improvements in productivity help lower manufacturing costs and improve efficiency. These achievements establish Bristol's quality record as second to none—and continually improving.

These gains are possible because Bristol's empowered workforce constantly challenges the status quo and looks for opportunities to continuously improve across all functions. The result is an operation rich in solutions that help customers reduce costs, improve reliability and deliver increased comfort.

## YORK Refrigeration Group Strengthens Performance

YORK Refrigeration Group (YRG) meets customers' specific requirements for reliable industrial, marine and commercial refrigeration for a wide range of land-based and offshore industries. YRG provides a full line of compressors, computerized monitoring systems and cooling equipment, all backed by skilled technical support and consulting services.

Offering unparalleled global expertise, YRG is involved in designing cost-effective refrigeration systems and plants, updating and upgrading existing systems, developing and implementing state-of-the-art turnkey operations and general consulting. YRG's worldwide branch network provides expert service as well as quick access to additional parts and components.

YRG has designed a variety of heavy-duty industrial reciprocating and screw compressors for the most challenging industrial, marine and offshore applications. Its full range of industry-specific

screw and reciprocating compressors for manufacturing and process refrigeration, together with its quality service and aftermarket solutions, make it a preferred supplier worldwide. For example, YRG is now the world's leading manufacturer of refrigeration equipment used in the petrochemical and gas-producing industries.

YRG compressors are designed to achieve maximum efficiency and the greatest reliability and safety for a wide range of applications and for use with most refrigerants, including ammonia, CO<sub>2</sub>, hydrocarbons, HFC and HCFC. YRG's compressors also offer quiet, vibration-free operation and provide flexibility via a comprehensive set of options. For example, YRG recently designed and installed a CO<sub>2</sub> packaged refrigeration system for a frozen food facility in Germany. This custom system improved production output by 20%. Like YRG's standard compressors, application-specific systems like this one also minimize environmental impact while achieving lower freezer temperatures, and prefabrication substantially reduces installation time and expense.

To capitalize on its market leadership position, YRG continues to invest in developing new products like the Rotatune variable speed drive, which provides the technology to reduce energy costs by up to 30% while reducing operating costs, noise, and wear and tear. YRG is also introducing products with improved diagnostics, controls and remote monitoring capabilities, such as the Engineered Control System and the Quantum Control Panel. These powerful products bring full computer control to the compressor package, and specially designed diagnostic features ease troubleshooting by clearly flagging component malfunctions.

In 2001, a new state-of-the-art testing facility was built in Denmark to boost YRG's test capacity. The center supports R&D, providing cost-effective testing of new products, designs and manufacturing methods. For customers, the new testing center represents a major step forward in YRG's ability to serve them by speeding their time to market. The testing capabilities also shorten installation time—minimizing downtime—and lower installation costs. With this facility, YRG now commands a leading position in testing and evaluating industrial refrigeration equipment and components.

As other means of strengthening its performance, YRG has taken steps to streamline its operations. For example,

*Please Turn to Page 6*



**“Y’all been runnin’ that chiller too fast.”**

**Slow Down and Cut Energy Use 30% with an OptiSpeed™ Drive**

Don't get caught in the chiller speed trap. In new or retrofit applications, the OptiSpeed™ variable-speed drive runs at optimum speed for peak performance and efficiency.

#### **30% Annual Energy Savings**

Reducing chiller speed at off-design loads and tower-water temperatures can reduce chiller energy costs as much as 30% annually.

#### **Better Electrical Protection**

Reduced in-rush currents protect the chiller motor, and reduced harmonic current distortion protects other electrical equipment in the building.

#### **Lower Noise Levels**

Reduced speed lowers noise levels as much as 10 decibels.



#### **Longer Equipment Life**

Running at slower speeds reduces mechanical wear and tear. Better electrical protection extends electrical-component life.

#### **Easier Maintenance and Repair**

Electronic data logging, on-site serviceability, and single-source responsibility make the OptiSpeed drive easy to troubleshoot, maintain, and repair.

#### **Lower Auxiliary-component Costs**

High power factors and low start-up amps reduce capacitor and generator costs.

For more details, call your local YORK sales office, or 1-800-861-1001, or visit [www.york.com](http://www.york.com)

 **YORK**

## CO<sub>2</sub> – the Answer, Whatever the Question?

YORK Refrigeration has been notably active in promoting the advantages of using CO<sub>2</sub> as a refrigerant in industrial refrigeration systems of many kinds.

To the layman, this may seem somewhat paradoxical – CO<sub>2</sub> has long been familiar as a refrigerant, even to the extent of being considered a little bit “old-fashioned” in relation to the more modern artificial refrigerants that for many years largely superseded CO<sub>2</sub>.

In fact, YORK Refrigeration actually has more than a century of experience in such uses of CO<sub>2</sub>, dating from as far back as 1887.

It seems even more paradoxical that YORK Refrigeration recently registered a patent for a highly significant new process—hot gas defrosting—specifically for use in conjunction with CO<sub>2</sub>-based systems.

Using this patented system, 2½ hours of freezing with CO<sub>2</sub> at -50°C was followed by hot-gas defrosting that took only 4 minutes to thaw a full-scale batch of frozen mackerel and herring.

This has substantial commercial implications for companies' ability to freeze

top-quality produce on the spot and then thaw it almost immediately when required, with no loss of quality.

This patent registration has already attracted considerable interest and attention both from potential customers and from competitors, who have realized that the entire issue of the use of CO<sub>2</sub> in refrigeration systems has suddenly come dramatically to the fore—with YORK Refrigeration seemingly in an almost unassailable front-runner position.

The new popularity of CO<sub>2</sub> as a “green” refrigerant

reflects only one aspect of its exceptional advantages. CO<sub>2</sub>-based systems certainly are a major benefit in terms of environmentally responsible refrigeration solutions, with no harmful effect on the environment. But that is by no means the whole story.

The use of CO<sub>2</sub> fundamentally alters the whole economic picture relating to refrigerants and measuring their overall life cycle cost. It is markedly safer, highly efficient, cheaper and more effective, all of which are reflected directly in customers' bottom-line profits.

## Engineered Systems Group

*Continued From Page 3*  
air system as well as to the next-generation air handling unit that is scheduled for introduction in late 2002. More efficient compressors, the Predator packaged rooftop system and the Eco<sup>2</sup> line of small-tonnage chillers and packaged rooftop systems all represent excellent opportunities to strengthen ESG's position in the low-rise commercial market.

Streamlining operations through consolidations,

plant closures, rationalization of product lines and optimization of distribution are positioning ESG to improve profitability and capital utilization.

Enhancements in information technology and e-Business capabilities will support all of ESG's business initiatives.

ESG is clearly capitalizing on its leadership position in the industry and providing important ongoing value to its global customer base.

## Unitary Products Group is on the Move

*Continued From Page 3*  
air handling units also contribute to the broad range of quality products offered by UPG.

There are vast opportunities in the fast-growing aftermarket segment of the business. A new group combining UPG's parts, sales and technical support groups was formed to create a business dedicated solely to the profitable aftermarket segment.

