

Presentation material of consolidated financial results for the 2nd quarter of FY 2011

December 1, 2011

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TORISHIMA PUMP MFG.CO.,LTD.

www.torishima.co.jp

Financial results outline for 2nd quarter of FY2011

			Year to year comparison	Compared to plan
● Order intake	—	22.3	(+44.4%)	(▲10.7%)
● Sales	—	21.8	(+8.9%)	(▲12.9%)
● Operating income	—	1.2	(▲31.8%)	(▲7.2%)
● Ordinary income	—	0.8	(▲52.6%)	(▲41.1%)
● Net income	—	0.2	(▲78.0%)	(▲74.8%)

(Billions of yen)

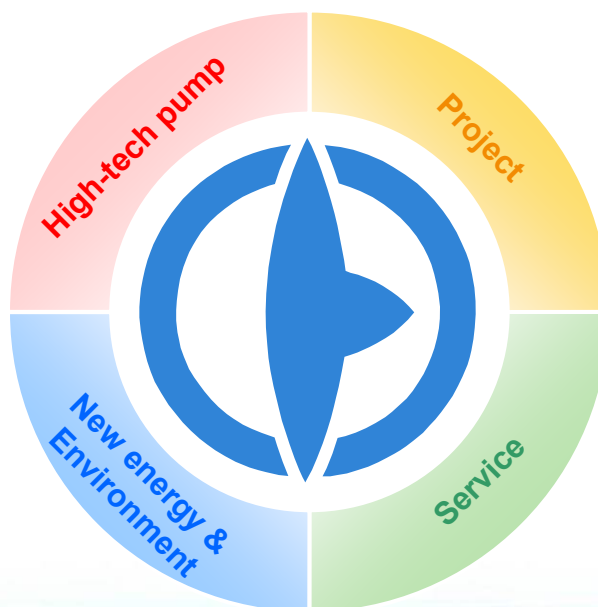
Business domains

Pump : High-value-added pump available for various needs

Power generation plant,
Desalination plant,
Petro-chemical plant, etc.



- Wind power generation
- Maintenance of Wind power generation
- Mini & Micro hydro generation
- Sewage transfer and treatment
- Resource recycle



Supply EPC for Pumping Plant

Full turn-key construction for tap water / Drainage, Irrigative facility etc..



Construction & repair facilities,
Service, Maintenance, REDU
(Re-Engineering and Design-Up)
Total plant maintenance solutions



Financial results for the 2nd quarter of FY2011 (non-consolidated / subsidiary)

① Consolidated

Billions of yen

	FY2010 Result of first half	FY2011 Result of first half	Increase- decrease	FY2011 Business plan at beginning of year	Compared with plan
Order intake	15.5	22.3	+ 6.8	25.0	▲ 0.9
Sales	20.0	21.8	+ 1.8	25.0	▲ 3.2
Gross operating profit (Gross profit rate)	4.8 (23.7%)	4.5 (20.8%)	▲ 0.3 (▲2.9%)		
Sales administrative expense	▲ 3.0	▲ 3.3	+ 0.3		
Operating income (Operating income rate)	1.8 (8.9%)	1.2 (5.5%)	▲ 0.6 (▲3.4%)	1.3 (5.2%)	▲ 0.1 (+0.3%)
Non-operating profit and loss	▲ 0.1	▲ 0.4	▲ 0.3		
Ordinary income	1.7	0.8	▲ 0.9	1.4	▲ 0.6
Extraordinary profit and loss	▲ 0.1	▲ 0.6	▲ 0.5		
Net income	1.0	0.2	▲ 0.8	0.85	▲ 0.65
Dividend per share	9 yen	9 yen	0 yen	9 yen	± 0 yen

Exchange rate on sales (\$)	89.0 yen	79.8 yen
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② Non-consolidated

