

**RESULTS OF OPERATIONS FOR
THE SECOND QUARTER ENDED SEPTEMBER 30, 2013 (CONSOLIDATED)
(Japanese GAAP)**

November 13, 2013

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
 Contact person: Koichi Otao, Executive Officer, General Manager of Accounting Department
 Phone: +81-72-695-0551
 Scheduled date of filing quarterly financial statements: November 14, 2013
 Scheduled date of starting dividend payment: December 9, 2013
 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 second quarter ended Sept. 30, 2013 (April 1, 2013 through Sept. 30, 2013)

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

	Net sales		Operating income		Ordinary income		Net income	
		%		%		%		%
Second quarter ended Sept. 30, 2013	17,814	-7.0	-901	-	-721	-	-446	-
Second quarter ended Sept. 30, 2012	19,155	-12.1	-1,039	-	-884	-	-873	-

Note1: Comprehensive income: (Second quarter ended Sept. 30, 2013) 478 million yen (-%)

(Second quarter ended Sept. 30, 2012) -525, million yen (-%)

Note2: % represents percentage change from a comparable previous period

	Net income per share	Net income per share-Diluted
	Yen	Yen
Second quarter ended Sept. 30, 2013	-15.90	-
Second quarter ended Sept. 30, 2012	-31.12	-

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

	Total assets	Net assets	Equity ratio
			%
September 30, 2013	63,784	33,869	51.7
March 31, 2013	68,232	33,602	48.2

(Reference): Shareholders' equity: (Sept. 30, 2013)¥32,975million (March 31, 2013)¥32,903 million

2. Dividends

	Dividends per share				
	End of 1Q	End of 2Q	End of 3Q	Fiscal year end	Annual
	Yen	Yen	Yen	Yen	Yen
FY2012	-	9.00	-	9.00	18.00
FY2013	-	9.00			
FY2013 (Forecast)			-	9.00	18.00

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

3. Forecast for fiscal year ending March 31, 2014

Millions of yen, except per share data

	Net sales		Operating income		Ordinary income		Net income		Net income per share
		%		%		%		%	Yen
Annual	42,000	-8.6	1,000	93.3	1,000	-28.0	700	-25.8	24.93

Note1: % represents percentage change from a previous year

Note2: Revision of the forecast during this quarter: No

4. Others

(1) Changes in significant subsidiaries during this period: Yes

New: 1- Company Name: Torishima (USA) Corporation

Excluded: -

(For further details, please refer to page 5, “(1) Changes in significant subsidiaries during this period”.)

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

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

① Changes of accounting principles due to revisions of accounting standards: No

② Changes of accounting principles other than the above: No

③ Changes in accounting estimates: No

④ Correction of prior period errors: No

(4) Number of shares outstanding (Common stock)

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

(Sept. 30, 2013) 29,889,079 (March 31, 2013) 29,889,079

② Number of treasury stock at period end

(Sept. 30, 2013) 1,814,757 (March 31, 2013) 1,827,927

③ Weighed-average number of shares outstanding over the period

(April 1 – Sept. 30, 2013) 28,068,587 (April 1 – Sept. 30, 2012) 28,053,582

-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 for the second quarter of the FY2013

(1) Qualitative information on consolidated results of operations

During the second quarter of FY2013, the world economy continued uncertainty. In the U.S., economic recovery trend continued. In parts of Europe, there were signs of economic recovery. However in emerging countries including China and India, economy showed slowdown.

In Japan, economy is recovering gradually due to continuous recovery in stock prices and correction of the overvaluation of the yen affected by economic and monetary policy such as “Abenomics”

In the pumps industry, trends continued to remain firm in demand linked to overseas water and energy sectors. Meanwhile domestic public investment increased however cost competition for orders continued severe.

Orders received during the second quarter of FY2013 (April 1, 2013-Sept. 30, 2013) increased by ¥11,017 million from the same period last year to ¥29,047 million. Orders received from domestic public sector increased by ¥2,190 million from the same period last year to ¥8,930 million, orders received from domestic private sector increased by ¥798 million from the same period last year to ¥3,405 million and orders received from overseas sector increased by ¥8,029 million from the same period last year to ¥16,711 million.