A dramatic, innovative improvement to UPG's customer service and support is its new communications channel, York<sup>®</sup>Net. Improving efficiency and enhancing communication while saving time and money, YorkNet connects YORK with its distributors, branches, and dealers, providing 24-hour, real-time access to YORK UPG online services. YorkNet not only streamlines processes and improves communication, but it also positions UPG as a supplier of choice because it makes it easier for extended distribution partners to do business with us.

YorkNet also facilitates marketing and advertising promotion. Through this channel, dealers have the ability to electronically create a broad range of customized selling materials which can be downloaded and printed or emailed to customers. This puts effective, quality marketing tools in the hands of

our dealers, ensuring consistent brand messages and current, accurate product information. At the same time, it allows dealers to customize their messages for specific applications.

UPG has continued to expand its marketing reach with a brand building advertising campaign that includes national network TV spots on CBS, NBC, and ABC morning and evening news promoting high efficiency products, and a print campaign placed in well known media such as Newsweek, Sports Illustrated, Time Magazine, and Good Housekeeping.

Two other initiatives aimed at aligning UPG for future growth were taken in the past year. First, a major factory consolidation was completed in 2001, combining production of residential operations in Ohio into facilities in Wichita, Kansas and Monterrey, Mexico. Consolidation of these operations will ensure cost competitive products, reduce duplication of resources and result in more effective use of capital.

Second, UPG strengthened its distribution channels, and expects growth and increased market share by upgrading its distribution in key areas. Distribution was improved in Tennessee, Georgia, Alabama, Oklahoma, Florida and in the Baltimore/Washington met-

ropolitan area. To meet the specific needs of the manufactured housing industry, a new agreement was put in place for selling and distributing heating and air conditioning products.

Through all of these initiatives, YORK UPG is clearly on the move. While strategizing for the future, it continues to provide quality, reliability, and top-notch service to its customers—and comfort for everyone where they live, work and play.

## New Test Centre in Denmark

### Test Capacity Boosted

A new state-of-the-art refrigeration equipment test centre for YORK Refrigeration opened in Høbjerg, Denmark. The facility was designed as a significant upgrade of the company's existing Danish capacity for accurate, controlled testing of industrial refrigeration equipment.

Quality and reliability of equipment are crucial for the business operations and production processes conducted by YORK Refrigeration customers all over the world.

The new centre boosts test capacity in Denmark and supplements the facilities available at the company's US test center in Waynesboro, PA, representing a major step forward in customer service. The

## Asia Pacific — Customer Focused

ESG has had a presence in the Asia Pacific region since the 1920s. Today, that presence is substantial and growing, with three major factories, 60 sales and service offices and over 1,000 dealers in the region.

The strength of the Asia Pacific operations lies in its



Kam S. Leong

President of Asia Pacific and Corporate Vice President of Strategic Planning

reputation for high quality products and after market service, efficient and cost-effective manufacturing and a high performance, motivated workforce. While Asia Pacific has not been immune to economic decline in major markets, there are still substantial opportunities in this vast market. To capitalize on these opportunities, YORK relies on its major strength as a customer-focused organization. Customer focused in every aspect of the business—from its product and service offering, manufacturing, distribution and systems application to its people.

Distinctive offerings provide value to customers and this value starts with providing demand-driven products and services. Examples include more sophisticated control packages, specific industry-focused products and an increased focus on strategic alliance accounts and service.

Asia Pacific can satisfy customers' needs with strategic and efficient regional manufacturing and is working to continuously

improve its operating productivity. From concept to production, products are designed for manufacturability and lean manufacturing. Material cost reduction, process improvements and product quality improvements are essential and a way of life.

High-quality, effective, demand-driven products need the best distribution. The best distribution is one that brings YORK closer to the customer. YORK is getting closer to the customer through various channels: expanding distribution in key regions and through the extensive service network, as well as increasing the capabilities of its e-commerce offering. In addition, customers also appreciate YORK's ability to offer a total solution to their HVAC needs.

A high-performance, inspired, energized and motivated workforce is a tremendous and powerful asset. This asset is the foundation of Asia Pacific's customer-focused strategy that combines leadership development and service culture for a winning combination. Service culture is a customer-focused initiative of value-added activities and non-tangible behaviors, which ultimately earn customer trust, respect and preference.

How do we know if this customer-focused strategy is the right one? We ask. In a recent customer survey, quality, service and technology were the three most important criteria for purchasing decisions. It is not a coincidence that YORK's strengths, as indicated by these customers, are quality, service and technology.

Company now occupies a leading position in testing and evaluating industrial refrigeration equipment and components throughout the envelope of operating conditions.

Modern refrigeration equipment is highly complex and involves many advanced technologies. The ability to carry out even more rigorous and comprehensive tests on the highly complex refrigeration systems makes it possible to strengthen YORK Refrigeration's already renowned reputation for reliability.

In addition, as the world's largest supplier of industrial refrigeration equipment, YRG has the ability to undertake as much as possible of the pre-installation test procedures prior to delivery. This results in lower installation costs and shorter

installation times, a significant benefit for customers running process lines and manufacturing operations.

The new YORK Refrigeration test centre provides the best possible conditions for both equipment testing and the customer witness tests required to meet contract stipulations. It also means that the Company is able to bring maximum efficiency, accuracy and dependability to the entire testing process.

The new, extended facility is also used by YORK Refrigeration's R&D department for the testing and trials of new products and refrigerants, as well as for the evaluation of new product ideas, helping new products and systems get to the market faster and more cost-effectively.

## Letter To Our Shareholders

*Continued From First Page* that will support the ongoing improvement of our operating performance and cash generation. The forward-looking investments we are making are being carefully balanced to satisfy the needs of our stockholders, customers, employees, suppliers and the communities in which we operate.

Considerable time has been spent evaluating the opportunity for additional growth and performance improvement within each of our businesses. These opportunities must provide value-added products and services to our customers and superior returns on our investments. Our highest priorities for the future include the growth of service in our operations, new product development, enhanced distribution, and the development of new markets. Although we increased investment in these areas in 2001 they will continue to be key areas of focus in 2002.

### Growth in Service

The service opportunities for our businesses are substantial. We are the largest HVAC&R service provider in the world, yet we estimate that we have only a 5% share of the total service market. We provide highly skilled and value-added customer service including maintenance, service and repair, retrofitting, temporary cooling, remote monitoring, compressor remanufacturing, and parts, among many other offerings.

Within our operations, we have grown service, which has YORK's highest margins and return on investment, at double-digit rates for the past several years. Our expertise in highly engineered systems for critical applications, an industry-wide trend toward more factory-owned service, our ability to service competitors' products and the expansion and aging of the installed base of equipment globally, will contribute to our sustained growth. YORK is the only HVAC&R provider with direct company service in all regions and markets of the world. This uniquely positions us to provide consistent, high-quality service to a wide variety of local, national and global customers. Examples of new service offerings include rental chillers, remote monitoring services and the management and operation of customer facilities.

### Focus on Product Development

Product development continues to be a priority for our company. During 2001 we increased spending in the engineering groups by 7.1% over 2000 in order to deliver

leading products to markets with significant revenue and margin growth potential. Our goal is to deliver products that will lead the industry in 1) the use of environmentally friendly refrigerants; 2) high efficiency; 3) quiet operation; and 4) compact design. Demand for these features continues to increase in all market segments, but that has not changed the fact that the market is continuing to demand lower product costs.