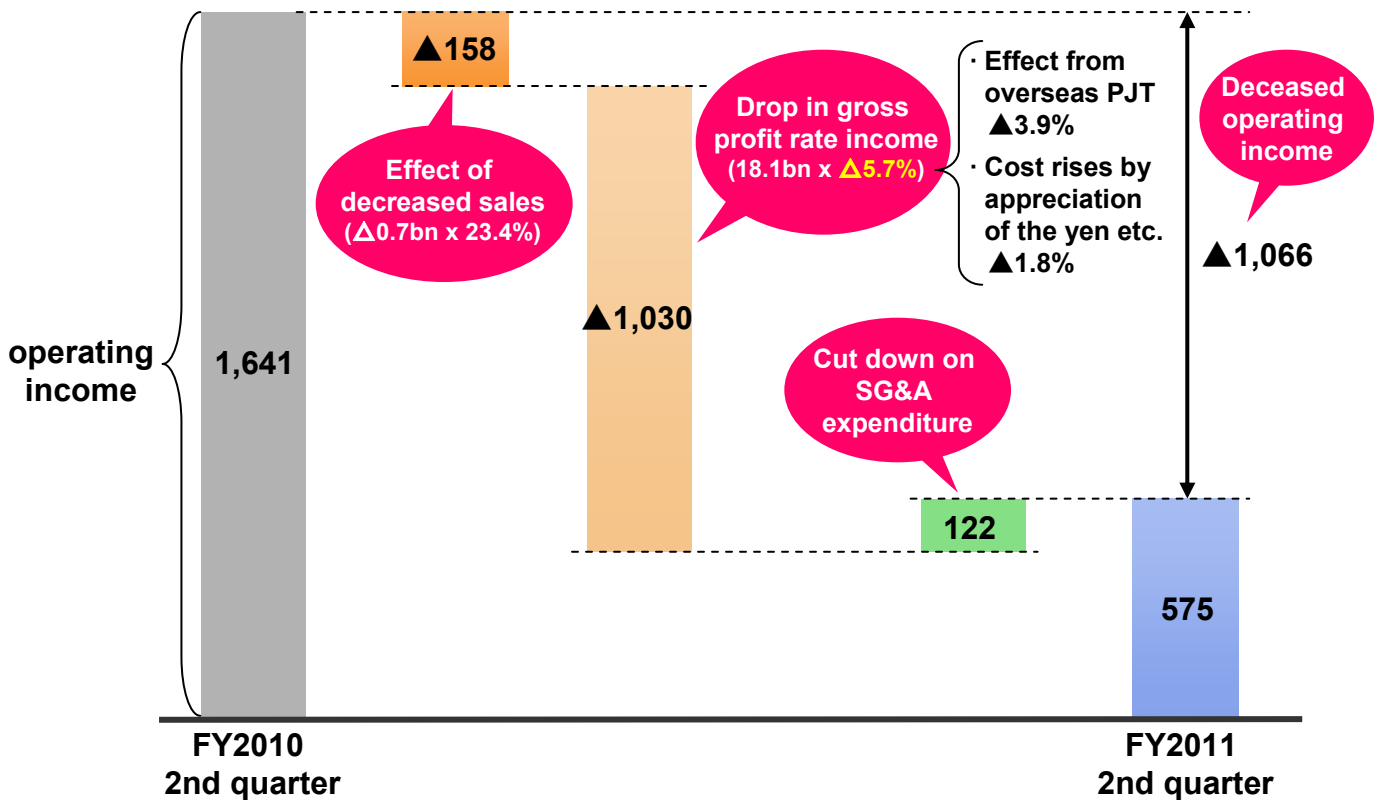
③ Subsidiaries

	FY2010 Result of first half	FY2011 Result of first half	Increase- decrease	FY2010 Result of first half	FY2011 Result of first half	Increase- decrease
Sales	18.8	18.1	▲ 0.7	1.2	3.7	+ 2.5
Gross operating profit (Gross profit rate)	4.4 (23.4%)	3.2 (17.7%)	▲ 1.2 (▲5.7%)	0.4 (29.8%)	1.3 (36.2%)	+ 0.9 (+6.4%)
Sales administrative expense	▲ 2.8	▲ 2.6	+ 0.2	▲ 0.2	▲ 0.7	▲ 0.5
Operating income (Operating income rate)	1.6 (8.7%)	0.6 (3.2%)	▲ 1.0 (▲5.5%)	0.2 (10.7%)	0.6 (17.2%)	+ 0.4 (+6.5%)
Non-operating profit and loss	0.0	▲ 0.4	▲ 0.4	▲ 0.1	0.0	+ 0.1
Ordinary income	1.6	0.2	▲ 1.4	0.1	0.6	+ 0.5
Extraordinary profit and loss	0.0	▲ 0.6	▲ 0.6	▲ 0.1	0.0	+ 0.1
Net income	1.0	▲ 0.3	▲ 1.3	0.0	0.5	+ 0.5

