

**RESULTS OF OPERATIONS FOR
THE FIRST QUARTER ENDED JUNE 30, 2015 (CONSOLIDATED)
(Japanese GAAP)**

August 5, 2015

Listed company name: Torishima Pump Mfg. Co., Ltd.
 Stock exchange listings: First Section of Tokyo Stock Exchange
 Code number: 6363 URL: <http://www.torishima.co.jp>
 Representative: Kotaro Harada, President
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 Scheduled date of filing quarterly financial statements: August 11, 2015
 Scheduled date of starting dividend payment: -
 Preparing supplementary material on quarterly financial results: No
 Holding quarterly financial results presentation meeting: No

Note: The amounts are rounded down to the nearest million.

1. Consolidated financial results of the first quarter ended June 30, 2015 (April 1, 2015 through June 30, 2015)

(1) Operating results

Millions of yen, except per share data

	Net sales		Operating income		Ordinary income		Loss attributable to owners of parent	
		%		%		%		%
First quarter ended June 30, 2015	8,044	9.4	-814	-	-619	-	-346	-
First quarter ended June 30, 2014	7,347	-10.0	-924	-	-1,025	-	-746	-

Note: Comprehensive income: (First quarter ended June 30, 2015) ¥ 89 million (-%)

(First quarter ended June 30, 2014) ¥ -597 million (-%)

	Net income per share	Net income per share-Diluted
	Yen	Yen
First quarter ended June 30, 2015	-12.61	-
First quarter ended June 30, 2014	-26.57	-

Note: % represents percentage change from a comparable previous period

(2) Financial position

Millions of yen, except per share data

	Total assets	Net assets	Equity ratio
			%
June 30, 2015	68,531	36,385	52.3
March 31, 2015	71,987	36,532	50.0

(Reference): Shareholders' equity: (June 30, 2015) ¥ 35,869million (March 31, 2015) ¥ 35,959 million

2. Dividends

	Dividends per share				
	End of 1Q	End of 2Q	End of 3Q	Fiscal year end	Annual
	Yen	Yen	Yen	Yen	Yen
FY2014	-	9.00	-	9.00	18.00
FY2015	-				
FY2015 (Forecast)		9.00	-	9.00	18.00

Note: Revision of forecast for dividend during this quarter: No

Forecast for fiscal year ending March 31, 2016

Millions of yen, except per share data

	Net sales		Operating income		Ordinary income		Loss attributable to owners of parent		Net income per share
		%		%		%		%	Yen
First half	15,000	-16.6	-1,200	-	-800	-	-600	-	-21.80
Annual	43,000	-7.5	1,000	149.8	1,400	76.5	1,000	146.6	36.33

Note1: % represents percentage change from a previous year

Note2: Revision of the forecast during this quarter: No

3. Others

(1) Changes in significant subsidiaries during this period: No

(2) Adoption of special accounting methods for presenting quarterly consolidated financial statements: Yes
(For further details, please refer to page 5, “(2) Adoption of special accounting methods for presenting quarterly consolidated financial statements”.)

(3) Changes in accounting principles, accounting estimates and correction of prior period errors

Changes of accounting principles due to revisions of accounting standards: Yes

Changes of accounting principles other than the above: No

Changes in accounting estimates: No

correction of prior period errors: No

(4) Number of shares outstanding (Common stock)

Number of shares outstanding at period end (including treasury stock)

(June 30, 2015) 29,889,079

(March 31, 2015) 29,889,079

Number of treasury stock at period end

(June 30, 2015) 2,370,812

(March 31, 2015) 2,401,805

Weighted-average number of shares outstanding over the period

(April 1 - June 30, 2015) 27,495,022

(April 1 - June 30, 2014) 28,077,395

* Information regarding the implementation of quarterly review procedure

These quarterly financial results do not fall within the scope of the Quarterly Review Procedures referenced in the Financial Instruments and Exchange Act. At the time of disclosure of the quarterly financial results, the Group was in the process of implementing the quarterly review procedures for its quarterly financial statements.