We have placed specific emphasis on the next generation of scroll and reciprocating compressor products for Bristol Compressors, products within ESG and UPG that address commercial middle-market opportunities, enhanced screw compressor offerings for ESG and YRG and upgraded furnace, residential air conditioning and packaged rooftop lines within UPG. These are just a few examples of our extensive commitment to deliver improved products for our customers.

### Enhanced Distribution

Changes have been made to improve our distribution network. In 2001, we addressed weaknesses in our product distribution network, including our relatively low unitary share in the Southeast United States. We strengthened our distribution in key states including Tennessee, Georgia, Alabama and Florida. The sale of our UPG branch in Baltimore/Washington to a successful independent distributor has resulted in a very positive improvement of our business in that region. We entered into an agreement to sell all of our manufactured housing products through one of the industry's top distribution channels. This change reduced the overall distribution cost of our product while allowing our customers to purchase many critical components from a single source.

We expanded our sales representative organizations for ESG and YRG products in targeted regions. We have also begun a pilot project in Europe to franchise our contracting support and expertise. Although we have had notable success in 2001, there are still opportunities to further enhance our distribution capabilities.

### New Markets

We continue to identify and evaluate new market opportunities. We are aggressively moving forward with product and distribution actions to become a more substantial player in the North American "middle-market", which is the crossover area between our ESG and UPG businesses. With the addition of key

products such as the small scroll chiller, the small air-cooled screw chiller, new rooftop lines ranging from 15 to 120 tons, underfloor air systems and user-friendly control packages, we now have a reasonably complete product offering. We are intentionally overlapping distribution between the ESG direct sales organization and the UPG distributor organization to ensure that we have wide coverage of the market opportunities in this segment.

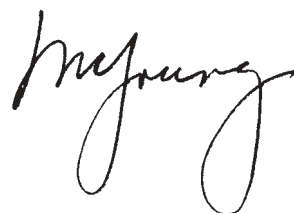
The ESG service businesses are now offering rental chillers to satisfy temporary cooling needs and remote monitoring capability that will dramatically improve the efficiency of our service technicians. We believe these and similar products will provide improved value to our customers and allow us to continue profitably growing our businesses.

### A Promising Outlook

We expect the challenging economic and business environment to continue into 2002. We do not anticipate a rapid economic recovery and we expect our various equipment markets will be down. However, we remain confident in the longer term opportunities for growth for our industry and our Company. The continued success of our service businesses, an improved cost structure, the success of new products, and further improvements in the management of our invested capital will enable us to deliver earnings and cash flow growth in the coming years.

### Working Together for Continued Success

The accomplishments I have described for 2001 were significant and required substantial resources, effort and dedication. Even with the challenging economy, we improved earnings and achieved debt reduction while continuing to invest in our future. This progress shows that the products we design and manufacture, the solutions we provide to our customers, our global presence, our excellent brand names and our high caliber employees continue to be our Company's greatest assets. I would like to thank our employees for their hard work and dedication and you, our shareholders, for your continued support.



Michael R. Young  
President and Chief Executive Officer  
March 15, 2002

## Luxaire Warming Hearts and Making Wishes Come True

Luxaire Heating and Air Conditioning, a core brand of YORK Unitary Products Group, is making wishes come true through its sponsorship agreement with the Make-A-Wish Foundation. Make-A-Wish is the largest and most recognized wish-granting organization in the world, fulfilling the dreams of children with life-threatening conditions who will probably not survive beyond their 18th year.

Every purchase of a Luxaire heating or air conditioning unit contributes



additional monies to the donation amount.

Luxaire customers have expressed their excitement about the opportunity to make a difference in a child's life.

## Leadership Training Benefits YORK Employees and Customers

The YORK Technician Training and Career Development Program provides technical and leadership training, and equips YORK Service employees with the technical expertise to consistently meet and exceed the level of service YORK customers require.

The historical growth of the YORK Service organization, and the vast opportunities for continued growth in this segment, indicate that this career development program is the right thing to do—for employees and customers alike. The need for this type of training is clearly global, since the YORK service business is currently undergoing rapid expansion not only in North America, but in all other regions of the world as well.

The Technician Training and Career Development Program helps develop and retain talented, highly trained professionals and provide them with opportunities to fulfill their personal goals for career growth. Turnover rates are lower as a result of the program and the overall stability of the organization is enhanced.

Investing in its people and

committing to their professional development ultimately benefits YORK customers by providing them with the services of motivated, technically proficient, factory-trained-and-certified technicians who are committed to the highest standards in the industry.

## Go With the Flow

PowerFlow™, a revolutionary rotary spray nozzle from YORK Refrigeration's Imeco brand, increases efficiency and reduces downtime costs by drastically reducing plugging.

Nozzles can be a maintenance operator's nightmare. The nozzles that spray water over evaporative condensers have a nasty habit of getting plugged with debris. This not only reduces efficiency, but also can overload and damage the pumps that feed the nozzles.

PowerFlow™ virtually eliminates chronic plugging problems because it is designed to both purge itself of debris, and prevent debris from accumulating in the first place. In addition, water spray from PowerFlow™ nozzles covers the condenser coils more efficiently than spray from conventional nozzles, without overspray. This plug-free operation means low scale buildup and smoother functioning.

The response from the marketplace has been phenomenal. One of the benefits customers are most excited about is increasing their productivity. Freeing up the operator to do more productive engine-room maintenance, instead of checking or cleaning nozzles, increases productivity. In addition, a condenser with PowerFlow™ nozzles could get 10 to 15 percent better efficiency than an identical model with conventional nozzles; retrofitting an old condenser could increase efficiency by more than 20 percent. Inquiries for new and retrofit applications suggest real excitement in the marketplace.

## YORK Refrigeration

*Continued From Page 4*

YRG has combined its air handling operations to more effectively serve its customers. Using effective business strategies, it has implemented other cost-saving measures and improved business operations in all areas.

YRG provides 24-hour professional service worldwide and can ship parts to most areas of the world in 24 hours, ensuring that customers are always able to derive maximum benefit from their equipment or plant. Customers around the globe benefit from new product innovations and the technical expertise provided by YRG's aftermarket support.

## Salt Lake City: Let it Snow!

Since the 1960 Winter Games in Squaw Valley, CA, YORK refrigeration equipment has been helping Olympians compete under ideal snow and ice conditions. In 2001, YORK designed, manufactured and installed most of the critical refrigeration and snowmaking systems for the 2002 Winter Olympic Games in Salt Lake City, Utah.

In fact, YORK played a part in bringing the Games to Salt Lake City by helping the Olympic Bid Committee ensure successful completion of Olympic venues. And from the figure skating rink at the Salt Lake Ice Center to the luge and bobsleigh tracks at Utah Olympic Park, from the slalom courses at Deer Valley and Park City to the cross-country route at Soldier Hollow, the venues were all ready and in peak condition for the 2002 Games, thanks to operating divisions Frick, YORK Snow and Imeco.

Each site at the Olympics presented a special challenge. At the Utah Olympic Park, for the ski jumping event, YORK modified its snowmaking equipment to

limit the throw (in effect, minimizing the size of the area being covered) because the jump and the in-run are much narrower than conventional ski trails.



