

Torishima Pump Mfg. Co., Ltd.
 Stock Exchange Code (Tokyo, Osaka) 6363
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TORISHIMA PUMP to Acquire 50% Interest of Fluid Equipment Development Company, LLC

Torishima Pump Mfg. Co., Ltd. (“Torishima”) agreed to acquire a 50% interest in Fluid Equipment Development Company, LLC (“FEDCO”), a U.S.-based rotating machinery manufacturer, from its shareholders, and completed the transaction, on June 6, 2013 (June 5, 2013, U.S. time).

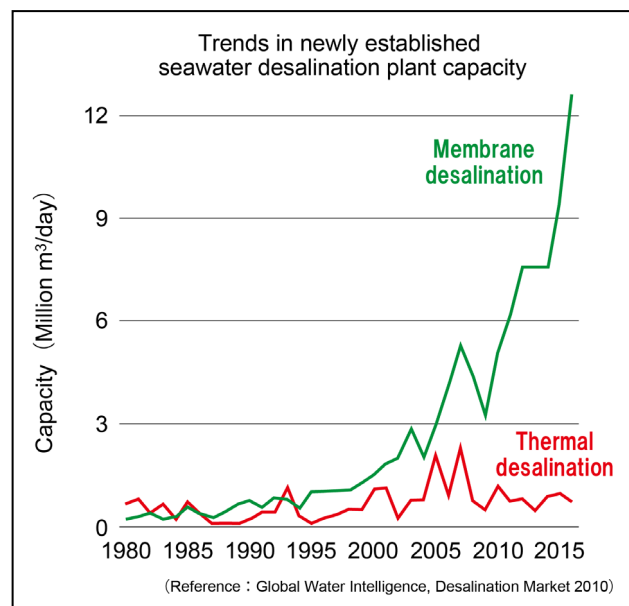
FEDCO is the industry leader in the design and manufacture of innovative fluid machinery for the ever growing energy recovery market, such as turbochargers and pumps, especially suited to the RO process in the desalination system. For turbochargers in RO process, FEDCO is maintaining the top market share by providing the widest range and most efficient turbochargers available. FEDCO has also developed energy recovery devices for a wide range of low pressure desalination and industrial RO systems.

In June, 2012, Torishima and FEDCO agreed to establish a Joint Venture, Advanced Pumps International LLC (“Advanced Pump”) for the development, manufacture, sales and service of pumps to the Oil & Gas industry. Work on this venture is well under way. The investment of a 50% interest in FEDCO by Torishima will cement the relationship between the two parties, easing the way for greater penetration of global markets and aiding in the development of unique “Energy Efficient” & “Energy Recovery” rotating equipment.

1. Torishima Strategy and its Purpose of this investment

The merging of Torishima and FEDCO will create a number of strategic benefits :

(1) A full range of products - High-efficiency pumps and energy recovery devices - under one umbrella, allowing for greater pooling of resources in exploring new markets such as Water, Oil & Gas and General industry, in addition to consolidating the dominance of both companies in the desalination market with pumps and turbochargers.



(2) Torishima currently has no manufacturing or service bases in the USA. This investment will allow Torishima to utilize FEDCO's facility in the USA, with immediate effect, for conventional pump operations, giving Torishima a presence in all major continents.

(3) FEDCO's very efficient and advanced Lean engineering system will allow Torishima to expand its global business more efficiently.

2. Overview of this investment and Future Operation Policy

Although Torishima holds a 50% interest, FEDCO will continue to be managed by Mr. Eli Oklejas, current President, in conjunction with a new Torishima management team, and is therefore not consolidated into the Torishima Group Financial Statement fully at this point. For this reason, and following discussion with FEDCO, the investment price will not be disclosed.

Consideration of this investment has been paid by cash on hold in Torishima to FEDCO shareholders.

3. Overview of FEDCO

(1)	Company Name	Fluid Equipment Development Company, LLC
(2)	Headquarters	800 Ternes Drive, Monroe, MI USA
(3)	Representative	Eli Oklejas, President
(4)	Business Description	Design and manufacture of innovative fluid machinery, such as turbochargers and pumps, especially suited to the RO process
(5)	Expected Annual Turnover	US\$25 million (Year 2013 expected)
(6)	Website	http://www.fedco-usa.com/

4. Effect on Financial Performance for current Torishima Fiscal Year

Torishima will make appropriate disclosure pursuant to the applicable rules of the Japanese securities exchange if there is any impact of this transaction on Torishima financial forecasts as required thereunder.