

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

(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

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)

(Dec. 31, 2013) 29,889,079

(March 31, 2013) 29,889,079

② Number of treasury stock at period end

(Dec. 31, 2013) 1,814,922

(March 31, 2013) 1,827,927

③ Weighed-average number of shares outstanding over the period

(April 1 – Dec. 31, 2013) 28,070,275

(April 1 – Dec. 31, 2012) 28,056,826

-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 4, “(3) Qualitative information on consolidated earnings forecasts”.

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1. Qualitative information, Financial Statements, etc.

(1) Qualitative information on consolidated results of operations

During the nine months under review, the world economy was not so strong although the modest recovery continued in the U.S., the economy picked up in emerging countries including China and India, and the recession seemed to have bottomed out in Europe.

In Japan, the economy didn't show a full-scale recovery although it was recovering gradually due to continuous recovery in stock prices and correction of the overvaluation of the yen.

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

Orders received during the third quarter of FY2013 (April 1, 2013-Dec. 31, 2013) increased by ¥16,751 million from the same period last year to ¥45,160 million. Orders received from domestic public sector increased by ¥3,520 million from the same period last year to ¥12,795 million, orders received from domestic private sector increased by ¥1,279 million from the same period last year to ¥5,106 million, and orders received from overseas sector increased by ¥11,951 million from the same period last year to ¥27,258 million.

Net sales during the third quarter of FY2013 (April 1, 2013-Dec. 31, 2013) decreased by ¥1,099 million from the same period last year to ¥26,264 million. Orders backlog increased by ¥12,851 million from the end of the third quarter of FY2012 (Dec. 31, 2012). Orders backlog of ¥54,238 million at the end of the third quarter of FY2013 (Dec. 31, 2013) will be carried forward.

Operating losses during the third quarter of FY2013 (April 1, 2013-Dec. 31, 2013) amounted to ¥1,629 million (operating losses during the same period last year were ¥1,227 million). Ordinary losses amounted to ¥865 million (ordinary losses during the same period last year were ¥529 million) influenced by a foreign exchange gain of ¥665 million. Net losses amounted to ¥448 million (net losses during the same period last year were ¥288 million).

(2) Qualitative information on consolidated financial position

At the end of the third quarter (Dec. 31, 2013), the Group's total assets amounted to ¥66,467 million, ¥1,765 million lower than at the end of the previous fiscal year (March 31, 2013). Principal changes in asset items included an increase in investment securities of ¥3,761 and a decline in notes and accounts receivable-trade of ¥4,949 million.

Total liabilities at the end of the third quarter amounted to ¥33,043 million, ¥1,586 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 of ¥4,786 million.

Net assets at the end of the third quarter amounted to ¥33,423 million, ¥178 million lower than at the end of the previous fiscal year. Principal changes in net asset items included a decline in retained earnings of ¥926 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 this period (Oct 1, 2013-Dec 31, 2013)

In the third quarter of the fiscal year under review, Torishima (USA) Corporation was included in the consolidation due to the increase in the importance. Torishima (USA) Corporation corresponds to specified subsidiary of Torishima Pump Mfg. Co., Ltd.

(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 third 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 effective tax rate.

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

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 third quarter of consolidated FY2013 (December 31, 2013)
Assets		
Current assets		
Cash and deposits	11,962	6,124
Notes and accounts receivable-trade	24,260	19,310
Securities	—	700
Merchandise and finished goods	250	516
Work in process	4,711	7,954
Raw materials and supplies	1,795	1,593
Advance payments-trade	582	758
Deferred tax assets	749	1,476
Other	1,495	1,023
Allowance for doubtful accounts	-113	-155
Total current assets	45,693	39,304
Noncurrent assets		
Property, plant and equipment	9,844	11,067
Intangible assets	2,044	2,347
Investments and other assets		
Investment securities	9,069	12,830
Other	1,757	1,197
Allowance for doubtful accounts	-176	-280
Total investments and other assets	10,650	13,748
Total noncurrent assets	22,539	27,163
Total assets	68,232	66,467

(Millions of yen)