For the luge and bobsleigh track, Frick's PCS monitoring and control system provides up-to-the-second information on changes in ice temperatures. RXB Plus rotary screw compressors drive a refrigeration plant that freezes figure skating ice to a steady, ideal 10°F, and RWBII Plus compressors and Imeco condensers provide stable ice conditions for speed skating at the Utah Olympic Oval.

At Snowbasin Ski Area, site of the downhill and

Super G events, automation is a big plus. Special YORK software controls the automatic snowmaking system. Featuring the Snowmax' Snow Inducer and YORK

automatic hydrants operating 550 YORK B-6 snow guns, the installation is one of only two fully automated snowmaking systems in North America.

At a crucial time in its country's history, YORK has made a significant contribution to helping Americans feel proud, and played a part in bringing nations and athletes around the world together. They asked for snow and ice—and they got it, thanks to YORK.

## Titan Chillers Live Up To Their Name

ti-tan \ tīt'n \ n [Gk]: one that is gigantic in size or power; one that stands out for greatness of achievement.

YORK's large-tonnage centrifugal chillers are named the Titan Series for some very big reasons. One, even for buildings with enormous requirements, Titan chillers, with a maximum capacity of 8,500 tons of refrigeration, are more than sufficient. The world's tallest buildings, the Petronas Twin Towers in Kuala Lumpur, Malaysia, are cooled by Titan chillers.

Two, Titan chillers are flexible by design. They have energy-source flexibility, refrigerant flexibility, and operating-condition flexibility. Titan drivers can easily be changed, depending on what is most economical at the time, to utilize electric motors, steam turbines, natural-gas engines or gas turbines. These large chillers are available with ozone-friendly refrigerants and can be adapted to future refrigerant options. And Titan chillers are so versatile that they can even meet cooling requirements in desert regions, where lack of water and extreme ambient temperatures makes the job tough. An example is the Titan installation at the Prophet's Mosque in Medina, Saudi Arabia.

Three, Titan chillers are designed for the long haul. Their strength and reliability are proven throughout the world. Perhaps the most well-known installation is the U.S. Capitol Complex, where Titan chillers have been operating reliably since the 1950s, chilling water for a 6 million square-foot area. Titan chillers excel in other unique applications, such as in the 31-mile-long engineering marvel, the English Channel Tunnel. These are places where the system must per-

form 24/7 and require minimal maintenance.

YORK's Titan chillers are known for their size, strength and endurance. For large, complex facilities and landmark projects the world over, they are the right choice for 2002 and beyond.

## YORK Volunteers in Brazil

The United Nations chose 2001 as the International Year of Volunteers. YORK employees in Brazil worked on several projects to make a contribution to this cause.

YORK employees volunteered at Instituto Maria Carolina, an orphanage for children between six and sixteen years of age. The orphanage provides schooling, food, housing and other basic needs. YORK employees reorganized the library and nursery and worked on constructing a 220-meter wall around the site, replacing a wire fence that posed a safety risk.

A day-care facility, Educandario Sao Domingos, also received the benefits of the work of YORK employees who worked to clean up the land at the site, paint, refurbish the playground, and establish a vegetable garden.

YORK employees are also working to improve the facilities at Irmandade Santa Clara, an institution in Brazil for people from age two to fifty-three who have some degree of impairment, many of whom have spent their entire lives in the institution.

This volunteerism is important not only for the contribution it makes, but also because it integrates employees who may not have the opportunity to interact regularly in the workplace. Their efforts are commendable.

## Infinity II™ Promises Growth for Bristol

Available in the market in 2002, Bristol's answer to worldwide market needs for improved performance in scroll compressors is the NxGen Infinity II Scroll. The Infinity, more reliable and more efficient than its predecessors, represents the next generation of scroll technology.

The advanced machining process used to manufacture the Infinity creates a substantially smoother and quieter compression process. The inherent design of the scroll, with the compression device in line with the shaft, also aids in sound and vibration reduction over other technologies.

Its smaller footprint and quieter operation make it a great product for residential and commercial air conditioning and heat pump appli-

cations, where size and noise can be limiting factors. Offering flexibility by design, it can use tomorrow's as well as today's refrigerants.

With typical uncompromising quality, Bristol has delivered yet another innovative technology with great promise for the future.

### *Growing Demand for Quiet Chillers*

The demand for quiet chillers is growing in all global markets. YORK has enhanced its product offering with a wide range of proven sound attenuation technologies to meet critical requirements for quiet performance. An ongoing stream of enhancements will bring new levels of quiet in the years ahead.

舒适环保 约克更好



约克空调的承诺—最优的质量 最佳的服务 最先进的技术

 YORK® 约克

北京办事处 上海办事处 深圳办事处 厦门办事处 广州办事处 武汉办事处  
电话: (86-10)65125720 电话: (86-21)62796509 电话: (86-755)2292968 电话: (86-592)2397977 电话: (86-20)87610838 电话: (86-27)85725031  
传真: (86-10)65125728 传真: (86-21)62773543 传真: (86-755)2181527 传真: (86-592)2399909 传真: (86-20)87819478 传真: (86-27)85725038

## TECHNOLOGY

## YORK UPG Unveils York®Net

The Unitary Products Group (UPG) of YORK International Corporation has released the YORK Business Network, or YorkNet, to its channel partners, creating an enterprise system connecting YORK UPG with its distributors, branches and dealers. Designed to improve efficiencies and enhance communication while saving time and money, this new communication channel allows 24-hour, real-time access to YORK UPG information and online services.

Distributors now have access to real-time information and services, such as order management, inventory availability, shipping sta-

tus, warranty registration, account/invoice status, a full product catalog and a tool that helps distributors build brochures online.

YorkNet's success is based on its simplicity. YorkNet gives channel partners easy, instant access. The time saved with YorkNet is better directed toward sales and service activities, which will lead to improved customer satisfaction, a vital part of success in the HVAC industry. YorkNet streamlines processes so well, it's one more way YORK UPG supports its business partners' independence—and makes it easier for extended partners to do business with YORK.

## OptiView™ Control Panel Provides Indoor Control of Outdoor Chillers

The ESG division introduced the new OptiView control panel in November 2001. The OptiView panel offers convenience, efficiency, and comfort. Now, from a single indoor terminal, operators can receive instant information from up to 8 outdoor chillers without outside inspection, saving time and manpower, preventing foul-weather-related injuries, and alerting personnel early to any potential problems.

The OptiView panel offers chiller operators a graphical interface accessing key data. The information

speeds troubleshooting, allowing early intervention and limiting greater complications.

The superior, one-touch display is a fast growing international option and is available in five languages: English, Spanish, Italian, German or French. It makes monitoring remote chillers easier, providing immediate feedback on chiller status. Cost-effective and responsive, the OptiView control panel adds yet another reason to why customers keep coming back to YORK for solutions.

## Making Service Simple

UPG has been busy in 2001, making service simple. Their new control system, aptly named Simplicity, incorporates better customer features, warranty saving features, and accessory options.

The Simplicity, which is electronic rather than electromechanical, reads all switches independently. This means it can determine the exact cause of a unit lockout.