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

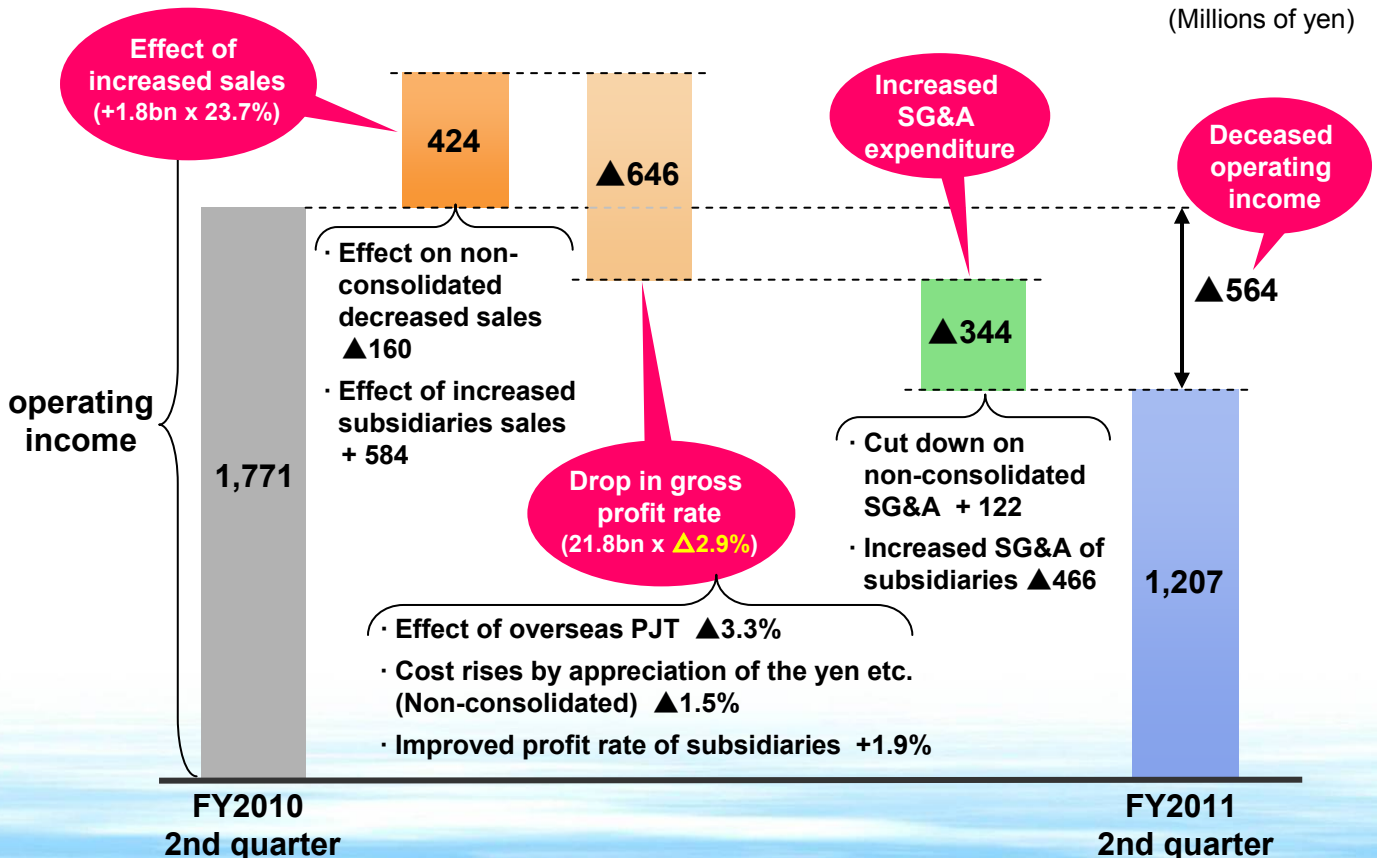
Factor of increase and decrease of non-consolidated operating income

(Millions of yen)



Factor of increase and decrease of consolidated operating income

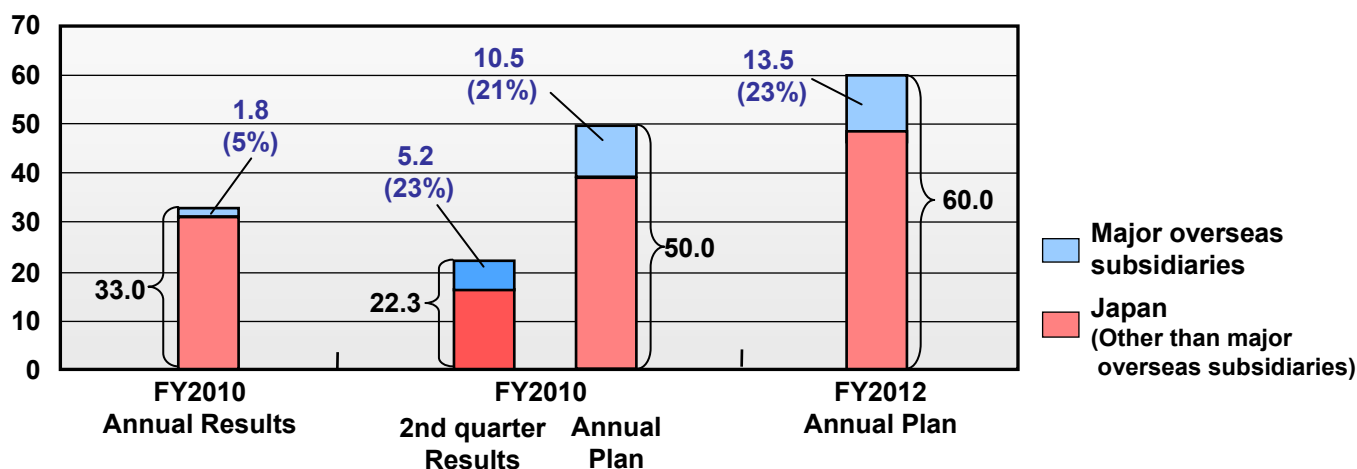
(Millions of yen)



