

**RESULTS OF OPERATIONS FOR  
THE THIRD QUARTER ENDED DECEMBER 31, 2010 (CONSOLIDATED)  
(Japanese GAAP)**

February 9, 2011

Listed company name: Torishima Pump Mfg. Ltd.  
 Stock exchange listings: First Section of Tokyo Stock Exchange and Osaka Stock Exchange  
 Code number: 6363 URL: <http://www.torishima.co.jp>  
 Representative: Kotaro Harada, President  
 Contact person: Hirofumi Himeno, Director and Managing Executive Officer,  
 General Manager of Administration Division  
 Phone: +81-72-695-0551  
 Scheduled date of filing quarterly financial statements: February 14, 2011  
 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 nine months ended December 31, 2010 (April 1, 2010 through December 31, 2010)

(1) Operating results Millions of yen, except per share data

	Net sales		Operating income		Ordinary income		Net income	
	%		%		%		%	
Nine months ended Dec. 31, 2010	30,265	2.7	2,377	38.3	2,569	7.5	1,488	-14.4
Nine months ended Dec. 31, 2009	29,456	-0.8	1,719	1.5	2,391	16.9	1,738	37.7

	Net sales per share	Net sales per share-Diluted
	Yen	Yen
Nine months ended Dec. 31, 2010	53.05	52.98
Nine months ended Dec. 31, 2009	67.50	67.43

Note: % represents percentage change from a comparable previous year

(2) Financial position Millions of yen, except per share data

	Total assets	Net assets	Equity ratio	Net assets per share
			%	Yen
Dec. 31, 2010	64,941	30,958	47.4	1,097.41
March 31, 2010	65,641	31,083	47.2	1,105.50

(Reference): Shareholders' equity: (Dec. 31, 2010)¥30,784million (March 31, 2010)¥31,004 million

## 2. Dividends

	Dividends per share				
	End of 1Q	End of 2Q	End of 3Q	Fiscal year end	Annual
	Yen	Yen	Yen	Yen	Yen
FY2009	-	9.00	-	11.00	20.00
FY2010	-	9.00	-		
FY2010 (Forecast)				9.00	18.00

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

## 3. Forecast for fiscal year ending March 31, 2011

Millions of yen, except per share data

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	%		%		%		%		Yen
Annual	50,000	11.1	3,300	1.3	3,400	-11.3	2,000	-23.4	71.29

Note1: % represents percentage change from a previous year

Note2: Revision of the forecast during this quarter: No

## 4. Others (For further details, please refer to page 5, "2. Other information".)

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

Note: This item indicates whether there were changes in significant subsidiaries affecting the scope of consolidation during this period.

### (2) Adoption of simplified accounting methods and special accounting methods: Yes

Note: This item indicates whether there was adoption of simplified accounting methods and special accounting methods for presenting quarterly consolidated financial statements.

### (3) Changes in accounting policies, procedures and methods of presentation

#### ① Changes following to accounting standard changes: Yes

#### ② Others: No

Note: This item indicates whether there were changes in accounting policies, procedures and method of presentation for presenting quarterly consolidated financial statements, described in "Changes in Bases of Presenting Quarterly Consolidated Financial Statements".

### (4) Number of shares outstanding (Common stock)

#### ① Number of shares outstanding at period end (including treasury stock)

(Dec. 31, 2010) 29,889,079 (March 31, 2010) 29,889,079

#### ② Number of treasury stock at period end

(Dec. 31, 2010) 1,836,798 (March 31, 2010) 1,843,776

#### ③ Weighed-average number of shares outstanding over the period

(April 1 - Dec. 31, 2010) 28,050,293 (April 1 - Dec. 31, 2009) 25,746,254

## -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.

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## 1. Qualitative information, Financial Statements, etc.

### (1) Qualitative information on consolidated results of operations

During nine months of FY2010, emerging countries such as China and India grew relatively steadily. In the USA, the economic environment saw a moderate economic recovery such as improvement in consumption, however it was not a full-fledged recovery due to a stagnant residential market and a delay in recovery in the employment environment. In European countries, financial instability and high unemployment rate caused economic deterioration although economy started to recover except some countries.

In Japan, the economic environment saw a moderate recovery, partly on the back of the government's economic stimulus measures and monetary easing measures in addition to brisk exports supported by world economic recovery particularly in emerging countries. However, the economy began to level off as the government's economic stimulus measures expired toward the end of the year, and appreciation of the yen and deflation continued to create uncertainty about the future direction of the economy.

The pump manufacturing industry in Japan had some steady demand from overseas for water- and energy-related sector. However competition for orders in the industry was under much more severe condition as a result of depressed public investment, stagnation of private capital investment and lower competitiveness due to strong yen, etc.

