

Consolidated Financial Results for the 2Q FY2015

(April 1st 2015 ~ September 30th 2015)

< 11 November 2015 >

TORISHIMA PUMP MFG.CO.,LTD.

Securities Code : 6363
www.torishima.co.jp/en

Highlights of Consolidated Financial Results for the 2Q FY2015

Orders received, Sales and Income were as planned

Non-consolidated performance turned around

=> Improved gross profit margin by 2.5%

Boosted sales activities

=> Increased orders received 1.5 times on a y-o-y basis

Financial Results Outline for the 2Q FY2015



	(Billions of yen)	vs. Previous FY	vs. plan
● Orders received	31.1	(+45.5%)	(—)
● Sales	17.8	(▲1.0%)	(+18.5%)
● Operating income	▲0.7	(+0.3bln¥)	(+0.5bln¥)
● Ordinary income	▲0.9	(▲0.1bln¥)	(▲0.1bln¥)
● Net income	▲0.4	(+0.2bln¥)	(+0.2bln¥)

Financial Results for the 2Q FY2015



① Consolidated

Billions of yen

	FY2014 first half results	FY2015 first half results	Increase- Decrease	FY2015 first half plan	vs. plan
Orders received	21.4	31.1	+9.7	—	—
Sales	17.9	17.8	▲0.1	15.0	+2.8
Gross operating income (Gross profit margin)	3.2 (17.7%)	3.6 (20.2%)	+0.4 (+2.5%)	—	—
SG&A	▲4.2	▲4.3	▲0.1	—	—
Operating income (Operating profit margin)	▲1.0 (▲5.8%)	▲0.7 (▲3.7%)	+0.3 (+2.1%)	▲1.2 (+0.1%)	+0.5 (+0.1%)
Non-operating profit or loss	0.2	▲0.2	▲0.4	—	—
Ordinary income	▲0.8	▲0.9	▲0.1	▲0.8	▲0.1
Extraordinary profit or loss	0	0.1	+0.1	—	—
Net income	▲0.6	▲0.4	+0.2	▲0.6	+0.2
Average exchange rate (\$)	103.0 yen	121.8 yen			

Financial Results for the 2Q FY2015 (Non-consolidated / Subsidiaries)



② Non-consolidated

Billions of yen

	FY2014 first half results	FY2015 first half results	Increase- Decrease
Sales	13.6	13.2	▲0.4
Gross operating income (gross profit margin)	1.3 (9.4%)	1.6 (11.9%)	+0.3 (+2.5%)
SG&A expenses	▲ 3.1	▲3.0	+0.1
Operating income (operating income margin)	▲ 1.8 (▲13.3%)	▲1.4 (▲10.7%)	+0.4 (+2.6%)