The units are networked together so that diagnostic and alarm information is centralized. What really makes service simple, though, is that a YORK Wireless Access device connects the system with the UPG service center.

Because of this access, dealers and contractors will be able to sell 24/7 instant-response service contracts, locking in service and replacement business for many years to come.

UPG's innovations in controls engineering help exploit new avenues for sales and ensure repeat business—and a healthy and profitable YORK International.

## Click Forward

UPG launched its new Click Commerce initiative in 2001. The Web-based application revolutionizes the UPG-to-customer relationship, automating communication and saving transaction time and costs.

Customer participation is already high. So far more than 200 customer associates have attended nationwide training programs. YORK, while developing the program, involved its customers from the start, and the feedback has been very positive.

The next phase of the plan includes releasing additional Web-based applications in early 2002. The final phase will be "Click-Forward," which will become the primary focus. Click Forward ties UPG business systems into those of its customers. This eliminates the need to double-key information, saving time and improving accuracy. The program is also designed to reduce inventory constraints by smoothing peaks and valleys in demand through auto-replenishment.

With all of these tools in their e-business arsenal, UPG is looking to drive business transactions and expand its market for many years to come.

## MARKETING

## Old Song Sells — New Ad Campaign

For UPG, a classic heart-breaker helps convince end-users that their old air conditioning system just isn't being faithful. The point is well made in UPG's new ad campaign. Set to Hank Williams' "Your Cheatin' Heart," one ad croons "[your] old air conditioner was once your friend.

But last summer it turned on you and couldn't keep you cool. And your utility bills made you want to cry."

The new ad campaign, slated to run on ABC, NBC and CBS nationally in April and June 2002, will also be featured on the Weather Channel with local dealer tags.

The ad closes with the old (read: unfaithful) condensing unit seizing up and banging to a stop, emitting smoke and sparks. UPG distributors have responded with overwhelming approval, with one commenting, "This is the best commercial that you guys have ever made."

## ESG Leverages Electronic Marketing

YORK International ESG is now communicating on a regular basis with over 20,000 contractors, consulting engineers, and building owners via email marketing.

The YORK News via email highlights topics of interest to current and prospective ESG customers. This cost-effective communications tool augments traditional promotional efforts, such as advertising and publicity. Emphasis is given to providing information on new ESG products and services, as well as information on key industry issues such as refrigerants and energy standards.

Short messages provide the key elements of the topic and offer links for customers to learn more on the newly redesigned YORK International website or to contact company sales representatives. The new website offers comprehensive information on the full range of YORK International products and services.

Links from the YORK News to the website also offer customers the opportunity to view multimedia presentations on key products. Now, when we launch a new product or feature, customers get the word immediately and in

the full detail that multimedia allows. These 3- to 8-minute multimedia presentations are also available on credit-card-sized CDs.

Initiated in the North American market, the YORK News has now been implemented in Latin America and is being piloted in Europe, with content specifically tailored to the particular interests of those markets.

With its website recently redesigned to accommodate more specific global content, YORK is moving ahead rapidly to leverage this medium and its rich content in all areas of the world.

## There's Never Been a Better Time to Get Comfortable—and Cut Energy Costs, Too. Get Up to \$300 Cash Back from York.\*

Winter is just around the corner, and energy costs are a bigger concern than ever. Which means that now might just be the perfect time to replace your home's heating and cooling system with a reliable, energy-efficient system from York.

And, if saving on energy costs for years to come isn't enough of an incentive, we also have a deal that's going to put some cash in your pocket—right now!

### The York® 2001 "Comfort Savings" Cash Back Rebate Offer.

Between October 15 and December 15, 2001, installations of qualifying York Home Comfort Systems by your participating York Dealer can earn you up to \$300 cash back.

Or, finance your purchase: make no payments and pay no interest\* for six months.\*

Choose the incentive that makes the most sense for your family. Either way, the York 2001 "Comfort Savings" promotion guarantees that now's the right time to get comfortable, with York.

The York® "Comfort Savings" Cash Back Rebate offer is good on selected York Home Comfort Systems, consisting of top-quality York heating and air conditioning products appropriate to your home and climate. Talk to your York Dealer for details.

### Get Comfortable with a Name You Can Trust.

Choose York, and you're choosing more than a great deal. We've pioneered some of the most innovative technology in the industry. Technology that makes our products among the most efficient available, to help you save on energy costs, day-after-day, year-after-year.

And, because we know that there may be no decision more

important to you as a homeowner, we're particularly proud that our products have earned the Good Housekeeping Seal. It's one more assurance that, when you choose York, you're choosing quality and dependability!

### The Time to Call is Now!

Keep things comfortable all year long, and get comfortable with the extra savings you'll enjoy by acting before December 15th. Call us today at 1-800-910-YORK or visit us on the web at [www.yorkupg.com](http://www.yorkupg.com) to learn more, and to find the participating York Dealer near you.

  
It's Time to Get Comfortable™

\*On your York Heating and Air Conditioning credit card, which can be used on Approved Credit. Finance Charges will not be imposed on these purchases and payments will not be required during the first six months from the installation date, as long as your account is kept current. A Standard Rate of 17.99% APR will be charged to this purchase, as long as the account is kept current. For accounts not kept current, the Default Rate of 21.99% APR will be applied to all balances. Minimum Finance Charge is \$1.00. Canadian financing may differ. Please contact your local York Dealer for more details. Offer good 10/15/01-12/15/01.



## Expanding Service Market

*Continued From First Page*  
ising; it is also important to realize that the market for service is larger than any equipment market for YORK. "We have targeted substantial growth in our service areas," says Young, "and with our proven ability to grow the service business, I am confident that we will continue to see an increase in service activities."

YORK's approach is a comprehensive one. YORK's multinational customers want the same level of service whether their equipment is in Uzbekistan or Chicago. Since YORK International can provide service virtually anywhere on the planet, it becomes strategic for multinational corporations to partner with YORK for a global service plan. Additionally, with many firms looking to subcontract non-core activities such as HVAC&R service, there is a need for companies like YORK who are able to meet this need on a worldwide basis. High profile global customers have partnered with YORK globally because YORK is the best value for Total Life Cycle performance and cost, which should give investors confidence in YORK's future.



YORK, in keeping with its overall commitment to continuous improvement, is continually improving its service. In 2002, ESG will be rolling out its YORKConnect program, basically redesigning the service delivery process. YorkConnect is based on the popular Customer Relationship Management model, which improves information exchange with customers and dramatically improves service speed, reliability and efficiency.

If that sounds too good to be true, the results from the pilot phase of the program in North America validate this approach. Based on the 2001 pilot phase, the redesigned business processes and supporting technologies increase the productivity of the service office organization. They also significantly improve response to customers by providing more tailored and customer-specific solutions simultaneously. The 24/7 service connection to customers speeds response time and gives service technicians instant information about the customer, its assets and how YORK's service can best meet current needs.

The part it will play in reducing service costs is also very promising. Its potential to improve the productivity of the service team is high—anywhere from 15-20%.

Equally important, it speeds the invoice/payment turnaround time, which improves cash flow and reduces working capital. It's also probable that, in many cases, it can reduce the number of trips a technician has to make to a customer site.

