

Consolidated Financial Results for FY2013

(April 1st 2013 ~ March 31st 2014)

< May 14 2014 >

TORISHIMA PUMP MFG.CO.,LTD.

Securities Code : 6363

www.torishima.co.jp/en

Unit : Yen in Billion

		vs. Previous FY	※vs. plan
● Orders Received	52.8	(+29.0%)	(+14.9%)
● Sales	46.0	(+0.0%)	(+9.5%)
● Operating Income	▲0.9	(▲1.4)	(▲1.9)
● Ordinary Income	▲0.6	(▲2.0)	(▲1.6)
● Net Income	0.4	(▲0.5)	(▲0.3)

FY2013 Financial Results

① Consolidated

Yen in Billion

	FY2012	FY2013	Increase Decrease
Orders Received	41.0	52.8	+11.8
Sales	46.0	46.0	±0
Gross Operating Income (Gross Profit Margin)	8.0 (17.4%)	8.3 (18.1%)	+0.3 (+0.7%)
SG&A expenses	▲ 7.5	▲ 9.2	▲ 1.7
Operating Income (Operating Profit Margin)	0.5 (1.1%)	▲ 0.9 (▲ 2.1%)	▲ 1.4 (▲ 3.2%)
Non-operating Profit or Loss	0.9	0.3	▲ 0.6
Ordinary Income	1.4	▲ 0.6	▲ 2.0
Extraordinary Profit or Loss	▲ 0.1	1.5	+1.6
Net Income	0.9	0.4	▲ 0.5

FY2013 plan*	vs. plan
46.0	+6.8
42.0	+4.0
—	—
—	—
1.0	▲ 1.9
—	—
1.0	▲ 1.6
—	—
0.7	▲ 0.3

Average Exchange Rate(\$)	83.1 Yen	100.2 Yen
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※ Announced on 9th May 2013

FY2013 Financial Results

(by non-consolidated・subsidiaries)

② Non-consolidated

Yen in Billion

	FY2012	FY2013	Increase Decrease
Sales	38.5	35.5	▲3.0
Gross Operating Income (Gross Profit Margin)	5.2 (13.4%)	4.3 (12.2%)	▲0.9 (▲1.2%)
SG&A expenses	▲5.6	▲6.7	▲1.1
Operating Income (Operating Profit Margin)	▲0.4 (▲1.1%)	▲2.4 (▲6.7%)	▲2.0 (▲5.6%)