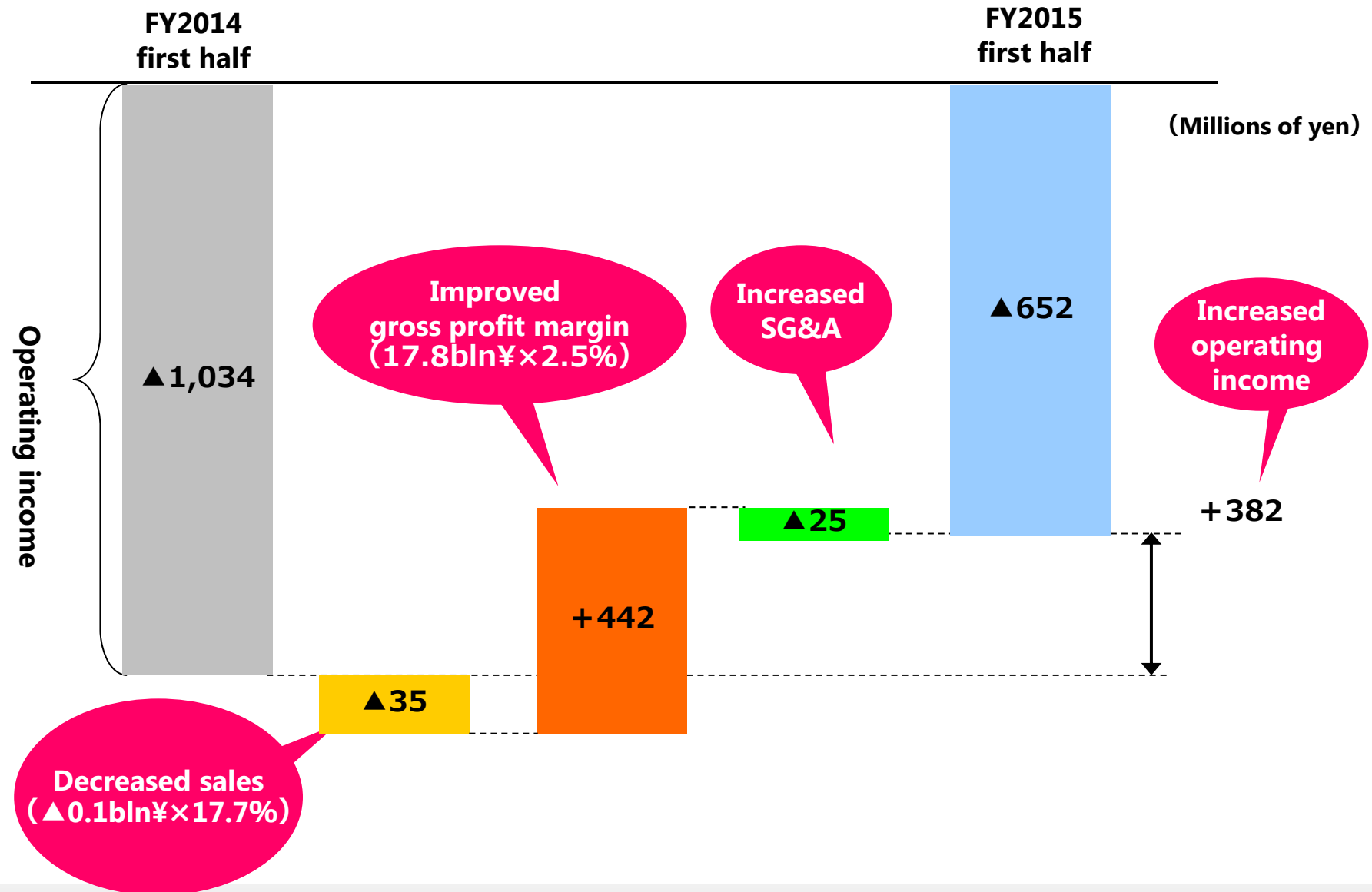
③ Subsidiaries

Billions of yen

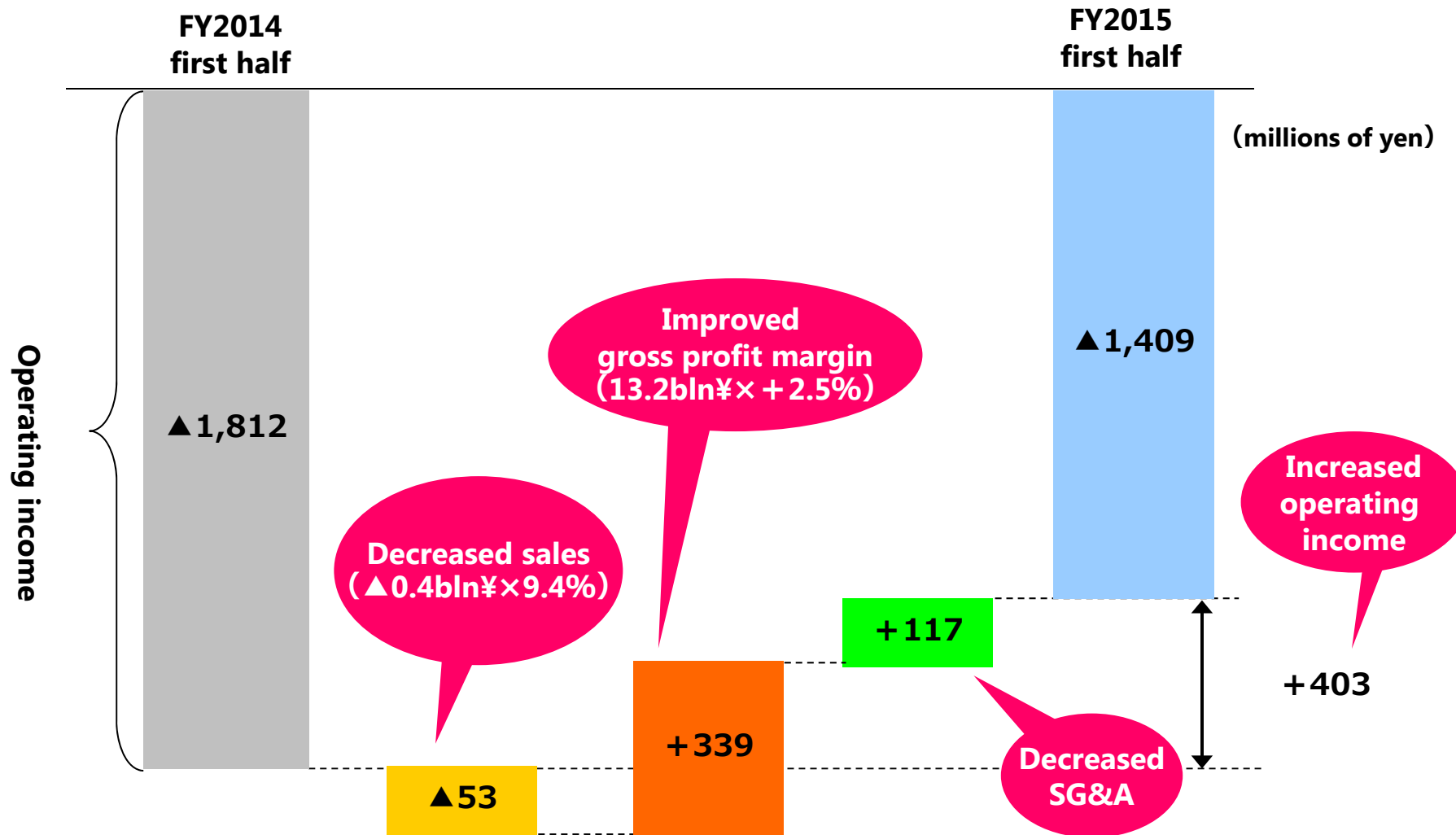
	FY2014 first half results	FY2015 first half results	Increase- Decrease
	4.3	4.6	+0.3
	1.9 (44.0%)	2.0 (44.0%)	+0.1 (±0%)
	▲ 1.1	▲1.3	▲0.2
	0.8 (18.0%)	0.7 (16.5%)	▲0.1 (▲1.5%)