Order intake situations of overseas subsidiaries

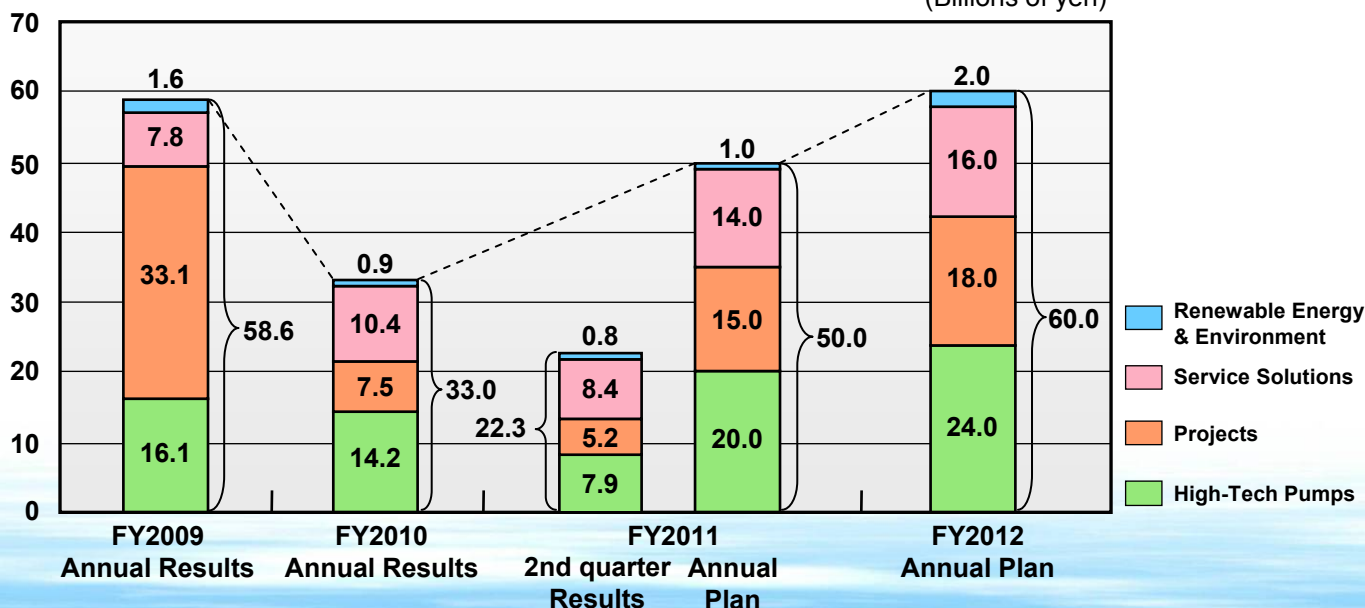
(Billions of yen)

Major Overseas Subsidiaries by Area		FY 2010 Annual Results	FY2011 Annual Plan	FY2011 2nd Quarter Results	Progress Situation	FY2012 Annual Plan
Europe	KRG (High-Tech) TSSE (Service)	1.1	2.5	2.1	84%	3.0
Middle East	TSS (Service)	0.3	2.0	1.4	70%	2.5
Asia	TGI, GTK (High-Tech) TGE (Service) Hong Kong (Project) Tianjin (High-Tech)	0.4	6.0	1.7	28%	8.0
Total		1.8	10.5	5.2	50%	13.5



Order intake by segment (consolidated)

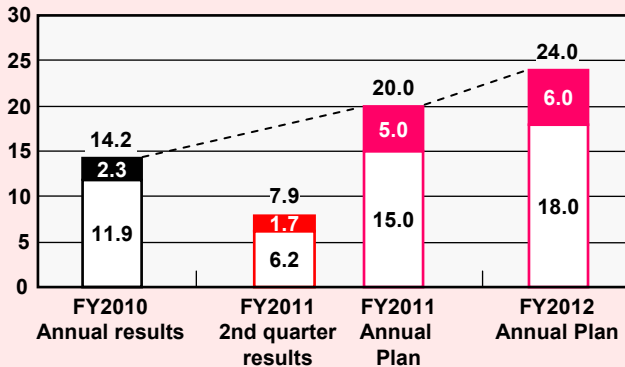
(Billions of yen)



Order intake situation by segment (domestic / overseas)

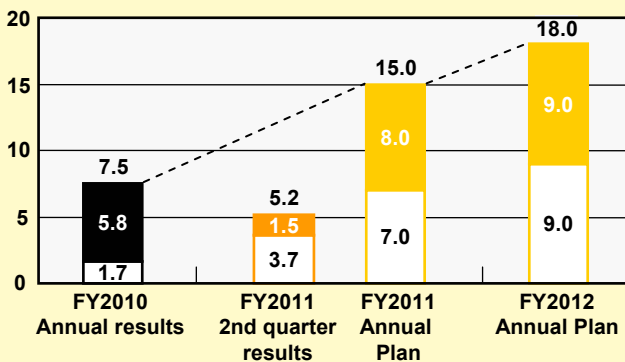
Domestic
 Overseas (Billions of yen)