* Explanation for adequate utilization of the forecast, and other note

Forecast shown above is prepared based on information available as of the issuing date of this report and assumptions that we consider as reasonable, and therefore the actual results may differ from these forecasted figures due to various unknown factors. For matters related to the above forecast, please refer to page 5, “(3) Qualitative information on consolidated earnings forecasts”.

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1. Qualitative information for the first quarter of the FY2015

(1) Qualitative information on consolidated results of operations

During the first quarter of FY2015, in the U.S., although consumer spending continued steady, production and exports showed a slow pace in growth due to the rapid appreciation of the U.S. dollar as well as the row crude oil prices. As a consequence, the U.S. economy continued a gradual recovery but weakened overall. In Europe, although consumer spending showed a recovery trend, the sovereign debt crisis began to change over the end of June, 2015. Therefore the Europe economy remained a modest recovery. In emerging countries including China, the economy continued a growing trend but the growth rate declined. The world economy, as a whole, continued uncertainty.

In Japan, although the Nikkei Stock Price average recovered the 20,000 level backed by strong corporate earnings, consumer spending showed the delay in recovery and exports showed a slow pace in growth accompanied by a slowdown of capital investment due to the uncertain world economy. The Japanese economy overall remained in a gradual recovery.

In the pump industry, overseas demand for infrastructure improvements, especially for water- and energy-related projects, remained firm. In Japan, trends continued to be firm for activities related to the renewal of the aging infrastructure. However, cautious trend in capital investment due to the uncertain world economy exceeding price competitiveness recovered by the depreciation of the yen, and increase in raw material prices, and other factors led to severe competition for orders.

Orders received during the first quarter of FY2015 (April 1, 2015-June 30, 2015) decreased by ¥1,646 million from the same period last year to ¥8,096 million. Orders received from domestic public sector decreased by ¥1,256 million from the same period last year to ¥1,772 million, orders received from domestic private sector increased by ¥404 million from the same period last year to ¥2,010 million and orders received from overseas sector decreased by ¥794 million from the same period last year to ¥4,314 million.

Net sales during the first quarter of FY2015 (April 1, 2015-June 30, 2015) increased by ¥696 million from the same period last year to ¥8,044 million.

Operating loss during the first quarter of FY2015 (April 1, 2015-June 30, 2015) amounted to ¥814 million (operating loss during the same period last year was ¥924 million). Ordinary loss amounted to ¥619 million (ordinary loss during the same period last year was ¥1,025 million) because gain on redemption of investment securities of ¥300 million was posted as non-operating income. Loss attributable to owners of parent amounted to ¥346 million (loss attributable to owners of parent during the same period last year was ¥746 million). From the first quarter under review, the Group is applying the Accounting Standard for Business Combinations (ASBJ Statement No. 21; September 13, 2013) etc. Under the accounting standard applied, net loss is presented as "loss attributable to owners of parent."

(2) Qualitative information on consolidated financial position

At the end of the first quarter (June 30, 2015), the Group's total assets amounted to ¥68,531 million, ¥3,455 million lower than at the end of the previous fiscal year (March 31, 2015). Principal changes in assets items included a decline in notes and accounts receivable-trade of ¥5,099 million despite of an increase in cash and deposits of ¥1,344 million.

Total liabilities at the end of the first quarter amounted to ¥32,145 million, ¥3,308 million lower than at the end of the previous fiscal year. Principal changes in liabilities items included a decline in notes and accounts

payable-trade of ¥2,141 million.

Net assets at the end of the first quarter amounted to ¥36,385 million, ¥147 million lower than at the end of the previous fiscal year. Principal changes in net assets items included a decrease in foreign currency translation adjustment of ¥247 million.

(3) Qualitative information on consolidated earnings forecasts

Forecasts for fiscal year ending March 31, 2016 announced on May 12, 2015 have not been changed.