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

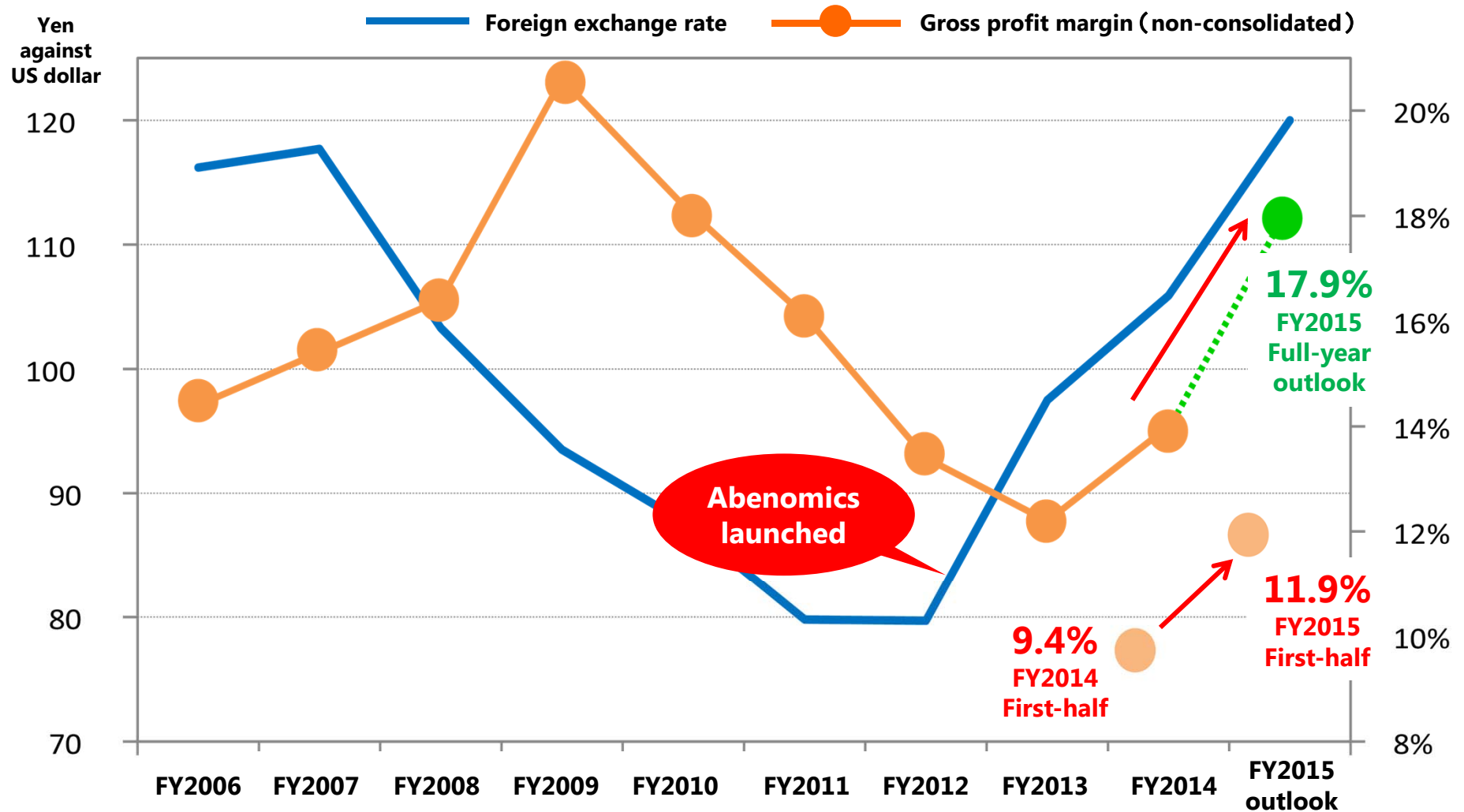
Factor of increase and decrease in consolidated operating income



Factor of increase and decrease in non-consolidated operating income



Improvement of gross profit margin (non-consolidated)



FY2015 full-year outlook



③ Consolidated **No change from the beginning of the FY2015**

Billions of yen

	FY2014 Results	FY2015	
		First-half results	Full-year outlook
Orders received	42.8	31.1	50.0
Sales	46.5	17.8	43.0
Gross profit (Gross profit margin)	9.2 (19.7%)	3.6 (20.2%)	9.9 (23.0%)
SG&A expense	▲8.8	▲4.3	▲8.9
Operating income (Operating profit margin)	0.4 (0.9%)	▲0.7 (▲3.7%)	1.0 (2.3%)
Non-operating profit or loss	0.4	▲0.2	4
Ordinary income	0.8	▲0.9	1.4
Extraordinary profit of loss	▲0.1	0.1	0
Net income	0.4	▲0.4	1.0
Average exchange rate (\$)	109.9 yen	121.8 yen	

FY2015 full-year outlook (consolidated / non-consolidated)



No change from the beginning of the FY2015

① Nonconsolidated

Billions of yen

	FY2014 Results	FY2015	
		First-half results	Full-year Outlook
Sales	36.7	13.2	33.0
Gross operating income (gross profit margin)	5.1 (14.0%)	1.6 (11.9%)	5.9 (17.9%)
SG&A expenses	▲6.1	▲3.0	6.1▲
Operating income (operating income margin)	▲0.9 (▲2.5%)	▲1.4 (▲10.7%)	0.2▲ (▲0.6%)

② Subsidiaries

Billions of yen

FY2014 Results	FY2015	
	First-half Results	Full-year Outlook
9.8	4.6	10.0
4.1 (41.1%)	2.0 (44.0%)	4.0 (40.0%)
▲2.7	▲1.3	2.8▲
1.3 (13.5%)	0.7 (16.5%)	1.2 (12.0%)