③ Subsidiaries

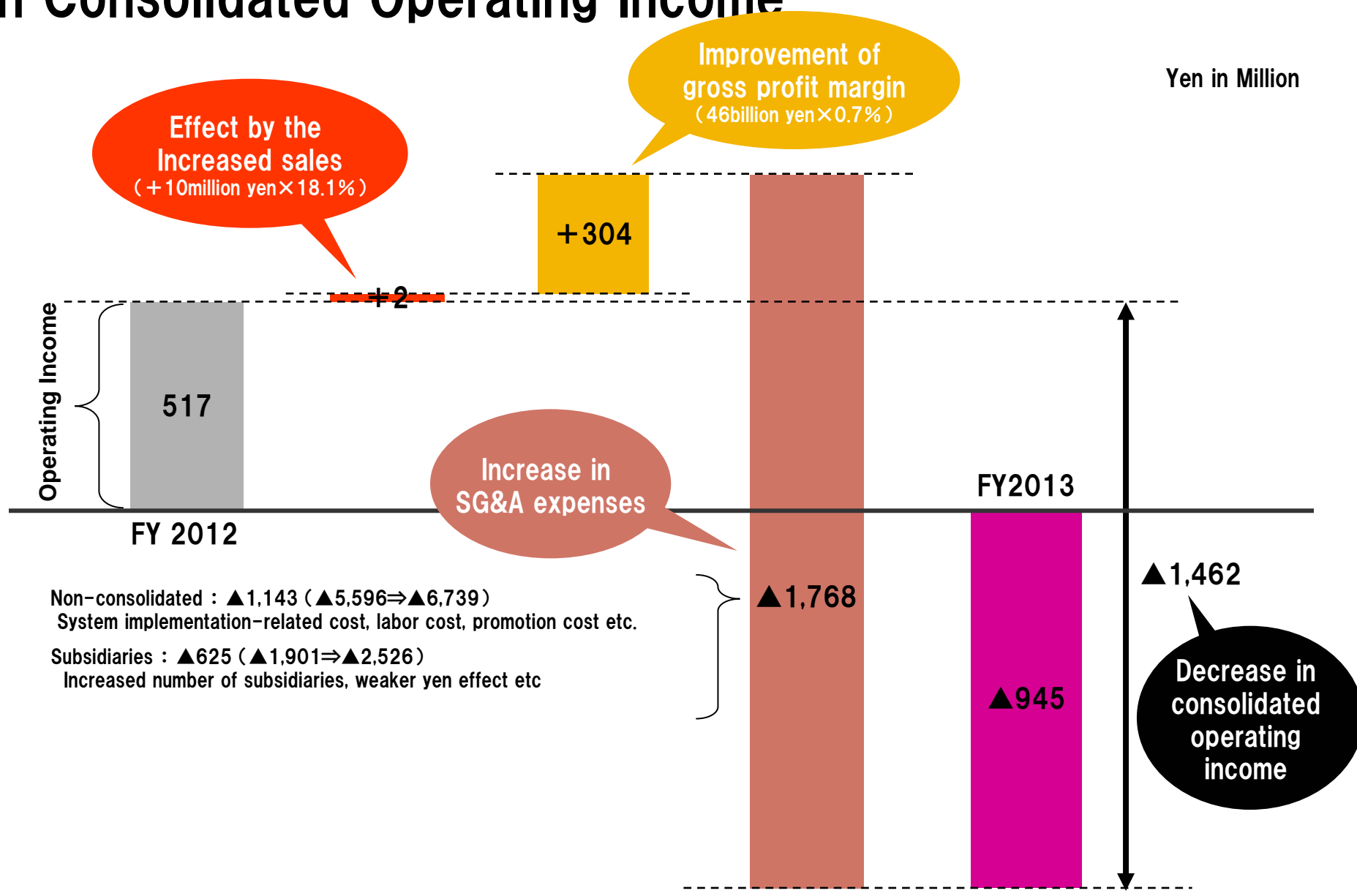
Yen in Billion

	FY2012	FY2013	Increase Decrease
Sales	7.5	10.5	+3.0
Gross Operating Income (38.3%)	2.8 (38.3%)	4.0 (38.0%)	+1.2 (▲0.3%)
SG&A expenses	▲1.9	▲2.5	▲0.6
Operating Income (12.7%)	0.9 (12.7%)	1.5 (13.9%)	+0.6 (+1.2%)

*The figure of subsidiaries (③) = the figure of consolidated results (①) – the figure of non-consolidated results (②)