Another area of service on which YORK is concentrating is new market opportunities. The rental chiller market, for which YORK supplies temporary cooling, is a promising one as well. At the same time, YORK's remanufactured compressor business is growing to include not only YORK compressors but all compressor brands. A minor acquisition of a remanufactured compressor business was completed in 2001.

YORK's service-ready products also bode well for growth in its service business. Excellent examples of this are "smart" control systems that detect problem areas and centralize diagnostic information where YORK's service team can immediately address the situation. This improves response time while minimizing equipment downtime. At the same time, it helps secure service business for the long-term because its remote monitoring capabilities enable YORK to offer 24/7 instant-response contracts.

The last element which positions YORK well for growth in the service sector is geographic expansion. Briefly, international maintenance contracts are growing. Likewise, the parts business, including YORK's proprietary parts business, is expanding. This is happening not only in North America, where the service market is relatively more mature, but also in Europe, where there is a growing trend toward service-mindedness. This means that, internationally, businesses are realizing the value of intentional, proactive service maintenance and repair. This trend indicates yet another substantial opportunity for growth for YORK. Also, some minor but key acquisitions the company made in 2001 in the Middle East, North America and Europe give it a service entrée into those regions.

"The service business has always made sense simply because it promotes good will among customers," states Young. "In addition, service tends to run counter-cyclical to the economy's twists and turns—in other words, when the economic climate is down, service is less sensitive than equipment businesses." All of these factors combine to make YORK's focus on service in 2001—and in 2002—a sound strategy.

## Diversity Council Addresses Awareness, Advantages

Diversity—often a misunderstood concept—is getting top-down treatment at YORK. While fairness has always been a part of YORK's business practices, raising awareness of, and capitalizing on employee diversity, is in everyone's best interest. So from CEO Mike Young to HR Vice President Dale Bennett to a wide variety of employees at YORK, the diversity initiative has begun. First, a Diversity Council was formed. According to Bennett, the Council's mission is "to be a source of ideas and initiatives for increasing diversity at every level of the company."

What is diversity? Diversity is not simply about female and minority groups and giving these groups an equal chance. It is about the entire range of different groups, including older employees and employees with challenging family responsibilities, and enabling them to participate and contribute to the best of their ability. Diversity is further defined by varying beliefs, education, lifestyles, and points of view.

Jane Davis and Jim Bledsoe, co chairs of the

Diversity Council, say "When people realize that 'different' does not mean 'deficient,' productivity and morale benefit greatly." Making sure that a person's performance is not hindered by attitudes to age, cultural background or other issues not relevant to the job is important, but just as important is the fact that a diverse workforce is an invaluable business asset in YORK's increasingly diverse global markets.

Companywide, diversity training is a major focus. Business units have reviewed existing policies and practices and instituted new ones. At UPG, diversity actions take some very interesting directions, such as free lessons in English as a Second Language and in Conversational Spanish. The division sponsored scholarships for minorities, and a Mexico Cultural Awareness Class was offered at the Norman, OK facility. Other actions across the company include developing relationships with diversity recruiting agencies, promoting mentoring, job swaps and shadowing programs, tracking high potential individuals and setting up co-ops and intern-

ships. In fact, the diversity initiatives are, well, diverse.

According to Bennett, the vision is to create an environment in which all employees have an opportunity to fully participate in the company and to succeed personally and professionally. And in the words of Michael Young, "Your work ethic will be the sole determining factor as to how far you can move within this company—not issues of gender, race, or physical conditions."

Young stresses that opportunity is critically important to people and that making this available is fundamental to YORK's success. He also emphasizes that the company can "do better and reach aggressive growth and profit goals in the future if we do a better job of bringing people and their ideas closer together."



Dale L. Bennett

Vice President, Human Resources

## New World-Class Test Facility

### Promises Growth for YORK Europe

January 2002 marked the opening of what is being referred to as "Europe's largest, most sophisticated test facility for measuring the thermal and acoustical performance of air conditioning and refrigeration equipment." So states IAC, the British acoustics engineering firm, which designed and built the £2 million (roughly U.S.\$2.8 million) facility for YORK in 2001. The advanced testing laboratory, located in the town of Basildon, Essex, in southeastern England, represents the beginning of a promising era for YORK Europe.

According to vice president & general manager Rodney Hightower, it will test and certify noise levels and performance at precise temperature and humidity conditions as well as safe handling of refrigerants for YORK products. "We plan to use this capability to design the lowest-noise chillers available in the European market," he said. He added that "the super-low-sound chillers would become the industry benchmark in Europe."

Also attending the dedication was local Member of Parliament Angela Smith. Smith, a strong advocate for manufacturing in England, commended YORK for its investment. "I applaud this

commitment," said Smith in her speech at the site, "and thank you for your investment and your time and effort to support the UK Heating, Ventilation, Air Conditioning and Refrigeration sector."

YORK Europe sees the new laboratory as key in addressing environmental concerns as well. Hightower said, "Our commitment to environmental responsibility supports not only the goals of the Kyoto agreements but also the concerns of our employees, customers and the communities in which our products are utilized and manufactured. It is only through proper development and testing that we can ensure our products perform to the specifications for which they are designed."

Environmental agreements reached at the international 1997 Kyoto Convention were part of a United Nations effort to reduce worldwide greenhouse gas emissions. Under EU burden sharing, the UK target is to reduce six types of greenhouse gases by 12.5%. "The Air Conditioning and Refrigeration sector has a significant part to play in helping achieve these very challenging targets," remarked Smith.

The official name of the facility is the Jack Scott European Test Laboratory, in honor of the recently retired vice president of YORK Europe. Scott is known in the industry as a visionary—

Hightower labels him as "a legend in our Company who has positively impacted the lives of those...privileged to work beside him."

The lab is more than simply a tool for development. The strategically located laboratory provides ready access to EU markets and helps YORK products meet strict European certification programs such as Eurovent. "It is imperative that we are certain of our competitive advantage concerning our products," said Hightower. He emphasized that, "the Company needs to be certain about quality of manufacture and design, performance under many conditions, and reliability and safety throughout the range of offerings. This new laboratory will accomplish this."

Parliament Member Smith, who cut the ribbon at the opening, congratulated YORK, calling the facility "a very valuable design tool for the future."

## September 11

Following the tragic events of September 11, 2001, YORK International, in the name of our worldwide employees, made a significant monetary contribution to the American Red Cross Disaster Relief Fund for the benefit of victims and rescuers of the September 11th terrorist attacks.

## *OptiSpeed™ Variable-Speed Drives Reduce Chiller Energy Consumption By 30%*

The YORK OptiSpeed variable-speed drive can lower centrifugal-chiller energy consumption by as much as 30%. It does this while providing better electrical protection, longer equipment life, easier maintenance and repair, lower auxiliary-component costs and lower noise. As a result, YORK has more variable-speed drives installed around the world than all other competitors combined.

When cooling demands reduce, the OptiSpeed drive reduces the capacity of the chiller by slowing its motor, which is the most efficient method of controlling a centrifugal device. The drive's unique adaptive capacity control continually learns and remembers the optimum speed for variable demands, fine-tuning its performance.