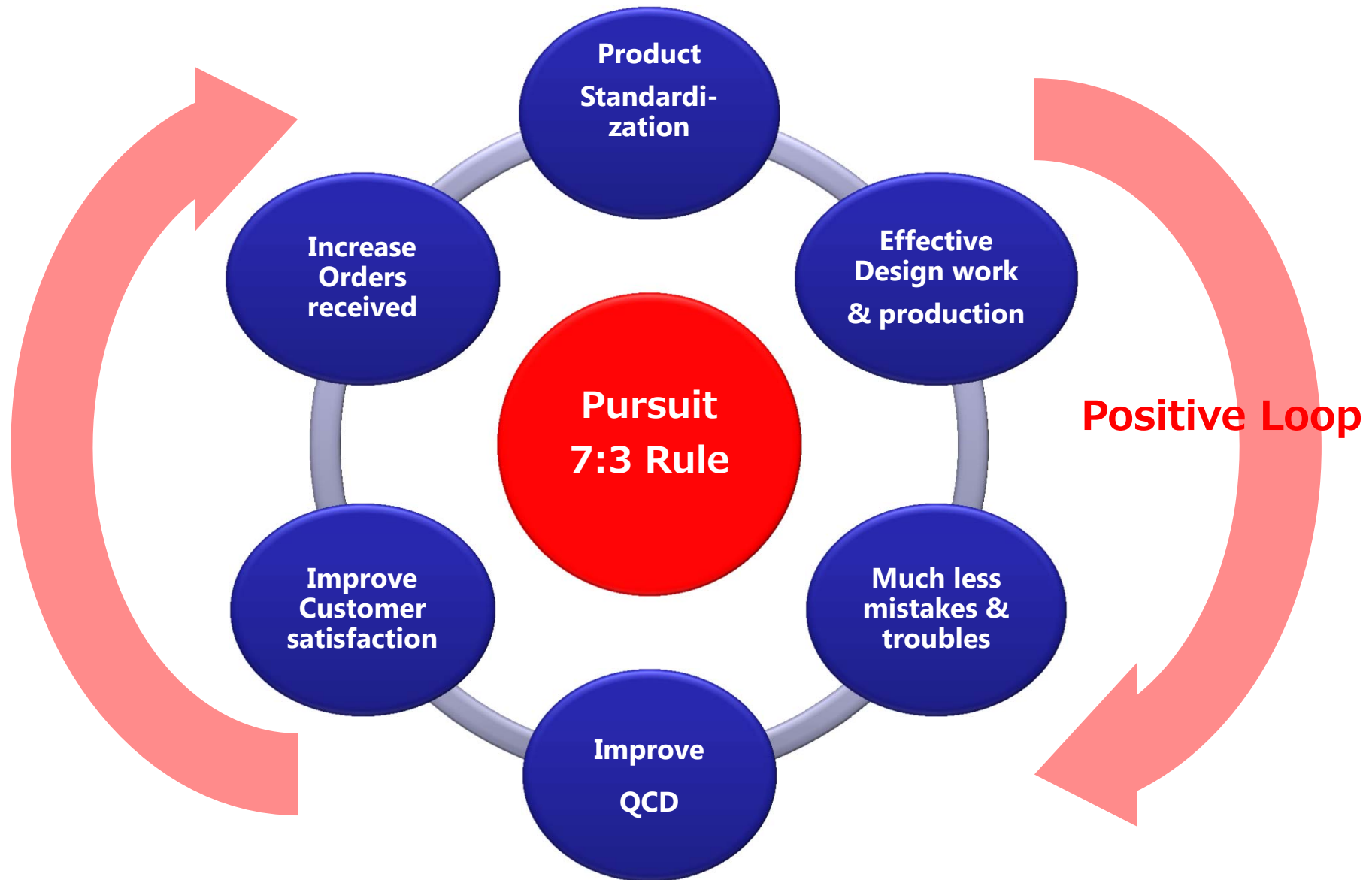
Medium-term Business plan



No change from the beginning of the FY2015

(Billions of yen)

	FY2014	FY2015	FY2016
	Results	Plan	Plan
Orders received	42.8	50.0	60.0
Sales	46.5	43.0	50.0
Operating income	0.4	1.0	2.5
Ordinary income	0.8	1.4	2.7
Net income	0.4	1.0	1.9