High-Tech Pumps



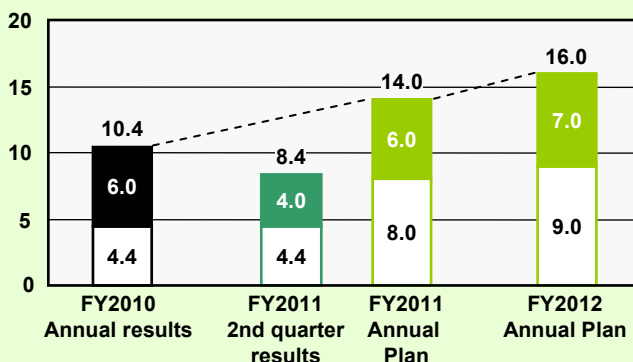
- **Expanded sales of Eco-Pump**
order intake for first half – 1.3bn
(1.5 times on a year to year comparison)
- **Expedited PM (Product Manager) system**
- **Enhanced R&D / Energy-saving technology**
- **Improved cost competitiveness**
 - Torishima Tianjin factory will be opened in Dec.
 - Renovation of high pressure pump shop in HQ was completed in Aug.
- **Established a local corporation (TPI) in India in Apr.**

Projects



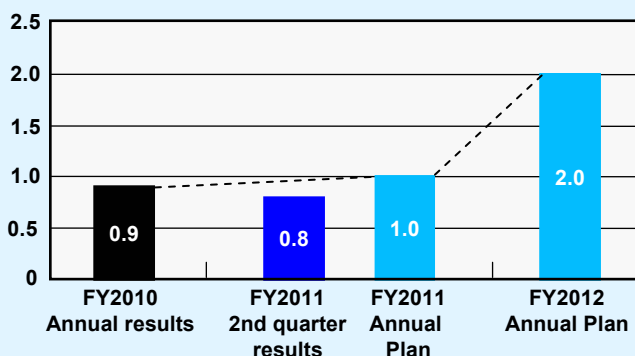
- **Expanded order in new area**
Received first order in Saudi Arabia
(3.2bn for a water transmission pumping station)
- **Operating order intake activities in the UAE, Qatar, Hong Kong and Vietnam** where we have already received a large number of orders
- **Established a projects subsidiary, (TEP) in the UK in May**

Service Solutions



- **Enhanced 4 network system (HQ / TGE / TSS / TSSE) centering on service head office**
- **Consolidated TGE (Indonesia) as a subsidiary**
- **Established a service subsidiary (TSC) in Canada in Aug.**
- **TSS (Dubai) workshop will be completed in Dec.**
- **Emergent demand for The Tohoku Earthquake disaster reconstruction**
 - First half order intake, 1.0bn

Renewable Energy & Environment

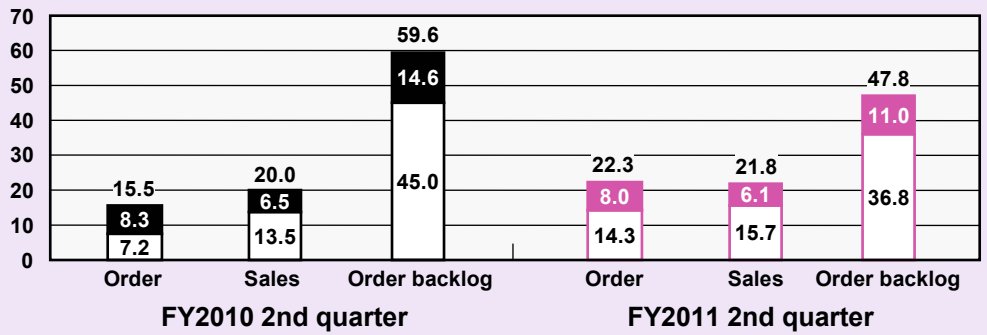


- **Maintenance Service for wind electricity facilities**
 - Implemented through "Eos Engineering & Service", Torishima had acquired a 49% share in Sep. 2010
- **Mini & Micro hydro generation, Sewage transfer and treatment, Recourse recycling**

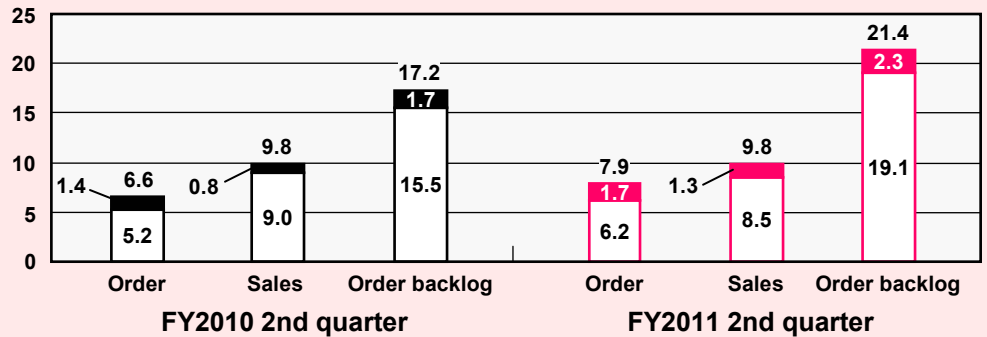
Results by segment (domestic / overseas)