2. Other information

(1) Changes in significant subsidiaries during the first quarter of FY2015 (April 1, 2015-June 30, 2015)

No items to report

(2) Adoption of special accounting methods for presenting quarterly consolidated financial statements

In determining tax expenses, the effective tax rate after application of tax effect accounting for income before income taxes for the consolidated fiscal year, inclusive of the first quarter of consolidated FY2015, has been estimated in a rational manner, and tax expenses have been calculated by multiplying the quarterly income before income taxes and adjustments by this estimated effective tax rate.

However, we use the statutory effective tax rate in cases where the estimated effective tax rate is unavailable.

(3) Changes in accounting principles, accounting estimates and correction of prior period errors

Application of Accounting Standard for Business Combinations, etc.

Effective April 1, 2015, the Company has applied “Accounting Standard for Business Combinations” (Accounting Standards Board of Japan (ASBJ) Statement No. 21 issued on September 13, 2013), “Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No. 22 issued on September 13, 2013) and “Accounting Standard for Business Divestitures” (ASBJ Statement No. 7 issued on September 13, 2013). As a result, the accounting method was changed to record the difference arising from changes in the equity in subsidiaries under ongoing control of the Company as capital surplus, and acquisition-related costs as expenses for the fiscal year in which they are incurred. In addition, with respect to any business combination entered into on or after the first day of the first quarter under review, the accounting method was changed to reflect adjustments to the allocation of acquisition cost under provisional accounting treatment on the consolidated financial statements of the quarterly financial period in which the relevant business combinations became or will become effective. Furthermore, the presentation of quarterly net income, etc., was changed, and “minority interests” was changed to “non-controlling interests.” In order to reflect the changes in the presentation, certain reclassifications have been made to the quarterly consolidated financial statements with respect to the first quarter of the previous fiscal year.

The Company has applied the Accounting Standard for Business Combinations, etc. in accordance with transitional provisions in paragraph 58-2(4) of the Accounting Standard for Business Combinations, paragraph 44-5(4) of the Accounting Standard for Consolidated Financial Statements and paragraph 57-4(4) of the Accounting Standard for Business Divestitures, prospectively on April 1, 2015.

As a result, operating loss and ordinary loss during the first quarter under review as well as loss before income taxes and minority interests decreased by ¥39 million respectively. Capital surplus at the end of the first quarter under review decreased by ¥38 million.

3. Consolidated quarterly financial statement

(1) Consolidated quarterly balance sheet

(Millions of yen)

	End of previous consolidated fiscal year (March 31, 2015)	End of the first quarter of consolidated FY2015 (June 30, 2015)
Assets		
Current assets		
Cash and deposits	4,439	5,784
Notes and accounts receivable - trade	26,616	21,516
Merchandise and finished goods	248	277
Work in process	6,655	7,008
Raw materials and supplies	1,934	1,996
Advance payments - trade	812	417
Deferred tax assets	905	985
Other	1,376	1,441
Allowance for doubtful accounts	-84	-141
Total current assets	42,904	39,285
Non-current assets		
Property, plant and equipment	10,611	10,230
Intangible assets	2,295	2,258
Investments and other assets		
Investment securities	14,323	14,945
Other	2,075	2,047
Allowance for doubtful accounts	-223	-237
Total investments and other assets	16,175	16,755
Total non-current assets	29,082	29,245
Total assets	71,987	68,531

(Millions of yen)

	End of previous consolidated fiscal year (March 31, 2015)	End of the first quarter of consolidated FY2015 (June 30, 2015)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	10,110	7,968
Short-term loans payable	8,356	6,528
Income taxes payable	111	105
Advances received	1,812	2,392
Provision for bonuses	683	407
Provision for product warranties	636	592
Provision for loss on construction contracts	436	381
Other	2,994	3,227
Total current liabilities	25,140	21,603
Non-current liabilities		
Long-term loans payable	8,782	8,765
Provision for directors' retirement benefits	12	13
Net defined benefit liability	249	249
Other	1,270	1,514
Total non-current liabilities	10,314	10,542
Total liabilities	35,454	32,145
Net assets		
Shareholders' equity		
Capital stock	1,592	1,592
Capital surplus	7,828	7,800
Retained earnings	24,650	24,056
Treasury shares	-1,499	-1,479
Total shareholders' equity	32,573	31,970
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,614	2,278
Deferred gains or losses on hedges	-456	-347
Foreign currency translation adjustment	1,503	1,255
Remeasurements of defined benefit plans	725	711
Total accumulated other comprehensive income	3,386	3,898
Subscription rights to shares	109	84
Non-controlling interests	463	431
Total net assets	36,532	36,385
Total liabilities and net assets	71,987	68,531