Pursuit 7:3 Rule

Save our time by 7

7

Eliminate uncertainties
by Rule & Standards



High quality
Quick
Costcut

More our time for 3

3

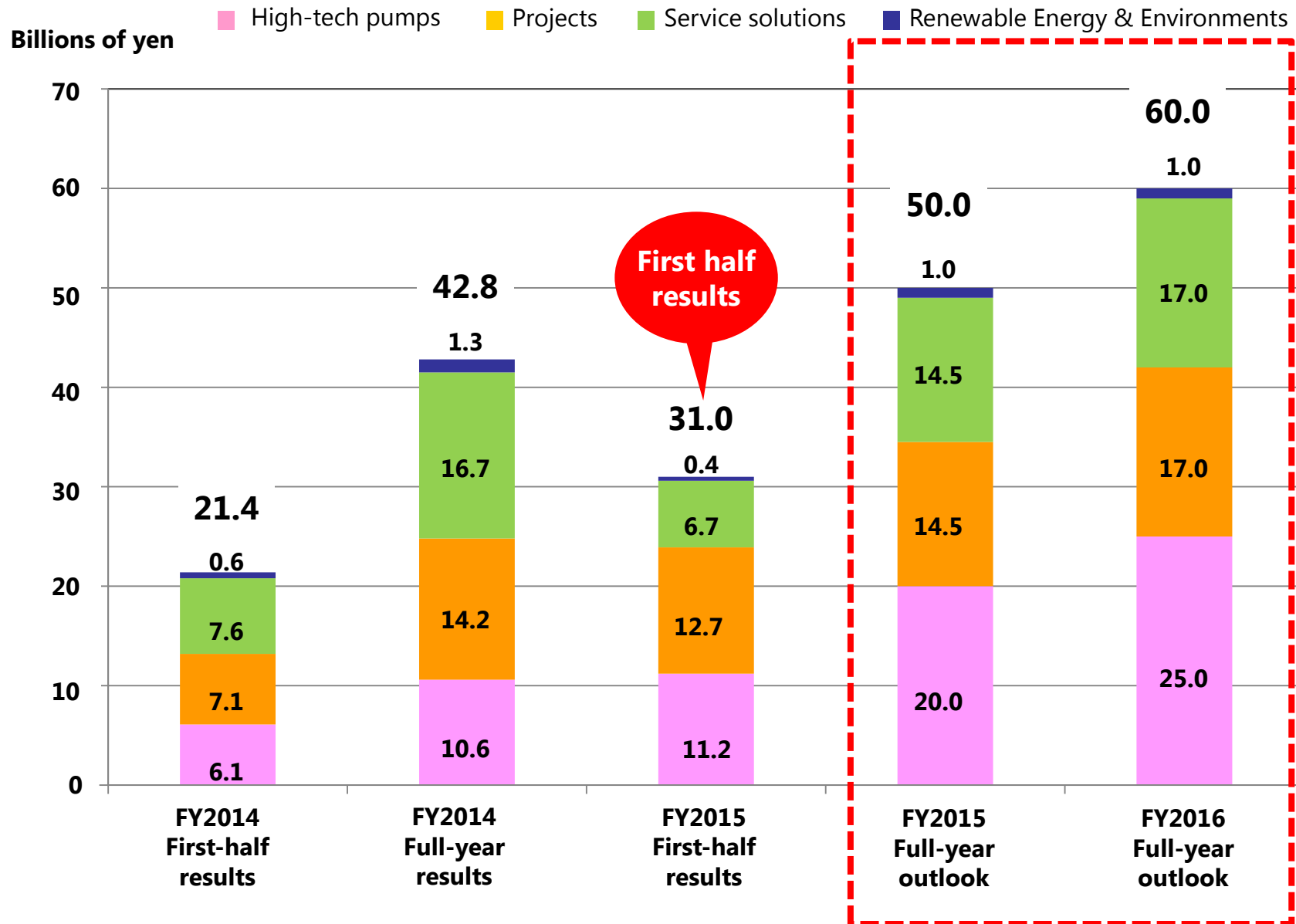
Challenge for innovation
by new design, application
New activities



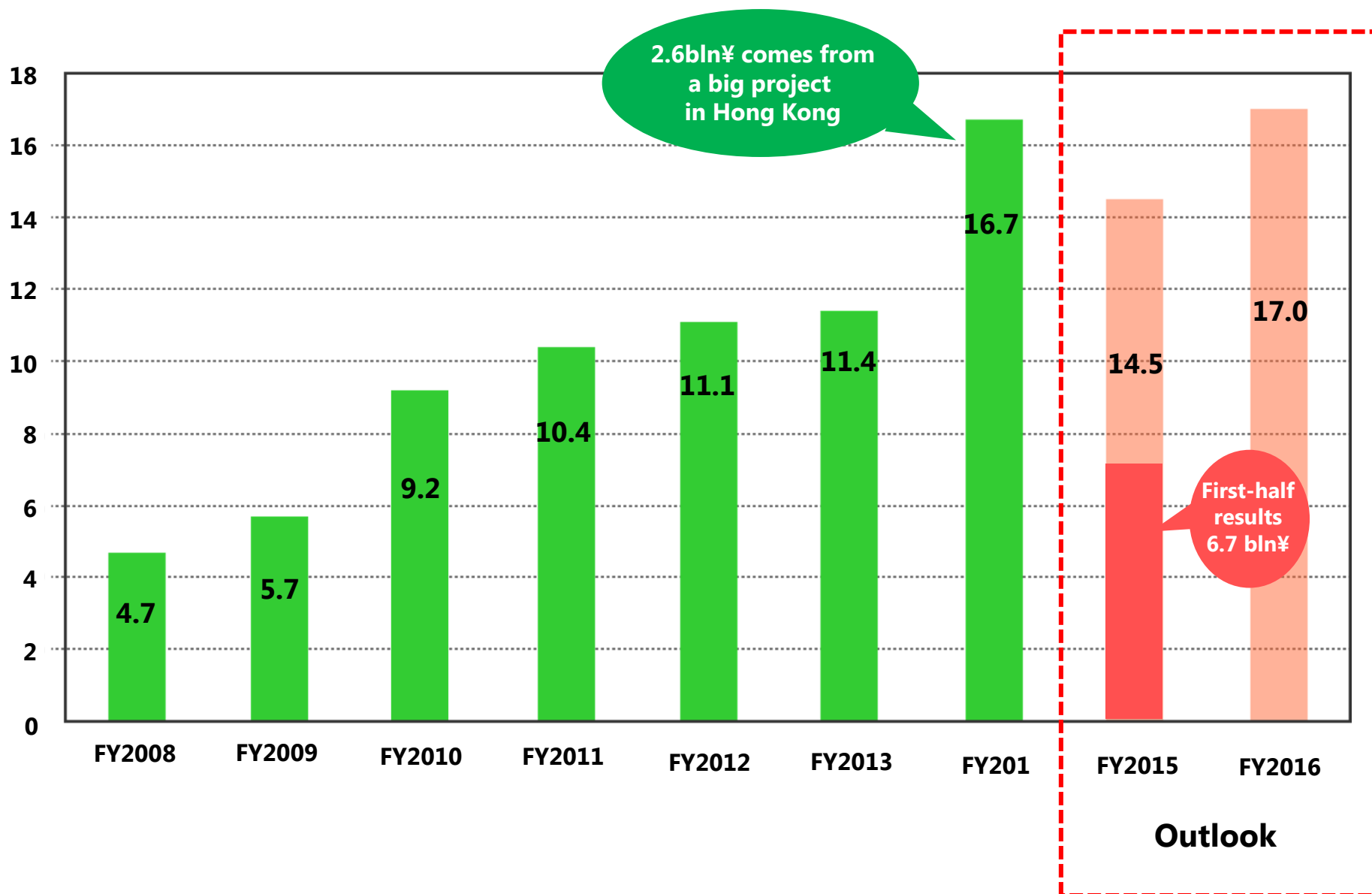
Creative
Competitive-edge
High-value-added