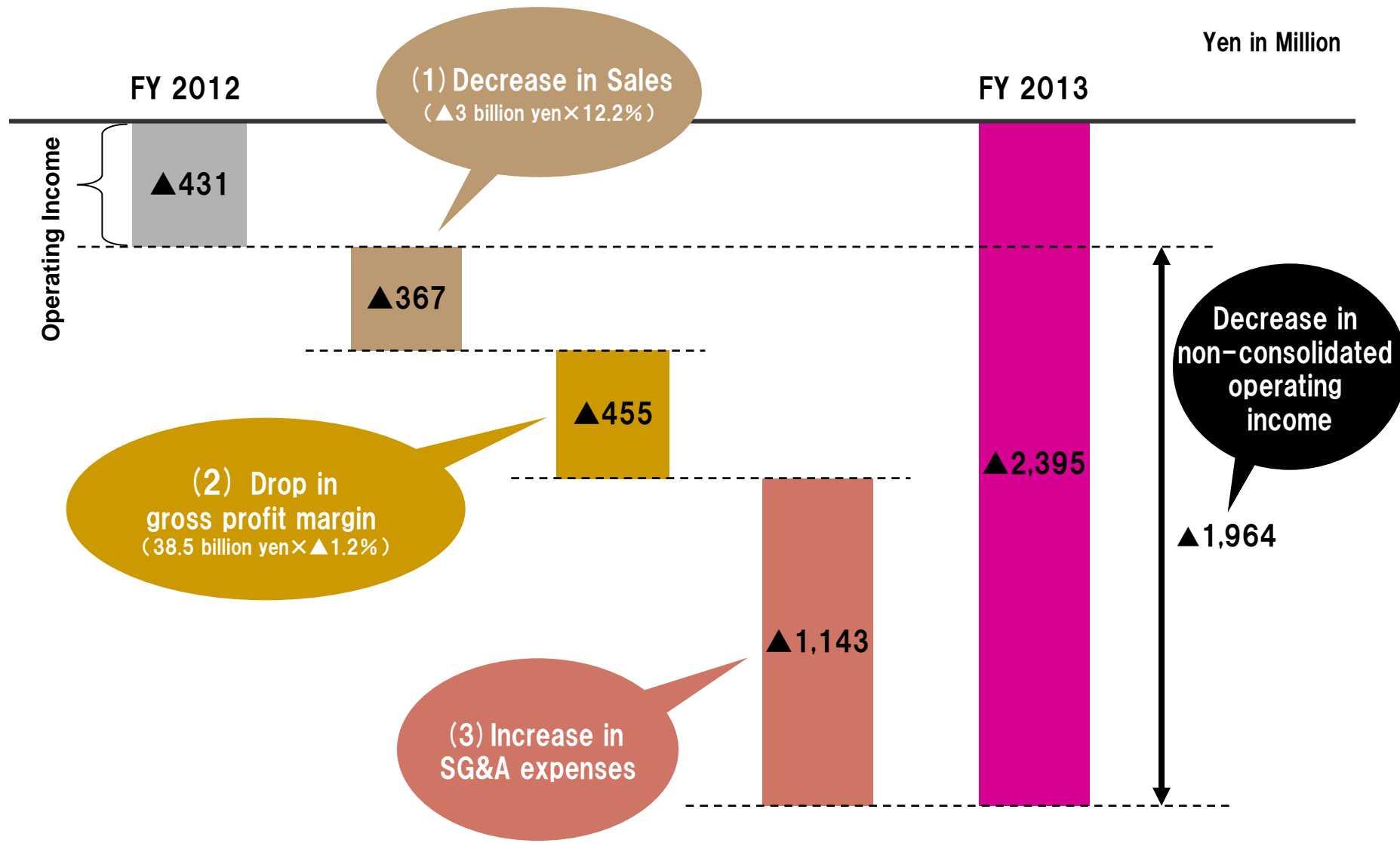
Factor Analysis of Increase and Decrease in Consolidated Operating Income