Net sales during the second quarter of FY2013 (April 1, 2013-Sept. 30, 2013) decreased by ¥1,340 million from the same period last year to ¥17,814 million. Orders backlog of ¥46,574 million at the end of the second quarter of FY2013 (Sept. 31, 2013) will be carried forward to the third quarter of FY3013 (Oct. 1, 2013-Dec. 31, 2013) or later.

Operating losses during the second quarter of FY2013 (April 1, 2013-Sept. 30, 2013) amounted to ¥901 million (operating losses during the same period last year were ¥1,039 million). Ordinary losses amounted to ¥721million (ordinary losses during the same period last year were ¥884 million) influenced by a foreign exchange gain of ¥203 million. Net losses amounted to ¥446 million (net losses during the same period last year was ¥873 million).

(2) Qualitative information on consolidated financial position

At the end of the second quarter (Sept. 30, 2013), the Group’s total assets amounted to ¥63,784 million, ¥4,448 million lower than at the end of the previous fiscal year (March 31, 2013). Principal changes in asset items included a decline in notes and accounts receivable-trade (a decline of ¥5,585 million).

Total liabilities at the end of the second quarter amounted to ¥29,914 million, ¥4,716 million lower than at the end of the previous fiscal year. Principal changes in liability items included a decline in notes and accounts payable-trade (a decline of ¥5,008 million).

Net assets at the end of the second quarter amounted to ¥33,869 million, ¥267 million higher than at the end of the previous fiscal year. Principal changes in net asset items included an increase in accumulated other comprehensive income such as valuation difference on available-for-sale securities and foreign currency translation adjustment (an increase of ¥729 million).

(3) Qualitative information on consolidated earnings forecasts

Forecasts for fiscal year ending March 31, 2014 announced on May 9, 2013 have not been changed.

2. Other information

(1) Changes in significant subsidiaries during the second quarter of FY2013 (April 1, 2013-Sept. 30, 2013)

Torishima (USA) Corporation

(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 second quarter of consolidated FY2013, 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.

3. Consolidated quarterly financial statement

(1) Consolidated quarterly balance sheet

(Millions of yen)

	End of previous consolidated fiscal year (March 31, 2013)	End of the second quarter of consolidated FY2013 (September 30, 2013)
Assets		
Current assets		
Cash and deposits	11,962	7,311
Notes and accounts receivable-trade	24,260	18,674
Securities	—	700
Merchandise and finished goods	250	502
Work in process	4,711	5,495
Raw materials and supplies	1,795	1,604
Advance payments-trade	582	677
Deferred tax assets	749	1,196
Other	1,495	805
Allowance for doubtful accounts	-113	-135
Total current assets	45,693	36,832
Noncurrent assets		
Property, plant and equipment	9,844	11,195
Intangible assets	2,044	2,375
Investments and other assets		
Investment securities	9,069	12,372
Other	1,757	1,270
Allowance for doubtful accounts	-176	-262
Total investments and other assets	10,650	13,380
Total noncurrent assets	22,539	26,952
Total assets	68,232	63,784

(Millions of yen)

	End of previous consolidated fiscal year (March 31, 2013)	End of the second quarter of consolidated FY2013 (September 30, 2013)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	12,014	7,006
Short-term loans payable	5,410	4,909
Income taxes payable	126	88
Advances received	2,452	2,991
Provision for bonuses	602	801
Provision for product warranties	412	309
Provision for loss on construction contracts	217	136
Other	3,368	2,965
Total current liabilities	24,606	19,208
Noncurrent liabilities		
Long-term loans payable	7,671	8,312
Provision for retirement benefits	1,794	1,764
Provision for directors' retirement benefits	11	12
Other	547	616
Total noncurrent liabilities	10,024	10,705
Total liabilities	34,630	29,914
Net assets		
Shareholders' equity		
Capital stock	1,592	1,592
Capital surplus	7,813	7,822
Retained earnings	23,951	23,279
Treasury stock	-968	-961
Total shareholders' equity	32,389	31,733
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	903	1,202
Deferred gains or losses on hedges	-285	-246
Foreign currency translation adjustment	-104	286
Total accumulated other comprehensive income	513	1,242
Subscription rights to shares	90	87
Minority interests	607	806
Total net assets	33,602	33,869
Total liabilities and net assets	68,232	63,784