Orders received by segment (Consolidated)



Orders received in services businesses Results and outlook



事業トピックス

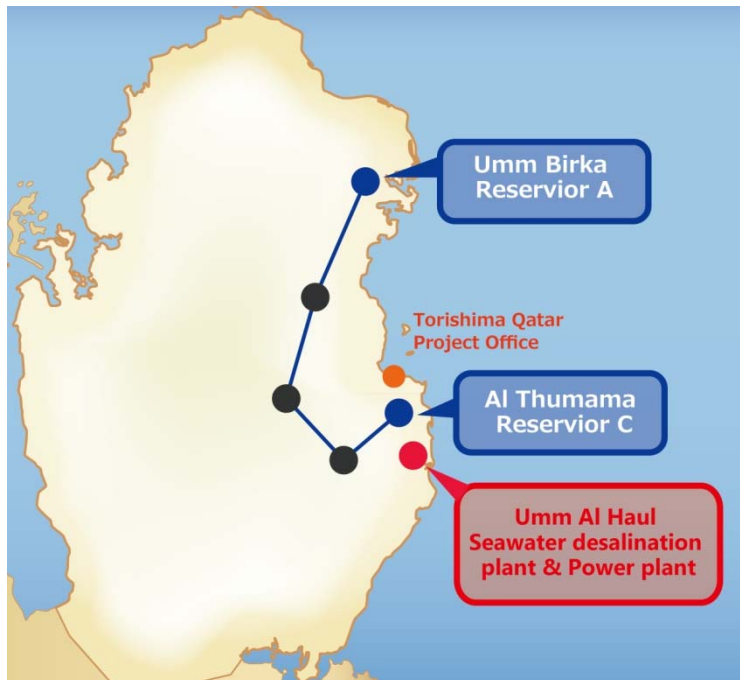
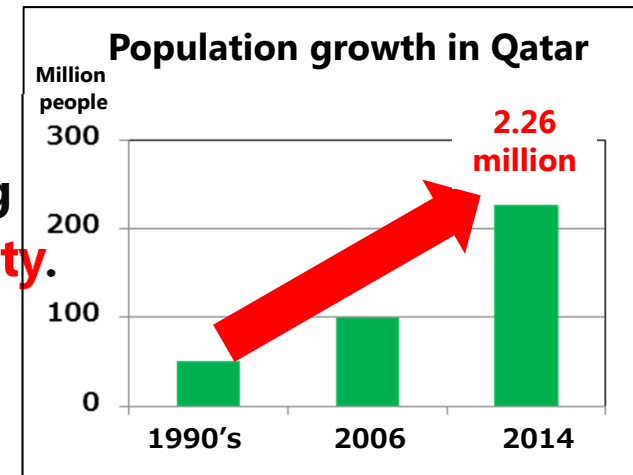
- **Receive big orders in Qatar**
- **Launch new service facility in Saudi Arabia**
- **Increase orders received in service business for thermal power plants in service business**

- **Receive big orders in Qatar**

Big orders in Qatar

With growing population, economic development and upcoming the FIFA World Cup in 2022 a number of infrastructure projects are undergoing in Qatar including new roads, stadiums, transport and **Water and Electricity**.

Torishima won the big orders for **Water and Electricity**.