Yen in Million



Factor Analysis of Increase and Decrease in Consolidated Operating Income

Yen in Million



Worsening factors in Non-consolidated Financial Results

(1) Decrease in sales

(2) Drop in gross profit margin

(3) Increase in SG&A expenses



Prospect for Improvement in non-consolidated results

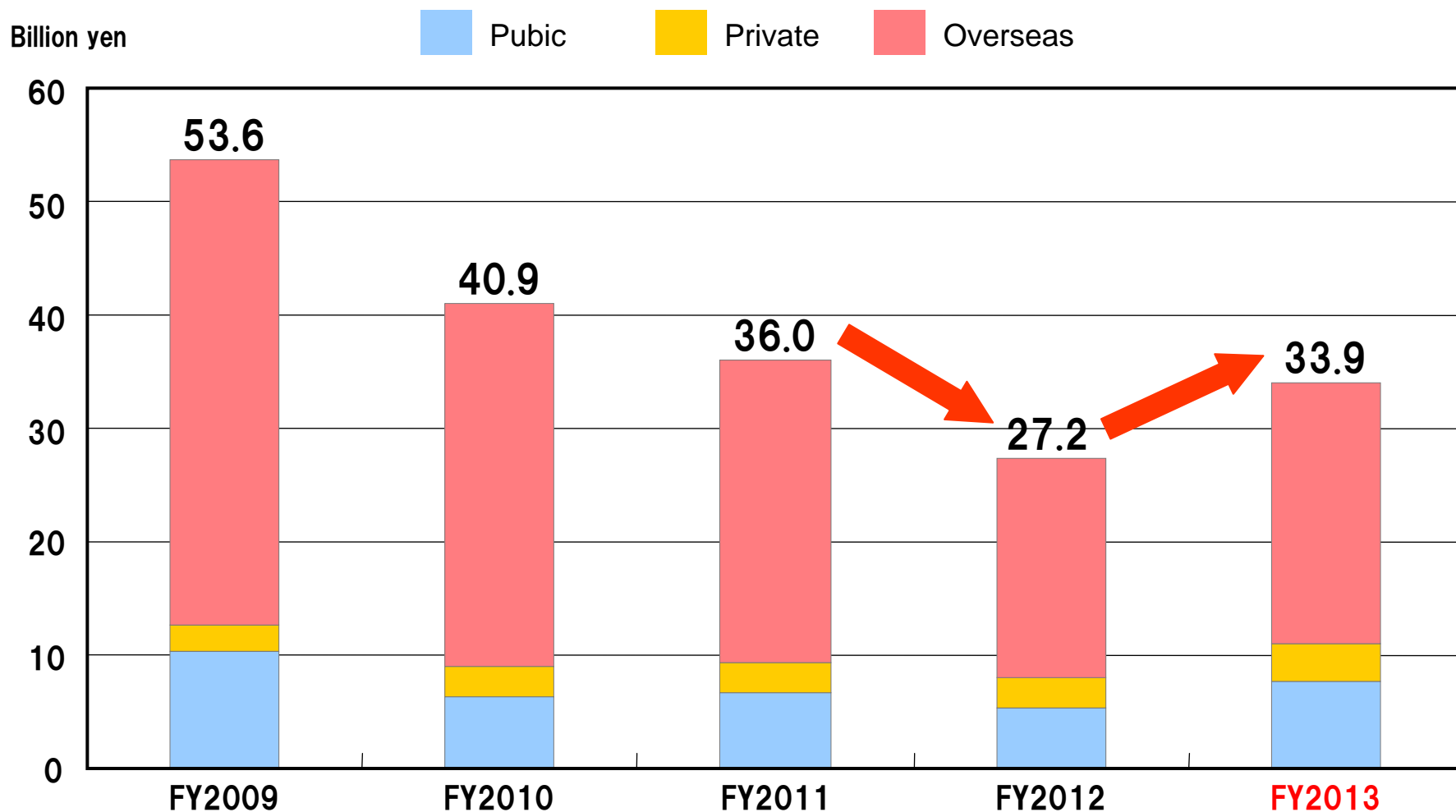
- (1) Increase in sales → 2-3billion yen **UP**
- (2) Improvement in gross profit margin → 3-4% **UP**
- (3) Decrease in SG&A expenses → approx. 0.3billion yen **DOWN**

1.8-2.0 billion yen is prospected to be profitable by (1) + (2) + (3)