Domestic
 Overseas (Billions of yen)

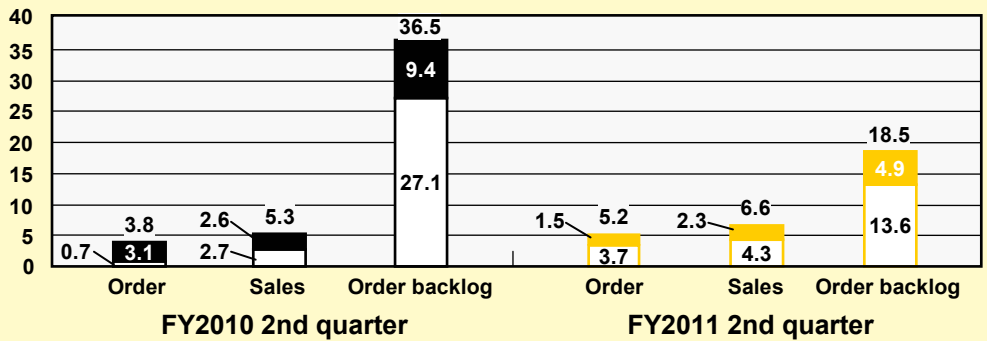
Total



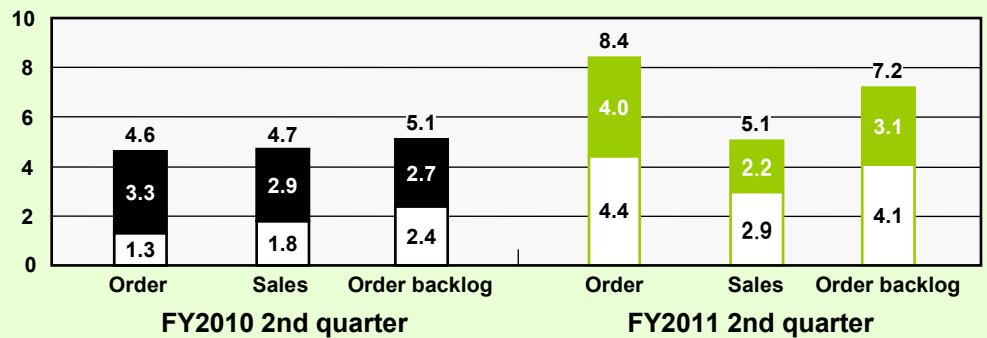
High-Tech Pumps



Projects



Service Solutions



Renewable Energy & Environment



Forecast of annual earnings (non-consolidated / subsidiaries)

① Consolidated

Billions of yen

	FY 2011			FY2011 Business plan at beginning of year	Compared with plan ⇒ adjustment
	Results of first half	Forecast for second half	Annual forecast		
Order intake	22.3	27.7	50.0	50.0	0.0
Sales	21.8	28.2	50.0	55.0	▲ 5.0
Gross operating profit (Gross profit rate)	4.5 (20.8%)	5.2 (18.4%)	9.7 (19.4%)		
Sales administrative expense	▲ 3.3	▲ 3.3	▲ 6.6		
Operating income (Operating income rate)	1.2 (5.5%)	1.9 (6.7%)	3.1 (6.2%)	3.0 (5.5%)	+ 0.1 (+0.7%)
Non-operating profit and loss	▲ 0.4	0.0	▲ 0.4		
Ordinary income	0.8	1.9	2.7	3.2	▲ 0.5
Extraordinary profit and loss	▲ 0.6	0.0	▲ 0.6		
Net income	0.2	1.15	1.35	1.9	▲ 0.55
Dividend per share	9 yen	9 yen	18 yen	18 yen	± 0 yen

Exchange rate on sales (\$)	79.8 yen	75.0 yen
		(prediction)

② Non-consolidated

	FY 2011		
	Results of first half	Forecast for second half	Annual forecast
Sales	18.1	23.6	41.7
Gross operating profit (Gross profit rate)	3.2 (17.7%)	3.8 (16.1%)	7.0 (16.8%)
Sales administrative expense	▲ 2.6	▲ 2.6	▲ 5.2
Operating income (Operating income rate)	0.6 (3.2%)	1.2 (5.1%)	1.8 (4.3%)
Non-operating profit and loss	▲ 0.4	0.0	▲ 0.4
Ordinary income	0.2	1.2	1.4
Extraordinary profit and loss	▲ 0.6	0.0	▲ 0.6
Net income	▲ 0.3	0.85	0.55