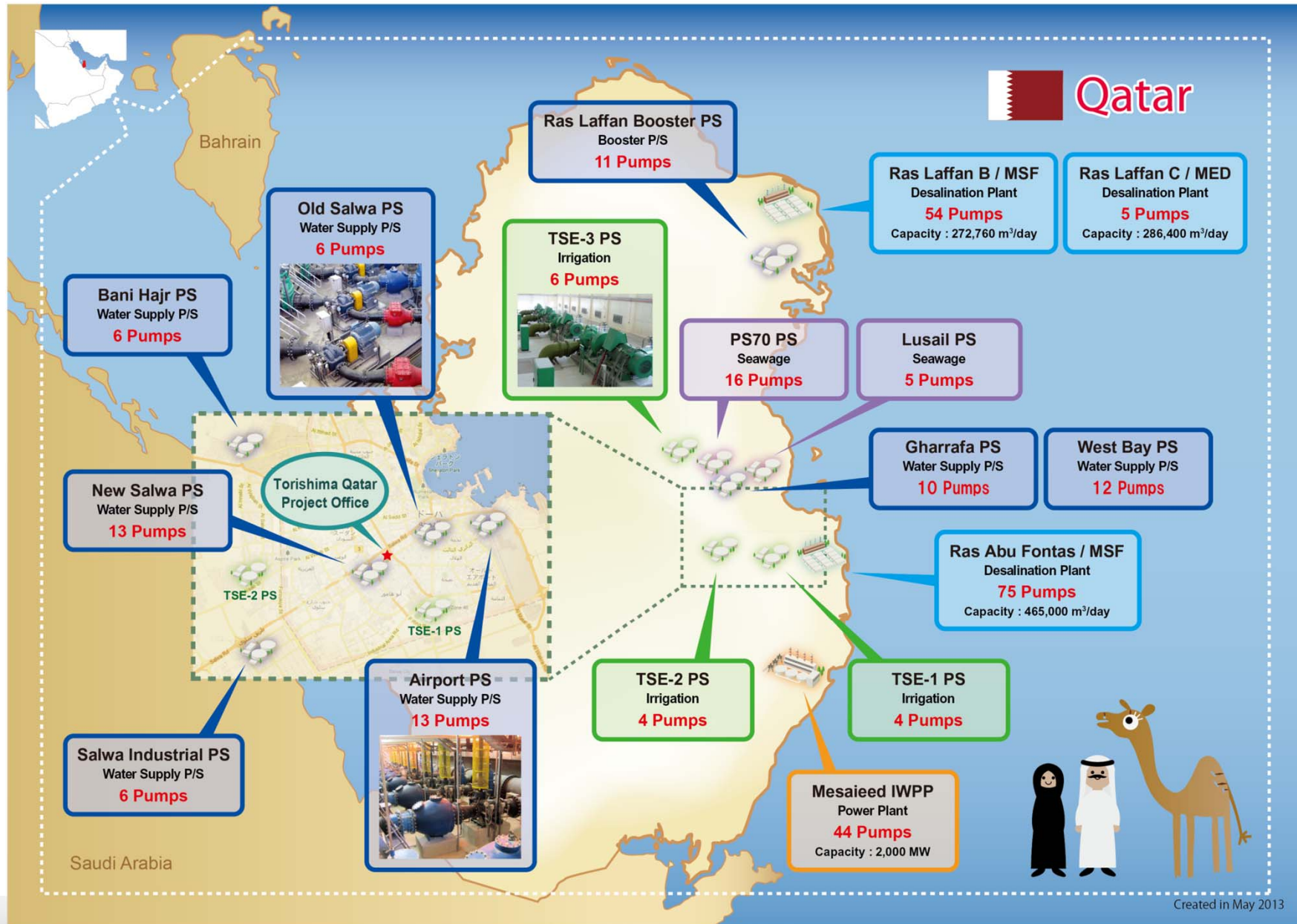


① Mega Reservoirs Project
EP&SV for 2 of the 5 reservoirs

② Seawater Desalination Plant
(Capacity : 590,000m³/d)
Total 33 units of pump

③ Power plant with seawater desalination plant
(Output : 2,520MW)
12 units of Boiler feed pump

Major reference in Qatar



- **Launch new service facility in Saudi Arabia**

Launch new service facility in Saudi Arabia

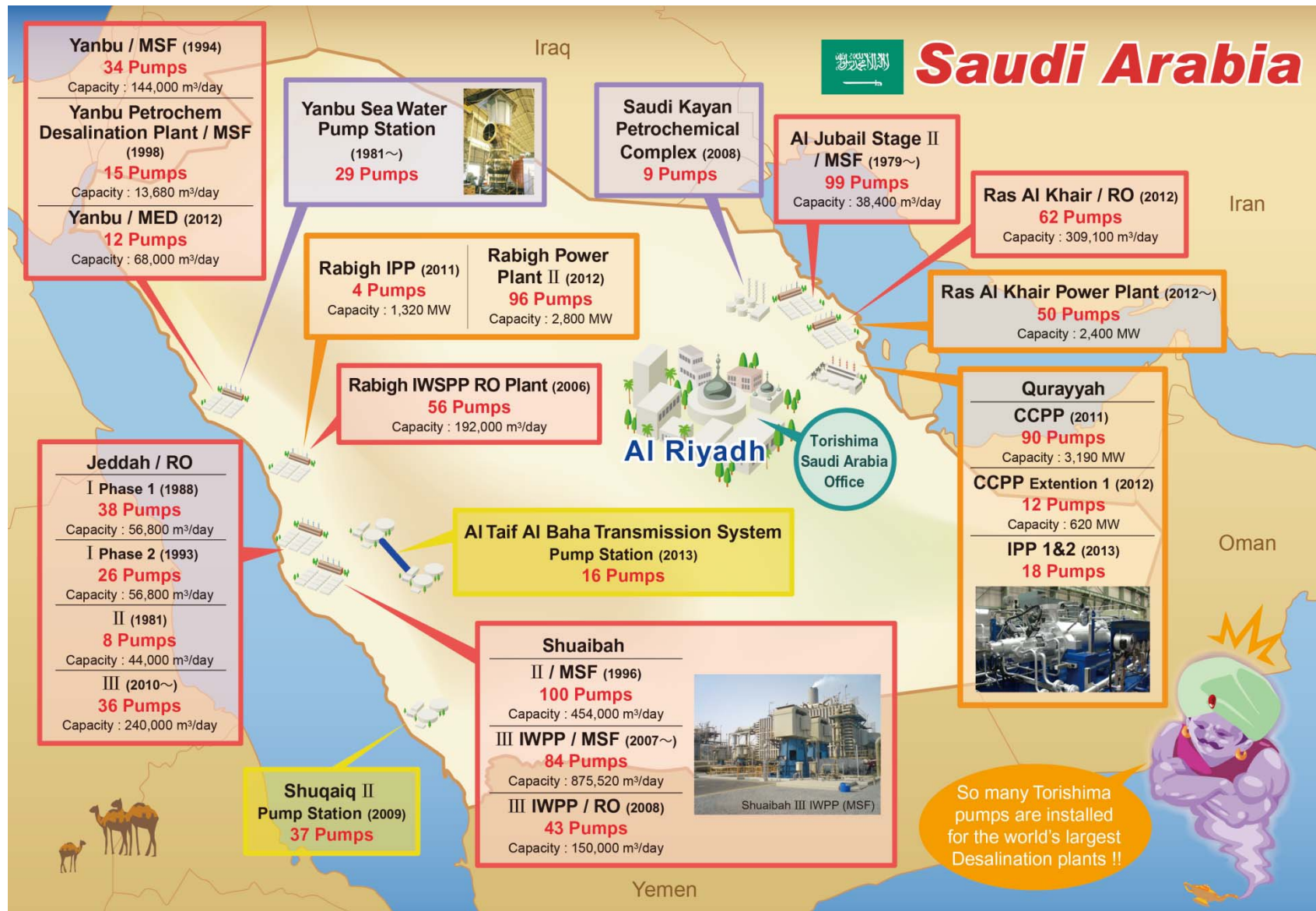


Established **Torishima Service Solutions (Saudi Arabia) Ltd.** in Dammam, one of the biggest cities in the east area of Saudi Arabia as a joint venture of Torishima Service Solutions FZCO and a local corporate Bandariyah International Company Ltd. (BIC)

Torishima delivered more than 2,000 units of large pumps in Saudi Arabia. We will offer the maintenance services for these pumps and enhance our presence in the country.