	End of previous consolidated fiscal year (March 31, 2013)	End of the third quarter of consolidated FY2013 (December 31, 2013)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	12,014	7,227
Short-term loans payable	5,410	6,683
Income taxes payable	126	127
Advances received	2,452	3,883
Provision for bonuses	602	353
Provision for product warranties	412	444
Provision for loss on construction contracts	217	264
Other	3,368	3,032
Total current liabilities	24,606	22,015
Noncurrent liabilities		
Long-term loans payable	7,671	8,705
Provision for retirement benefits	1,794	1,716
Provision for directors' retirement benefits	11	13
Other	547	594
Total noncurrent liabilities	10,024	11,028
Total liabilities	34,630	33,043
Net assets		
Shareholders' equity		
Capital stock	1,592	1,592
Capital surplus	7,813	7,822
Retained earnings	23,951	23,025
Treasury stock	-968	-962
Total shareholders' equity	32,389	31,478
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	903	1,549
Deferred gains or losses on hedges	-285	-421
Foreign currency translation adjustment	-104	-4
Total accumulated other comprehensive income	513	1,123
Subscription rights to shares	90	94
Minority interests	607	727
Total net assets	33,602	33,423
Total liabilities and net assets	68,232	66,467

(2) Consolidated quarterly statement of income
(April 1 – December 31, 2013)

(Millions of yen)

	Third quarter ended December 31, 2012 (April 1, 2012 - December 31, 2012)	Third quarter ended December 31, 2013 (April 1, 2013 - December 31, 2013)
Net sales	27,364	26,264
Cost of sales	22,964	21,253
Gross profit	4,399	5,010
Selling, general and administrative expenses	5,627	6,640
Operating income (loss)	-1,227	-1,629
Non-operating income		
Dividends income	133	154
Foreign exchange gains	253	665
Equity in earnings of affiliates	92	40
Rent income	51	75
Other	358	133
Total non-operating income	889	1,069
Non-operating expenses		
Interest expenses	75	83
Provision of allowance for doubtful accounts	-	85
Other	115	136
Total non-operating expenses	191	305
Ordinary income (loss)	-529	-865
Extraordinary income		
Gain on sales of investment securities	-	75
Total extraordinary income	-	75
Extraordinary loss		
Loss on sales of investment securities	65	4
Loss on valuation of investment securities	61	-
Loss on sales of stocks of subsidiaries and affiliates	-	14
Total extraordinary losses	127	19
Income (loss) before income taxes and minority interests	-656	-809
Income taxes	-338	-460
Income (loss) before minority interests	-318	-348
Minority interests in income (loss)	-30	99
Net income (loss)	-288	-448

Consolidated quarterly statement of comprehensive income
(April 1 – December 31, 2013)

	(Millions of yen)	
	Third quarter ended December 31, 2012 (April 1, 2012 - December 31, 2012)	Third quarter ended December 31, 2013 (April 1, 2013 - December 31, 2013)
Income (loss) before minority interests	-318	-348
Other comprehensive income		
Valuation difference on available-for-sale securities	238	645
Deferred gains or losses on hedges	-84	-136
Foreign currency translation adjustment	95	122
Share of other comprehensive income of associates accounted for using equity method	-1	-2
Total other comprehensive income	248	629
Comprehensive income	-70	280
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	-26	161
Comprehensive income attributable to minority interests	-43	119

(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 December 31, 2012		From April 1, 2013 to December 31, 2013		Year-on-year comparison	
Public	9,275	32.6%	12,795	28.3%	3,520	38.0%
Private	3,827	13.5%	5,106	11.3%	1,279	33.4%
Overseas	15,306	53.9%	27,258	60.4%	11,951	78.1%
Total	28,409	100.0%	45,160	100.0%	16,751	59.0%

Sales

(Millions of yen)

	From April 1, 2012 to December 31, 2012		From April 1, 2013 to December 31, 2013		Year-on-year comparison	
Public	4,607	16.8%	4,096	15.6%	-510	-11.1%
Private	4,362	16.0%	4,233	16.1%	-128	-3.0%
Overseas	18,394	67.2%	17,934	68.3%	-460	-2.5%
Total	27,364	100.0%	26,264	100.0%	-1,099	-4.0%

Orders backlog

(Millions of yen)

	From April 1, 2012 to December 31, 2012		From April 1, 2013 to December 31, 2013		Year-on-year comparison	
Public	11,479	27.8%	14,203	26.2%	2,724	23.7%
Private	2,162	5.2%	3,512	6.5%	1,349	62.4%
Overseas	27,744	67.0%	36,522	67.3%	8,777	31.6%
Total	41,386	100.0%	54,238	100.0%	12,851	31.1%