Order received during nine months of FY2010 (April 1, 2010-Dec. 31, 2010) decreased by ¥28,021 million from the same period last year to ¥21,639 million. Order received from domestic public sector decreased by ¥2,666 million from the same period last year to ¥7,447 million, order received from domestic private sector increased by ¥646 million from the same period last year to ¥3,805 million and order received from overseas sector decreased by ¥26,001 million from the same period last year to ¥10,386 million.

Net sales during nine months of FY2010 (April 1, 2010-Dec. 31, 2010) increased by ¥809 million from the same period last year to ¥30,265 million and order backlog at the end of the period (Dec. 31, 2010) decreased by ¥15,214 million from Dec. 31, 2009 to ¥55,496 million.

Operational profit during nine months of FY2010 (April 1, 2010-Dec. 31, 2010) increased by ¥658 million from the same period last year to ¥2,377 million, Ordinary profit increased by ¥178 million from the same period last year to ¥2,569 million and Net profit decreased by ¥249 million from the same period last year to ¥1,488 million.

### (2) Qualitative information on consolidated financial position

At the end of the third quarter (Dec. 31, 2010), the Group's total asset was ¥64,941 million, ¥699 million lower than at the end of the previous fiscal year (March 31, 2010). Principal changes in asset items included a decrease in investment securities of ¥2,438 million.

Total liabilities at the end of the third quarter amounted to ¥33,983 million, ¥574 million lower than at the end of the previous fiscal year. Principal changes in liability items included a decline in trade payable of ¥3,588 million and an increase in long-term loans payable of ¥2,734 million.

Net assets at the end of the third quarter amounted to ¥30,958 million, ¥125 million lower than at the end of the previous fiscal year. Principal changes in net asset items included a decrease in valuation difference on

available-for-sale securities of ¥1,554 million and an increase in retained earnings of ¥931 million.

(3) Qualitative information on consolidated earnings forecasts

Forecast for fiscal year ending March 31, 2011 announced on May 13, 2010 has not been changed. This forecast 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.

2. Other information

(1) Outline of changes in significant subsidiaries

No items to report

(2) Outline of adoption of simplified accounting methods and special accounting methods

① Inventory at the end of the consolidated fiscal quarter has been calculated in a reasonable manner on the basis of physical inventory at the previous consolidated fiscal year, without being checked physically.

Regarding to only inventory whose value was clearly lower than book value, net resale value was estimated and the inventory has been depreciated.

② 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 third quarter of consolidated FY2010, 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 tax rate.

Adjustments for income taxes have been included and presented in income and other taxes.

(3) Outline of changes in accounting policies, procedures and methods of presentation

Application of Accounting Standards for Asset Retirement Obligations

Starting from the first quarter of consolidated FY2010, the Company has applied the “Accounting Standards for Asset Retirement Obligations” (Accounting Standard Board of Japan Statement No. 18, issued on March 31, 2008) and the “Application Guidance on Accounting Standards for Asset Retirement Obligations” (Accounting Standard Board of Japan Application Guidance No. 21, issued on March 31, 2008)

As a result, operating income and ordinary income each decreased by ¥6 million, and income before income taxes fell by ¥89 million. The change in asset retirement obligation due to this application was ¥114 million.

(4) Outline of key events regarding assumption of going concern

No items to report

### 3. Consolidated quarterly financial statement

#### (1) Consolidated quarterly balance sheet

	(Millions of yen)	
	End of the third quarter of consolidated FY2010 (December 31, 2010)	End of previous consolidated fiscal year (March 31, 2010)
<b>Assets</b>		
Current assets		
Cash and deposits	6,766	7,070
Notes and accounts receivable-trade	18,513	19,836
Merchandise and finished goods	136	140
Work in process	8,216	8,247
Raw materials and supplies	1,832	1,657
Advance payments-trade	6,557	5,281
Deferred tax assets	1,524	1,388
Other	2,814	2,435
Allowance for doubtful accounts	-227	-591
Total current assets	46,135	45,466
Noncurrent assets		
Property, plant and equipment	7,813	7,271
Intangible assets	258	84
Investments and other assets		
Investment securities	9,123	11,561
Other	1,795	1,442
Allowance for doubtful accounts	-184	-184
Total investments and other assets	10,734	12,819
Total noncurrent assets	18,806	20,175
Total assets	64,941	65,641

(Millions of yen)

	End of the third quarter of consolidated FY2010 (December 31, 2010)	End of previous consolidated fiscal year (March 31, 2010)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable-trade	6,394	9,982
Short-term loans payable	5,664	6,545
Income taxes payable	751	751
Advances received	10,765	8,310
Provision for bonuses	336	749
Provision for product warranties	1,303	1,571
Provision for loss on construction contracts	193	115
Other	1,786	2,233
Total current liabilities	27,195	30,258
Noncurrent liabilities		
Long-term loans payable	4,228	1,494
Provision for retirement benefits	2,021	2,030
Provision for loss on guarantees	100	100
Asset retirement obligation	116	-
Other	322	675
Total noncurrent liabilities	6,788	4,299
Total liabilities	33,983	34,558
Net assets		
Shareholders' equity		
Capital stock	1,592	1,592
Capital surplus	7,803	7,795
Retained earnings	22,148	21,216
Treasury stock	-972	-975
Total shareholders' equity	30,572	29,629
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	-33	1,520
Deferred gains or losses on hedges	293	-5
Foreign currency translation adjustment	-48	-140
Total valuation and translation adjustment	212	1,374
Subscription rights to shares	45	37
Minority interests	128	41
Total net assets	30,958	31,083
Total liabilities and net assets	64,941	65,641