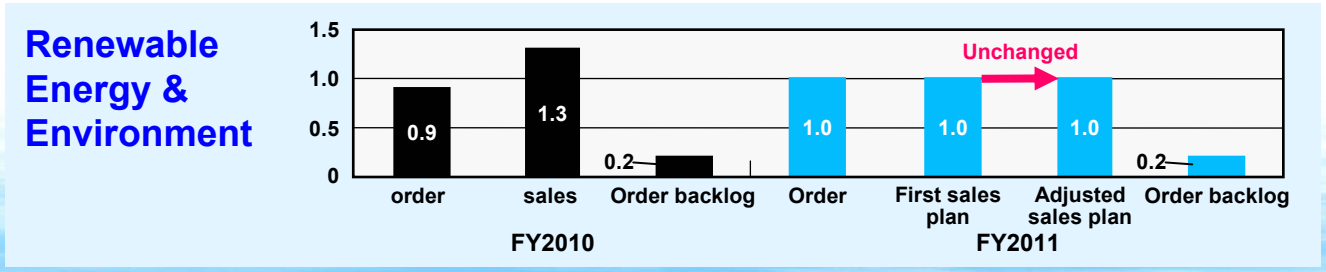
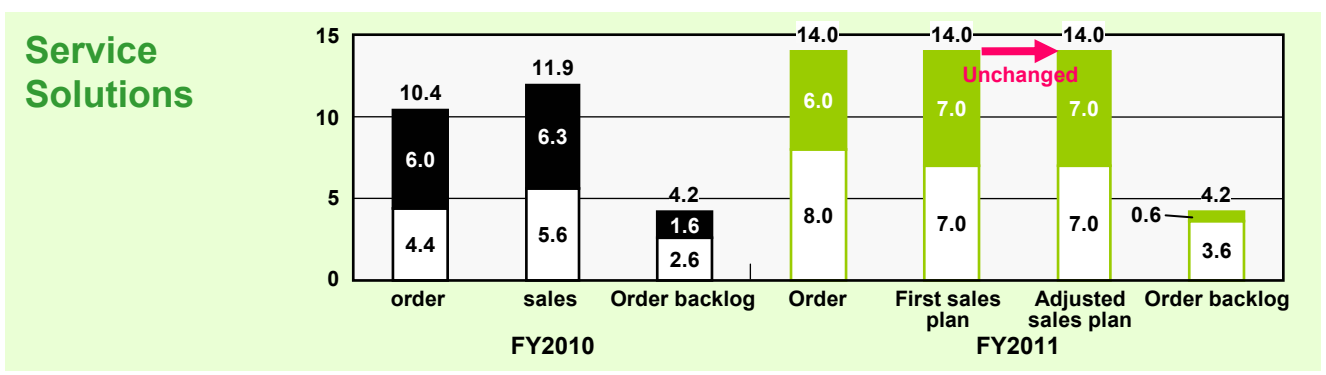
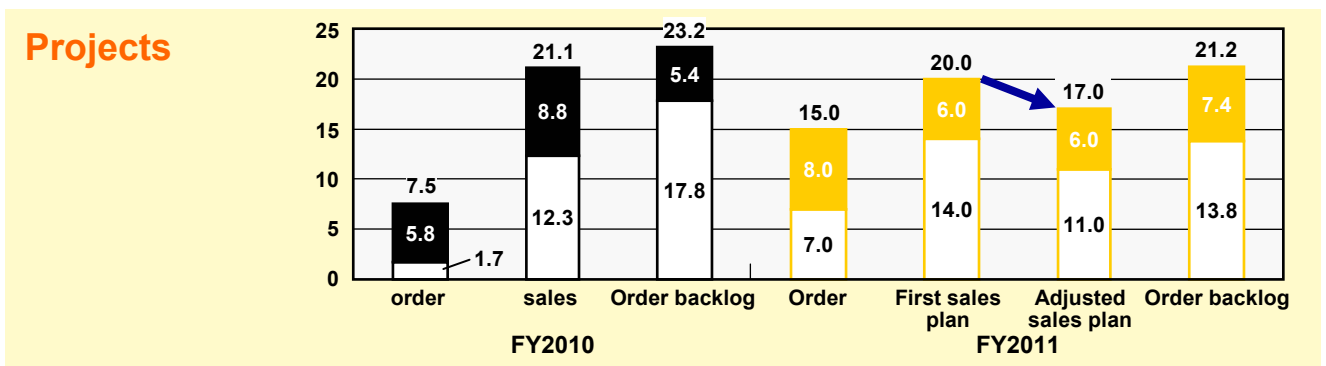
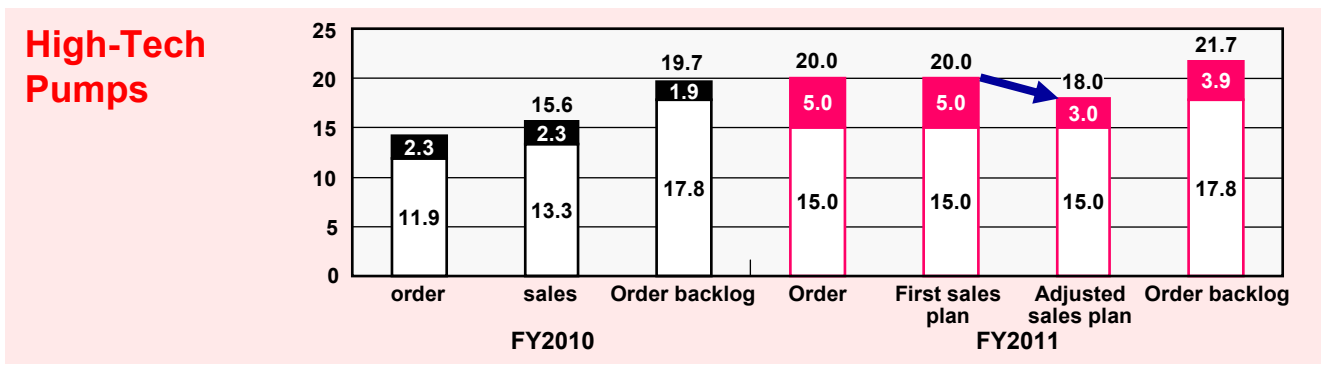
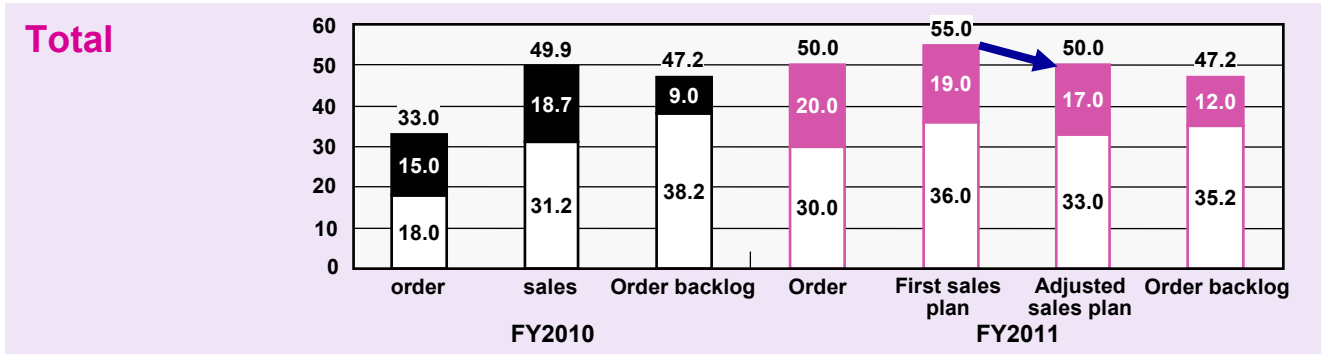
③ Subsidiaries