The OptiSpeed drive initiates a soft start of the chiller, offering better electrical protection and making quick-turn, emergency restarts possible. With YORK's patented harmonic filter, the OptiSpeed drive also reduces electric-current harmonic distortion by 74 percent, versus only 20 percent with competitive drives.

While electrical safeguards protect the electrical components of the chiller, the mechanical components benefit from lower operational speed. Typically, 99% of chiller operating hours are spent at reduced speeds, which decreases wear and tear on moving parts and results in greater reliability and longer life.

Additionally, electronic data logging, on-site serviceability and single-source responsibility make the OptiSpeed drive easy to troubleshoot, maintain and repair. In the unlikely event of a shutdown, the YORK OptiView control center provides troubleshooting messages and shutdown data, enabling quick problem identification.

Chillers equipped with an OptiSpeed drive can also lower auxiliary-component costs. The drive's high power factor can mean a smaller capacitor bank. In applications requiring a backup generator, a smaller generator is possible because the chiller requires 60% lower start-up amps.

Slower speed equals lower noise, and chillers equipped with an OptiSpeed drive have noise levels as much as 10 decibels lower.

With the extensive features of the YORK OptiSpeed variable-speed drive, it is easy to see why it is a popular choice for both new installations and retrofits of existing chillers and one of the fastest growing chiller options in the world.

## **TS™ Technology: Comfort and Performance**

The recently released TS Technology, developed by Bristol Compressors, is quickly gaining popularity in the U.S. for its comfort-enhancing results. The unique "twin-single" piston system provides a more comfortable environment by controlling humidity better, operating more quietly, and keeping indoor temperatures constant.

TS allows for two-capacity operation, which means the compressor can run longer while using less energy. TS enables one compressor to do the work of two, saving energy. The units, which provide both heating and cooling, have been designed to be smaller, taking up less floor space.

TS represents yet another way that Bristol's workforce unites to continuously improve its products and to help customers provide what the market demands—lower costs, better reliability and increased comfort.

## *MaxE™ Chillers Deliver Maximum Energy Efficiency*

Maximization is the name of the game when it comes to the MaxE chiller product line. As its name indicates, MaxE chillers provide the maximum energy efficiency in real-world operating conditions. And if that weren't enough, they also offer maximum versatility, maximum information and maximum reliability.

MaxE chillers maximize their overall efficiency because they are designed to operate efficiently at the conditions where chillers spend most of their operat-

ing hours. A chiller typically spends 99% of its operating hours at off-design conditions, and MaxE chillers offer the best overall efficiency at these real-world conditions.

Maximum versatility is offered by their energy-source flexibility and refrigerant flexibility. As driver options, MaxE chillers offer electric motors, gas engines or steam turbines. Refrigerant choices include environmentally responsible HFC-134a or HCFC-123.

Maximum information,

## *Rotatune Rich with Benefits*

The Rotatune variable speed drive by YORK's Refrigeration division offers substantial savings and advantages for customers. These drives, used with refrigeration compressors—both reciprocating and screw compressors—can reduce energy costs by up to 30%.

The Rotatune substantially improves the operating efficiency of the compressor, eliminates current peaks during start-up and reduces mechanical wear on bearings. The variable speed drive varies performance to match specific capacity requirements at any given time. This means that when demand is down, the compressor is automatically adjusted to run at a lower speed, saving energy and further reducing wear and tear.

This successful technology also addresses other market needs, such as lower noise levels and environmental sensitivity. Changing CO<sub>2</sub> requirements necessitate newer, improved energy-efficient products like the Rotatune, which help reduce emissions.

Since the Rotatune can be incorporated in original equipment or retrofitted to existing installations, it works well in a wide variety of applications. Its automatic control system, which enables the compressor to accurately maintain pressures or temperatures, along with its excellent reliability, make it ideal for critical temperature applications such as food and beverage processing.

The ability to add standardized variable speed drives to the entire range of YORK Refrigeration compressors is an important step in providing customized cooling solutions to customers all over the world.

another benefit of MaxE chillers, is provided by the OptiView control center. Over 100 variables can be tracked, in nine different languages, through its graphic user interface.

Maximum reliability is achieved with proven compressor designs, soft motor starts and better monitoring of chiller operation with the OptiView control center.

By maximizing the benefits that matter the most, MaxE chillers are quickly becoming the large tonnage chiller of choice around the world.

## **Ecology & Economy = Eco<sup>2</sup>**

Save Nature's Resources... and Yours

Though the reasons vary, medium-sized low-rise commercial buildings are becoming more prevalent in both North and South America. And in many of these buildings, the HVAC product of choice is a rooftop heating-and-cooling unit.

To satisfy the market's desire for ecological and economical products, ESG intro-



## **Eco<sup>2</sup> Packaged Rooftop Units—a valuable product offering for the new millennium.**

duced its Eco<sup>2</sup> line of rooftop units. The benefits of the new line center around better ecology and better economy—hence the name Eco<sup>2</sup>.

Ecologically, Eco<sup>2</sup> units have a zero ozone-depletion potential because their new environmentally friendly

refrigerant, HFC-407C, contains no chlorine. HFC-407C is also a good long-term choice because it's not subject to regulatory phase-out. Economically, Eco<sup>2</sup> units are the first environmentally responsible units with energy-efficiency ratios that meet the stringent requirements of the industry's ASHRAE Standard 90.1. Their high efficiency not only saves energy, it also reduces CO<sub>2</sub> emissions created by fossil-fuel power plants.

The OptiLogic™ control panel represents another ecological advantage of Eco<sup>2</sup> units because it improves the indoor environment with "smart ventilation." Smart ventilation continuously monitors the indoor-air quality and introduces additional fresh air before impurities reach an undesirable level. Indoor-air quality is also improved by double-wall construction, which prevents loose insulation fibers from infiltrating the air supply.

YORK's Eco<sup>2</sup> line of rooftop units—ecologically sensitive and economically sound—promises to be one of the most valuable product lines for the new millennium.

## **For the Office of Today—and Tomorrow: FlexSys™**

ESG's innovative FlexSys system was chosen by Buildings magazine as one of the "Editor's Choice Top Product Picks". The Picks highlight products that are "sure to make your life and your job easier."

The FlexSys system is an underfloor-air-distribution system, which is installed under a raised floor. For offices planning a raised-floor system for telecommunications, data, and power, the FlexSys system can be less expensive than a traditional overhead system. Raised floor systems are particularly prevalent in European construction and now gaining a meaningful foothold in North America.

The FlexSys system is a key element of the Building Technology Platform® created by the alliance of Tate Access Floors, YORK and Honeywell. This platform addresses a huge challenge businesses face today: "churn". Churn—the rearrangement of staff, technology and furniture—in a typical business averages 40% per year, and often tops 100% in high-technology firms.

Referring to the building technology platform, Buildings' editorial staff says, "Here's the practical—

and inventive—answer to churn. Flexibility and cost savings through power, data, video, telecom, and air-conditioning under the floor." The platform can reduce building structural costs, allow faster occupancy, and enhance adaptability through easy reconfiguration.

"The Editors' Choice award acknowledges our leading position with this innovative new product."