(2) Consolidated quarterly statement of income  
(April 1 – December 31, 2010)

	(Millions of yen)	
	Nine months ended December 31, 2009 (April 1, 2009 - December 31, 2009)	Nine months ended December 31, 2010 (April 1, 2010 - December 31, 2010)
Net sales	29,456	30,265
Cost of sales	23,216	23,332
Gross profit	6,239	6,933
Selling, general and administrative expenses	4,520	4,555
Operating income	1,719	2,377
Non-operating income		
Dividends income	169	161
Equity in earnings of affiliates	65	55
Foreign exchange gains	435	-
Rent income	51	51
Other	116	217
Total non-operating income	838	485
Non-operating expenses		
Interest expenses	99	72
Foreign exchange losses	-	106
Other	67	114
Total non-operating losses	166	293
Ordinary income	2,391	2,569
Extraordinary income		
Gain on sales of noncurrent assets	-	76
Gain on sales of investment securities	103	-
Reversal of Provision for loss on construction contracts	1,003	-
Total extraordinary income	1,106	76
Extraordinary loss		
Loss on sales of investment securities	100	1
Loss on valuation of investment securities	25	-
Loss on valuation of investments in capital of subsidiaries and affiliates	-	14
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	82
Provision of allowance for doubtful accounts	256	-
Total extraordinary losses	382	97
Income before income taxes and minority interests	3,115	2,548
Income taxes	1,384	1,036
Income before minority interests	-	1,511
Minority interests in income (loss)	-7	23
Net Income	1,738	1,488



(October 1 – December 31, 2010)

(Millions of yen)

	Third quarter ended December 31, 2009 (October 1, 2009 - December 31, 2009)	Third quarter ended December 30, 2010 (October 1, 2010 - December 31, 2010)
Net sales	8,482	10,263
Cost of sales	6,300	8,080
Gross profit	2,182	2,183
Selling, general and administrative expenses	1,518	1,577
Operating income	664	605
Non-operating income		
Dividends income	69	67
Equity in earnings of affiliates	-	25
Foreign exchange gains	281	86
Rent income	16	17
Gain on sales of noncurrent assets		
Other	38	77
Total non-operating income	406	274
Non-operating expenses		
Interest expenses	36	26
Other	28	24
Total non-operating expenses	65	51
Ordinary income	1,005	828
Extraordinary income		
Gain on sales of noncurrent assets	-	76
Total extraordinary income	-	76
Extraordinary loss		
Loss on sales of investment securities	-	1
Loss on valuation of investment securities	25	-
Provision of allowance for doubtful accounts	256	-
Total extraordinary losses	281	1
Income before income taxes and minority interests	724	904
Income taxes	286	377
Income before minority interests	-	526
Minority interests in income (loss)	-2	11
Net Income	439	515

(3) Note for assumption of going concern

No items to report

(4) Note for significant changes in the amount of shareholders' equity

No items to report

4. Additional information

(1) Order received and sales

Order received and sales by demand category

Order received

(Millions of yen)

	From April 1, 2009 to Dec. 31, 2009		From April 1, 2010 to Dec. 31, 2010		Year-on-year comparison	
Public	10,113	20.4%	7,447	34.4%	-2,666	-26.4%
Private	3,158	6.3%	3,805	17.6%	646	20.5%
Overseas	36,388	73.3%	10,386	48.0%	-26,001	-71.5%
Total	49,660	100.0%	21,639	100.0%	-28,021	-56.4%

Sales

(Millions of yen)

	From April 1, 2009 to Dec. 31, 2009		From April 1, 2010 to Dec. 31, 2010		Year-on-year comparison	
Public	6,240	21.2%	6,075	20.1%	-164	-2.6%
Private	4,073	13.8%	3,611	11.9%	-462	-11.4%
Overseas	19,141	65.0%	20,579	68.0%	1,437	7.5%
Total	29,456	100.0%	30,265	100.0%	809	2.7%

Order backlog

(Millions of yen)

	From April 1, 2009 to Dec. 31, 2009		From April 1, 2010 to Dec. 31, 2010		Year-on-year comparison	
Public	15,082	21.3%	11,687	21.1%	-3,394	-22.5%
Private	2,513	3.6%	2,671	4.8%	157	6.3%
Overseas	53,113	75.1%	41,136	74.1%	-11,977	-22.5%
Total	70,710	100.0%	55,496	100.0%	-15,214	-21.5%