(2) Consolidated quarterly statement of (comprehensive) income

Consolidated quarterly statement of income (April 1 – June 30, 2015)

(Millions of yen)

	First quarter ended June 30, 2014 (April 1, 2014 - June 30, 2014)	First quarter ended June 30, 2015 (April 1, 2015 - June 30, 2015)
Net sales	7,347	8,044
Cost of sales	6,146	6,829
Gross profit	1,201	1,214
Selling, general and administrative expenses	2,126	2,029
Operating loss	-924	-814
Non-operating income		
Dividend income	123	104
Rent income	31	34
Gain on redemption of investment securities	-	300
Other	92	38
Total non-operating income	247	477
Non-operating expenses		
Interest expenses	31	35
Foreign exchange losses	195	90
Share of loss of entities accounted for using equity method	66	134
Other	54	20
Total non-operating expenses	347	281
Ordinary loss	-1,025	-619
Extraordinary income		
Gain on sales of shares of subsidiaries and associates	-	201
Total extraordinary income	-	201
Extraordinary losses		
Loss on sales of investment securities	-	86
Loss on valuation of investment securities	53	-
Total extraordinary losses	53	86
Loss before income taxes and minority interests	-1,078	-504
Income taxes	-369	-93
Loss	-708	-410
Profit (loss) attributable to non-controlling interests	37	-63
Loss attributable to owners of parent	-746	-346

Consolidated quarterly statement of comprehensive income (April 1 – June 30, 2015)

(Millions of yen)

	First quarter ended June 30, 2014 (April 1, 2014 - June 30, 2014)	First quarter ended June 30, 2015 (April 1, 2015 - June 30, 2015)
Loss	-708	-410
Other comprehensive income		
Valuation difference on available-for-sale securities	55	664
Deferred gains or losses on hedges	165	109
Foreign currency translation adjustment	-59	-252
Remeasurements of defined benefit plans, net of tax	-0	-13
Share of other comprehensive income of entities accounted for using equity method	-48	-8
Total other comprehensive income	111	499
Comprehensive income	-597	89
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	-654	165
Comprehensive income attributable to non-controlling interests	56	-76

(3) Note for assumption of going concern

No items to report

Note for significant changes in the amount of shareholders' equity

No items to report

4. Additional information

(1) Orders received and sales

Orders received and sales by demand category

Orders received

(Millions of yen)

	From April 1, 2014 to June 30, 2014		From April 1, 2015 to June 30, 2015		Year-on-year comparison	
Public	3,028	31.1%	1,772	21.9%	-1,256	-41.5%
Private	1,605	16.5%	2,010	24.8%	404	25.2%
Overseas	5,108	52.4%	4,314	53.3%	-794	-15.5%
Total	9,743	100.0%	8,096	100.0%	-1,646	-16.9%

Sales

(Millions of yen)

	From April 1, 2014 to June 30, 2014		From April 1, 2015 to June 30, 2015		Year-on-year comparison	
Public	1,223	16.7%	1,200	14.9%	-22	-1.9%
Private	1,443	19.6%	1,688	21.0%	244	16.9%
Overseas	4,680	63.7%	5,154	64.1%	474	10.1%
Total	7,347	100%	8,044	100%	696	9.5%

Orders backlog

(Millions of yen)

	As of June 30, 2014		As of June 30, 2015		Year-on-year comparison	
Public	9,436	21.1%	7,246	18.8%	-2,190	-23.2%
Private	3,646	8.2%	4,603	11.9%	956	26.2%
Overseas	31,517	70.7%	26,785	69.3%	-4,732	-15.0%
Total	44,601	100%	38,634	100%	-5,966	-13.4%