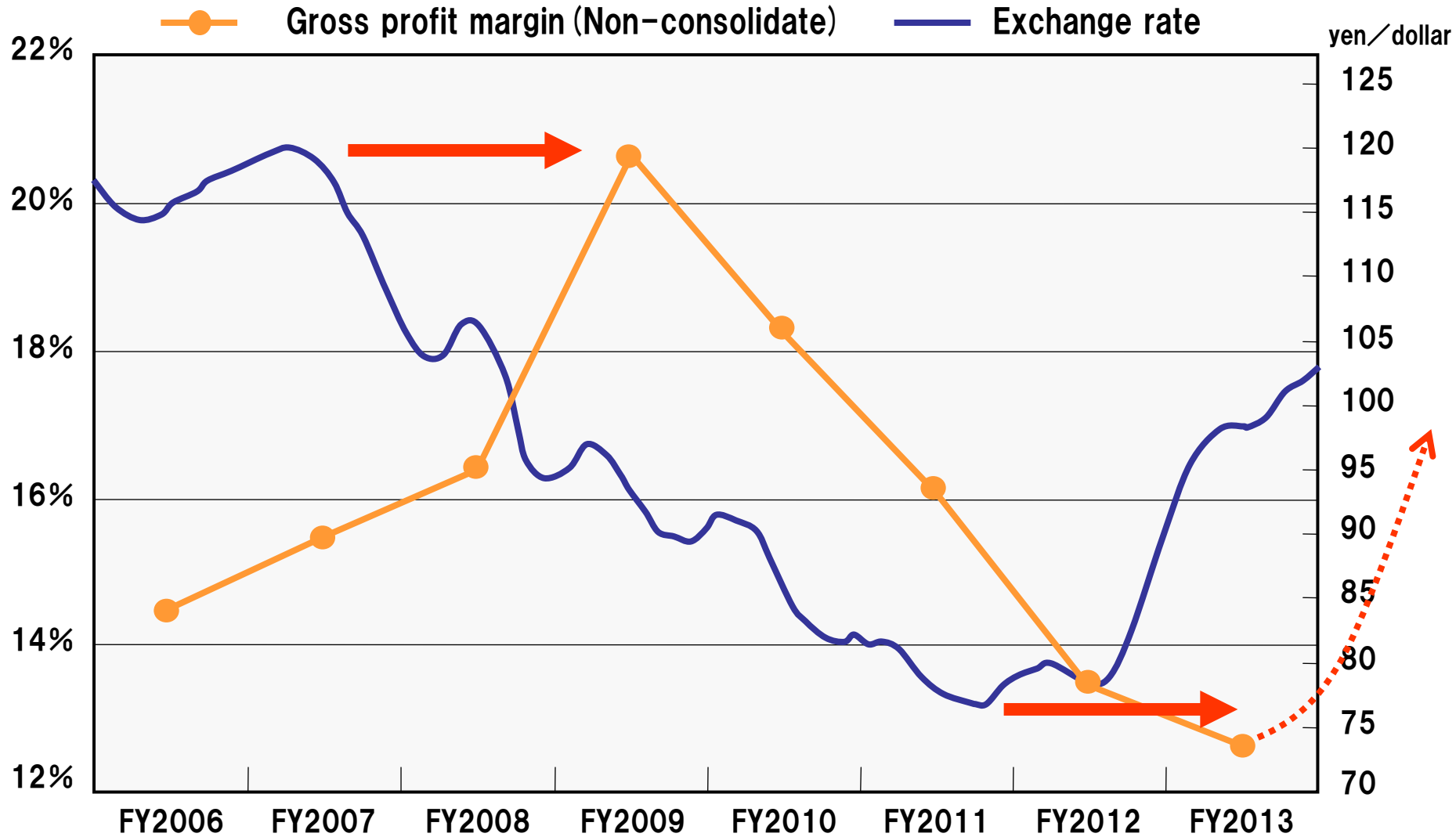
(1) From decreased sales to improved sales (Non-consolidated)