Other challenges addressed by the FlexSys system are indoor-air quality and energy use. Indoor-air quality is improved because the fresh air is introduced directly into the breathing zone, without having it pass through the dirty air gathered at the ceiling. Zone temperature is controlled by automatic variation of the supply-air volume, which is more efficient than constant-volume systems.

According to Bill Dietrich, Director of Commercial Systems, "This highly flexible HVAC system adapts easily to accommodate changing technology needs, while improving indoor-air quality and reducing energy costs. The Editors' Choice award acknowledges our leading position with this innovative new product."

## INVESTOR AND STOCKHOLDER INFORMATION

## CORPORATE DATA

**Stockholder Inquiries**

Questions concerning your account, dividend payments, address changes, consolidation of duplicate accounts, lost certificates and related matters should be addressed to YORK International Corporation's transfer agent:

Mellon Investor Services LLC  
P.O. Box 3315  
South Hackensack, NJ  
07606-1915  
1-800-230-2574  
www.melloninvestor.com

**Dividend Policy**

The declaration and payment of quarterly dividends is made at the discretion of YORK's Board of Directors. The dividend is reviewed by the board quarterly. YORK has paid quarterly dividends on its common shares without interruption since going public in 1991.

**Direct Deposit of Dividends**

Stockholders who would like their dividends directly

deposited in a U.S. bank account should contact the transfer agent for an enrollment form.

**Dividend Reinvestment Program**

An automatic dividend reinvestment plan is available to all stockholders of record. Dividends can be automatically reinvested in YORK common stock. Participants also may add cash for the purchase of additional shares. For more information, contact Mellon Investor Services LLC at (800) 437-6726.

**Investor Relations Program**

YORK International has an active investor relations program directed to both individual and institutional investors. The Company's investor relations mission is to maintain an ongoing awareness of the Company's performance among its stockholders and the financial community. The Company welcomes inquiries from its investors, large or small, as

well as from members of the financial community. For further information, contact:

Investor Relations Department  
YORK International Corporation  
P.O. Box 1592-364F  
York, PA 17405-1592  
Telephone: (717) 771-7409  
Fax: (717) 771-7381  
E-mail: investor@YORK.com

**Additional Information**

Stockholder, financial and other information about YORK is available from several sources. The Company's 10K and 10Q reports and quarterly earnings releases are available through the Company's automated telephone system by dialing (717) 771-7409.

You can also request these publications by writing our investor relations department at the above address or through the Internet.

**Corporate Offices**

**Street Address:**  
YORK International Corporation  
631 South Richland Avenue  
York, PA 17403  
Telephone: (717) 771-7890  
Fax: (717) 771-7381

**Mailing Address:**  
YORK International Corporation  
P.O. Box 1592  
York, PA 17405-1592

**Website Address**

www.york.com  
You can access financial and other information, such as press releases, product announcements, product information, SEC filings and quarterly press releases on earnings through YORK's website.

**Stock Exchange Listing**

The New York Stock Exchange

**Stock Trading Symbol**

YRK

**Number of Employees**

Approximately 23,600

**YORK Management**

Ole Andersen  
President of YORK  
Refrigeration Group  
*(pictured on page 2)*

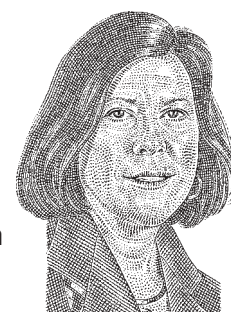
Dale L. Bennett  
Vice President, Human  
Resources  
*(pictured on  
page 9)*

James P.  
Corcoran  
Vice  
President and  
Treasurer



James P.  
Corcoran

Jane G.  
Davis  
Vice  
President, Secretary and  
General  
Counsel



Jane G. Davis

David R.  
Heck  
Controller

Thomas F.  
Huntington  
President  
of Unitary  
Products  
Group  
*(pictured on page 2)*

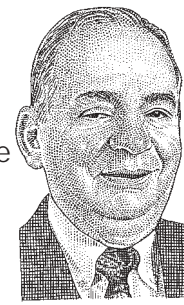
Wayne J.  
Kennedy  
President of  
Bristol  
Compressors  
*(pictured on  
page 2)*



David R. Heck

Kam S.  
Leong  
President of  
Asia Pacific  
and Corporate  
Vice President of Strategic  
Planning  
*(pictured on  
page 5)*

Joseph F.  
Loprete  
Executive Vice  
President of  
Bristol  
Compressors  
and Corporate  
Vice  
President of  
Quality  
Assurance



Joseph F.  
Loprete

C. David Myers  
Vice President and Chief  
Financial Officer  
*(pictured on page 2)*

Peter C. Spellar  
President of Engineered  
Systems Group  
*(pictured on page 2)*

Michael R. Young  
President and Chief  
Executive Officer  
*(pictured on front cover)*

**Board of Directors**

*(from left to right)*

Donald M. Roberts  
Retired Vice Chairman and  
Treasurer of United States  
Trust Company of New York  
and U.S. Trust Corporation  
Chairman of the Audit  
Committee and member of  
the Executive Committee  
and Nominating and  
Governance Committee

W. Michael Clevy  
President and Chief  
Executive Officer of DESA  
International, Inc.

Member of the  
Compensation Committee,  
Executive Committee and  
Nominating and  
Governance Committee

J. Roderick Heller, III  
Chairman and CEO of  
Carnton Capital Associates  
Member of the Finance  
Committee

Malcolm W. Gambill  
Retired Chairman of the  
Board and Chief Executive  
Officer of Harsco  
Corporation

Chairman of the  
Compensation Committee  
and member of the Finance  
Committee

Michael R. Young  
President and Chief  
Executive Officer

Chairman of the Executive  
Committee

Gerald C. McDonough  
Chairman of the Board of  
Directors  
Chairman of G.M.  
Management Group

Chairman of the  
Nominating and  
Governance Committee and  
member of the Executive  
Committee

James A. Urry  
Vice President of Citicorp  
Venture Capital Ltd.

Member of the Audit  
Committee, Executive  
Committee and Finance  
Committee

Paul J. Powers  
Retired Chairman of the  
Board and Chief Executive  
Officer of Commercial  
InterTech Corporation

Member of the  
Compensation Committee,  
Executive Committee and  
Nominating and  
Governance Committee

Robert F. B. Logan  
Retired Chairman of the  
Board and Chief Executive  
Officer of Banc One Arizona  
Corporation and Banc One  
Arizona, NA

Chairman of the Finance  
Committee and member of  
the Audit Committee

YORK markets its products under the "YORK", "MILLER-PICKING", "PACE", "SABROE", "FRICK", "NOVENCO", "FRIGID COIL", "IMECO", "ACUAir", "GRAM REFRIGERATION", "YORK BONUS", "LUXAIRE", "FRASER-JOHNSON", "COLEMAN", "WINCHESTER", "GUARDIAN", "AIRPRO", and "BRISTOL" brand names. Service is marketed under the "YORK" and "NATKIN" brands and parts are marketed under the "YORK" and "SOURCE 1" brands.

# York International Corporation

and You...

## Performance Partners at Every Bend

**YORK**<sup>®</sup> INTERNATIONAL  
CORPORATION

631 South Richland Avenue, York, PA 17403 • [www.york.com](http://www.york.com)