(2) Consolidated quarterly statement of (comprehensive) income

Consolidated quarterly statement of income (April 1 – September 30, 2013)

(Millions of yen)

	Second quarter ended September 30, 2012 (April 1, 2012 - September 30, 2012)	Second quarter ended September 30, 2013 (April 1, 2013 - September 30, 2013)
Net sales	19,155	17,814
Cost of sales	16,460	14,453
Gross profit	2,694	3,361
Selling, general and administrative expenses	3,734	4,263
Operating income (loss)	-1,039	-901
Non-operating income		
Interest income	28	29
Dividends income	83	91
Foreign exchange gains	-	203
Equity in earnings of affiliates	41	26
Rent income	34	34
Reversal of allowance for doubtful accounts	109	-
Other	139	57
Total non-operating income	436	443
Non-operating expenses		
Interest expenses	53	55
Foreign exchange losses	145	-
Provision of allowance for doubtful accounts	-	85
Other	82	122
Total non-operating expenses	281	263
Ordinary income (loss)	-884	-721
Extraordinary income		
Gain on sales of investment securities	-	30
Total extraordinary income	-	30
Extraordinary loss		
Loss on sales of investment securities	-	4
Loss on valuation of investment securities	647	-
Loss on sales of stocks of subsidiaries and affiliates	-	14
Total extraordinary losses	647	19
Income (loss) before income taxes and minority interests	-1,532	-711
Income taxes	-655	-382
Income (loss) before minority interests	-876	-328
Minority interests in income (loss)	-2	118
Net income (loss)	-873	-446

Consolidated quarterly statement of comprehensive income (April 1 – September 30, 2013)

(Millions of yen)

	Second quarter ended September 30, 2012 (April 1, 2012 - September 30, 2012)	Second quarter ended September 30, 2013 (April 1, 2013 - September 30, 2013)
Income (loss) before minority interests	-876	-328
Other comprehensive income		
Valuation difference on available-for-sale securities	-7	299
Deferred gains or losses on hedges	273	39
Foreign currency translation adjustment	87	465
Share of other comprehensive income of associates accounted for using equity method	-2	2
Total other comprehensive income	350	807
Comprehensive income	-525	478
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	-517	282
Comprehensive income attributable to minority interests	-8	196

(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) Orders received and sales

Orders received and sales by demand category

Orders received (Millions of yen)

	From April 1, 2012 to September 30, 2012		From April 1, 2013 to September 30, 2013		Year-on-year comparison	
Public	6,739	37.4%	8,930	30.8%	2,190	32.5%
Private	2,607	14.5%	3,405	11.7%	798	30.6%
Overseas	8,681	48.1%	16,711	57.5%	8,029	92.5%
Total	18,029	100.0%	29,047	100.0%	11,017	61.1%

Sales (Millions of yen)

	From April 1, 2012 to September 30, 2012		From April 1, 2013 to September 30, 2013		Year-on-year comparison	
Public	2,173	11.4%	2,672	15.0%	499	23.0%
Private	2,993	15.6%	2,746	15.4%	-246	-8.2%
Overseas	13,988	73.0%	12,395	69.6%	-1,592	-11.4%
Total	19,155	100.0%	17,814	100.0%	-1,340	-7.0%

Orders backlog (Millions of yen)

	As of September 30, 2012		As of September 30, 2013		Year-on-year comparison	
Public	11,377	29.0%	11,762	25.2%	384	3.4%
Private	2,312	5.9%	3,298	7.1%	986	42.6%
Overseas	25,525	65.1%	31,513	67.7%	5,987	23.5%
Total	39,216	100.0%	46,574	100.0%	7,358	18.8%