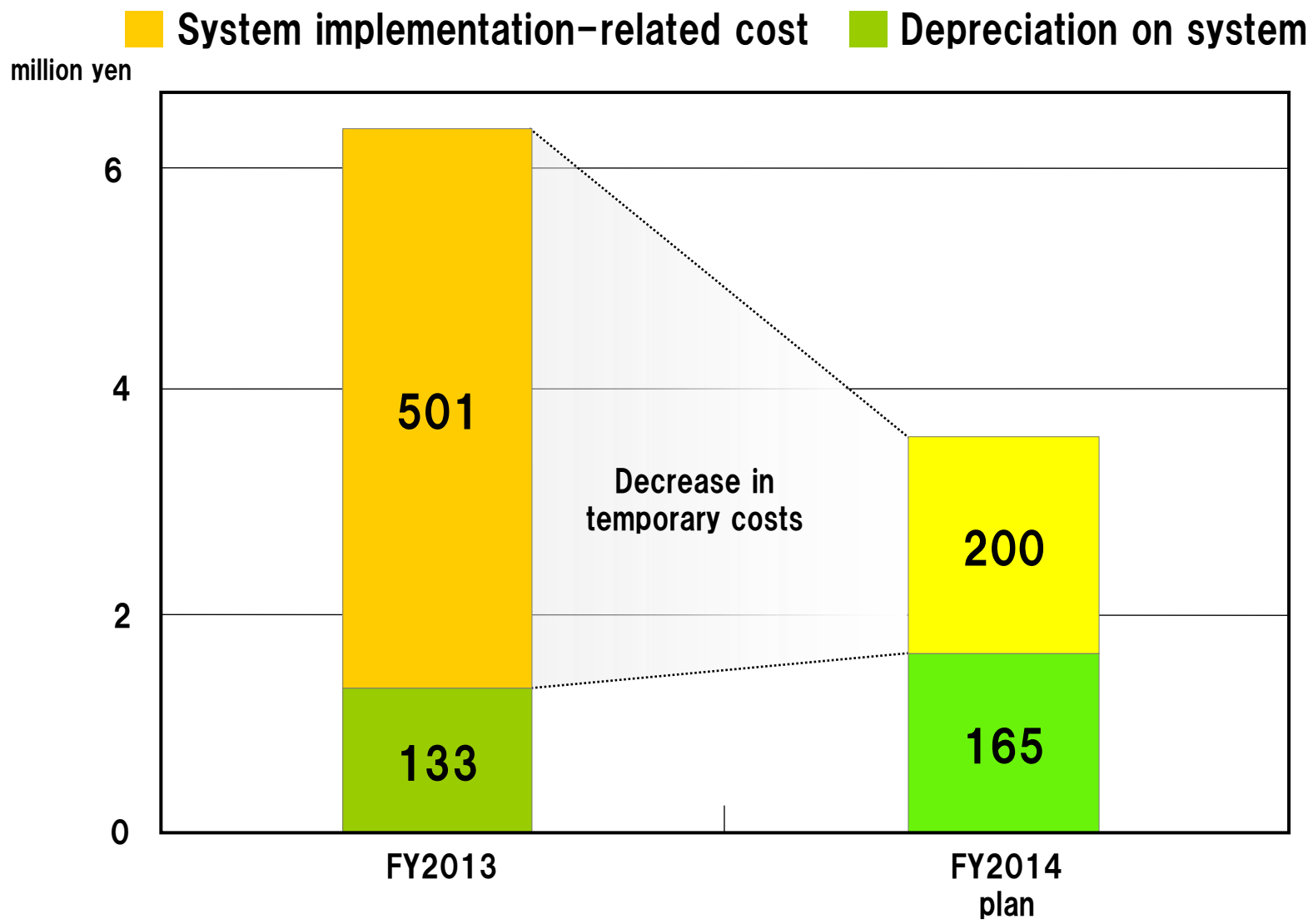
Transition in order backlog



(2) From worsen gross profit margin to improved gross profit margin (Non-consolidated)



(3) Decrease in SG&A expenses (Non-consolidated)



Prospect of consolidated financial results for FY2014



	FY2013 Results		FY2014 Plan		Billion in Yen
	Plan*	Results	Original plan*	Amended plan	
Orders Received	46.0	52.8	52.0	49.5	
Sales	42.0	46.0	47.0	49.0	
Operating Income	1.0	▲0.9	2.0	0.5	
Ordinary Income	1.0	▲0.6	2.0	0.7	
Net Income	0.7	0.5	1.5	0.5	