Major reference in Saudi Arabia



- **Increase orders received in service business for thermal power plants in Japan**

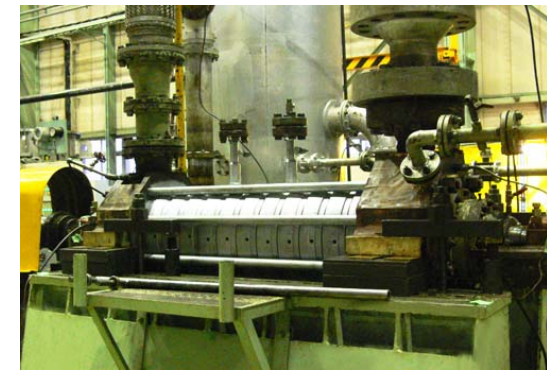
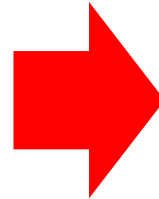
Overhaul BFP

Increasing demand for BFP overhaul, the critical pumps in thermal power plants, under heavy operated conditions followed by nuclear power plants shutdown.

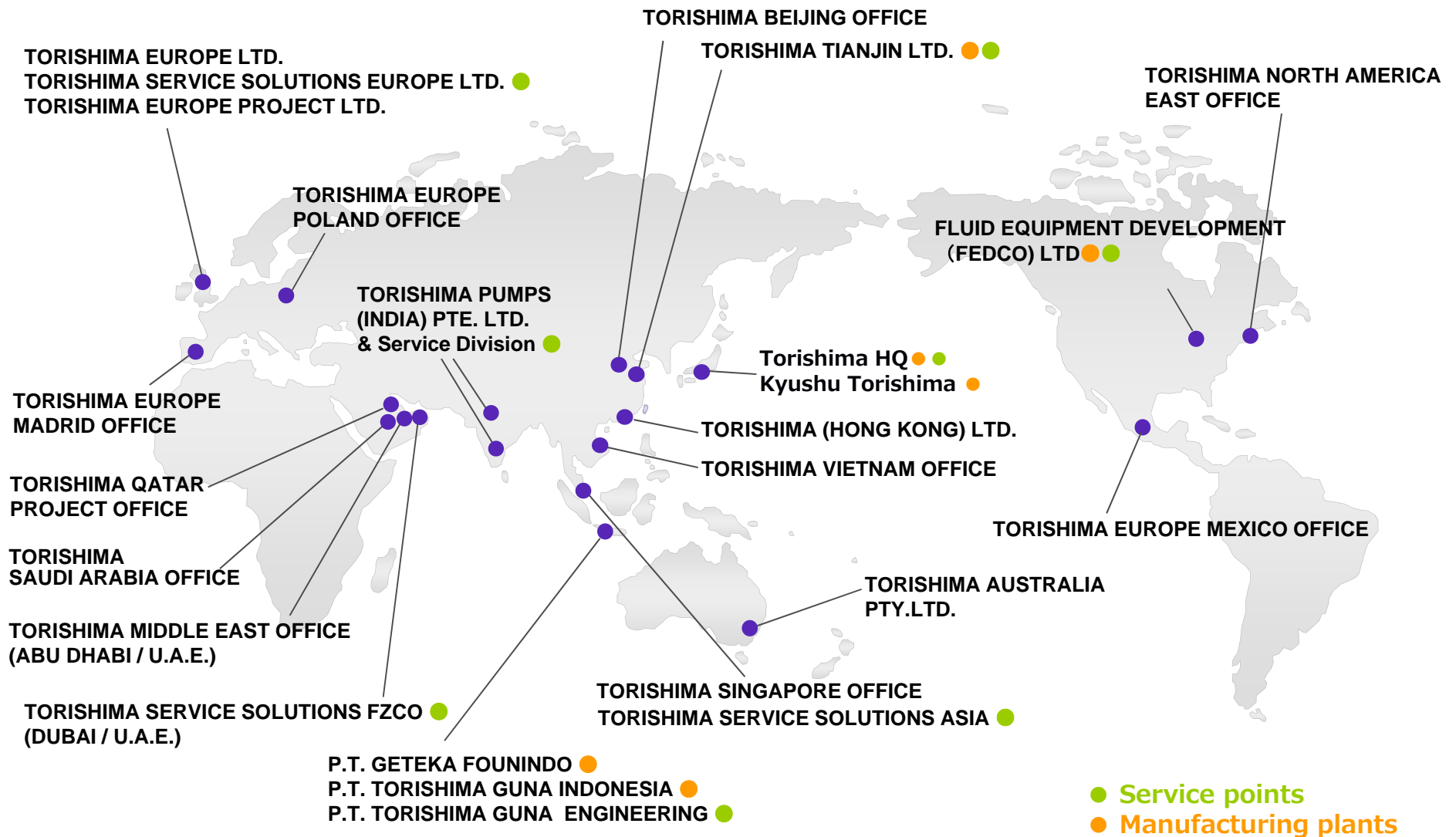
BEFORE



AFTER



Torishima Global Network (as of November 2015)



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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