* Announced on 9th May 2013

【3】 Business Topics

- (1) Review of business portfolio
- (2) Standardization Initiative

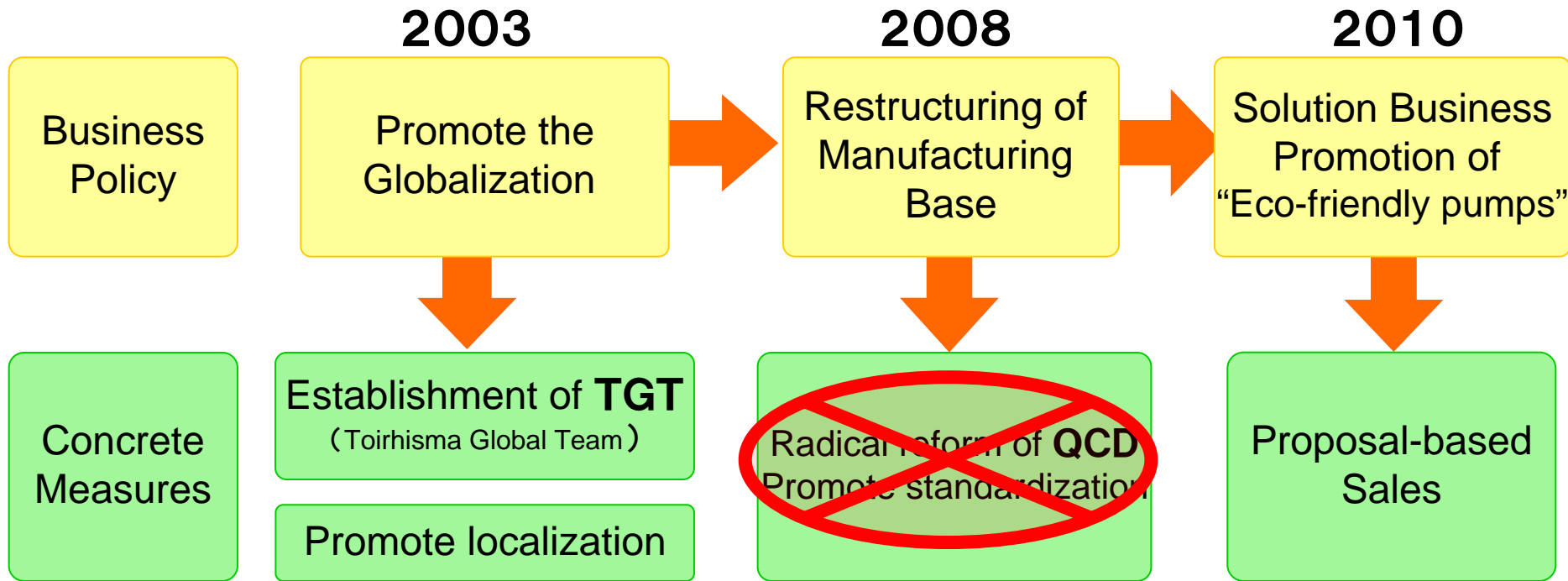
Re-focus on Core Competence



KRG INDUSTRIES

Standardization Initiative

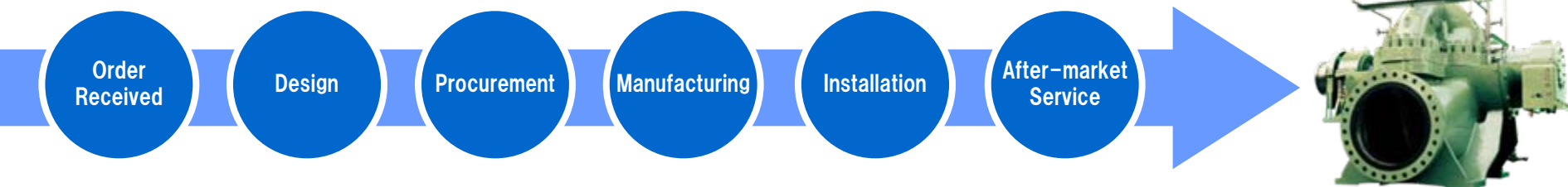
Development in the past 10 years and Future Challenges



**Achieve Torishima innovation
by drastic improvement in the manufacturing process**

TIS (Torishima Innovative System) Project Launched in June 2013

Go through from orders received to after-sales services in manufacturing system



**TIS System Base
Standardized Design**

Standardized design

Improve productivity

Speed up, Reduced workload
by standardized design

Globalization and Localization in manufacturing

- Always same quality
- Improved product capacity
(meet expanding order)

Improve QCD !

Less careless mistakes
will shorten delivery time
reduce cost
improve quality

Improve customer trust !
Improve profit margin !



Utilization human resources!

Medium Term Business Plan



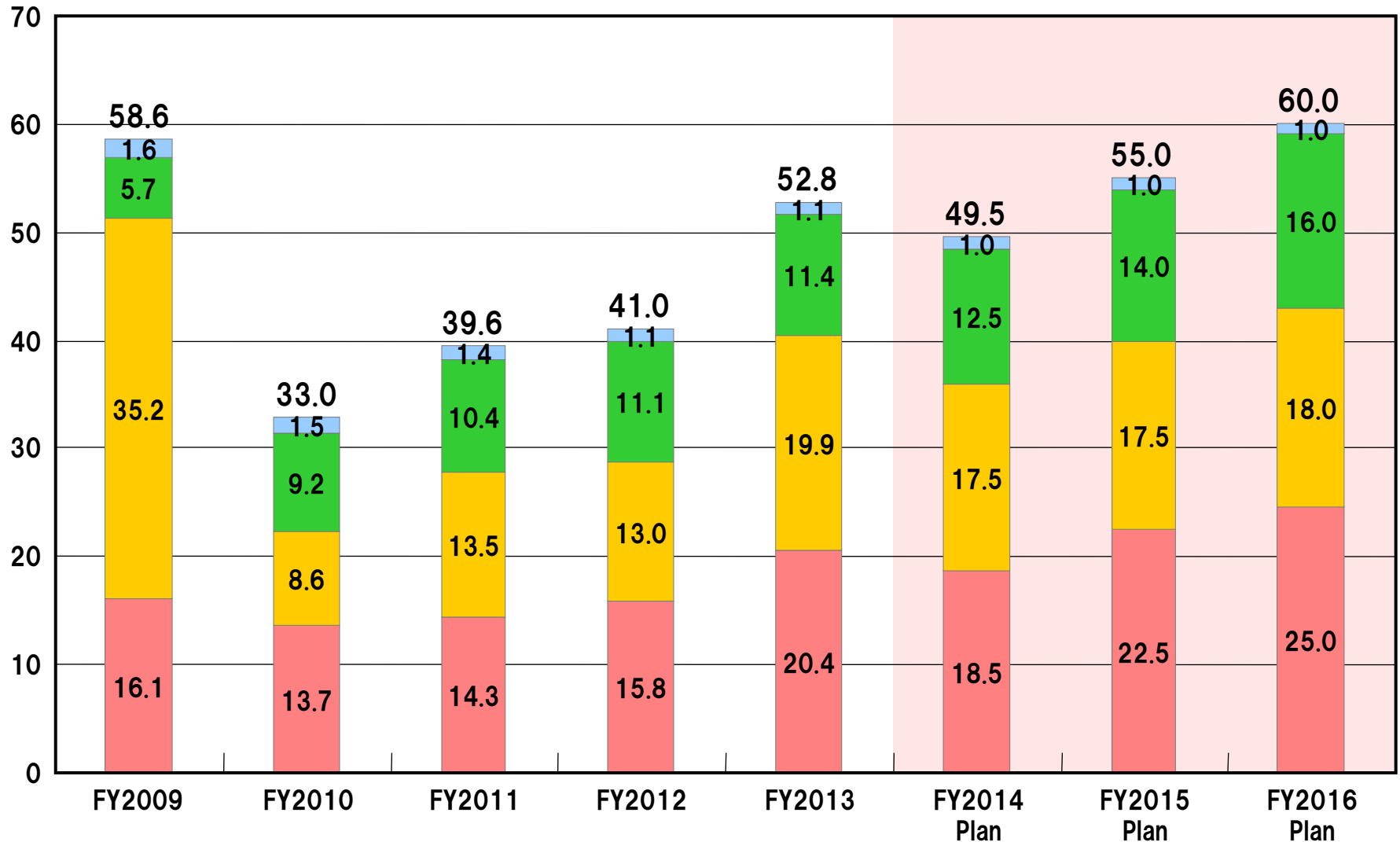
Billion in Yen

	FY2014		FY2015		FY2016
	Initial Plan※	Amended Plan※	Initial Plan※	Amended Plan※	
Orders Received	52.0	49.5	58.0	55.0	60.0
Sales	47.0	49.0	52.0	50.0	55.0
Operating Income	2.0	0.5	4.0	1.5	2.5
Ordinary Income	2.0	0.7	4.0	1.7	2.7
Net Income	1.5	0.5	3.0	1.2	1.9

※ Announced on 9th May 2013

Order plan by business domain

Billion yen ■ High-tech pumps ■ Projects ■ Service solutions ■ Renewable energy & Environment



Forecasts regarding future performance in these materials are based on judgment made in accordance with information available at the time this presentation was prepared. Therefore, please notice that there is a risk or uncertainty that the actual results may be different from these predicted results, depending on various factors.

【Inquiries】

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