FY 2011		
Results of first half	Forecast for second half	Annual forecast
3.7	4.6	8.3
1.3 (36.2%)	1.4 (30.4%)	2.7 (32.5%)
▲ 0.7	▲ 0.7	▲ 1.4
0.6 (17.2%)	0.7 (15.2%)	1.3 (15.7%)
0.0	0.0	0.0
0.6	0.7	1.3
0.0	0.0	0.0
0.5	0.3	0.8

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

Forecast of annual earnings by segment (domestic / overseas)

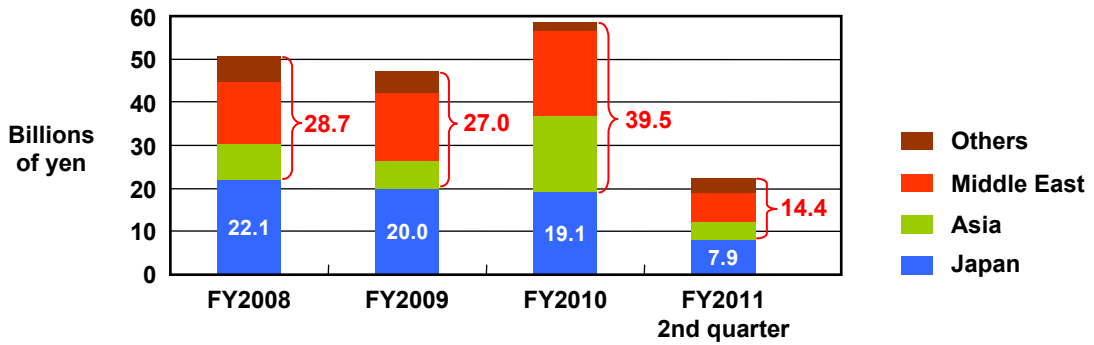
Domestic
 Overseas (Billions of yen)



Order intake by area

(Billions of yen)

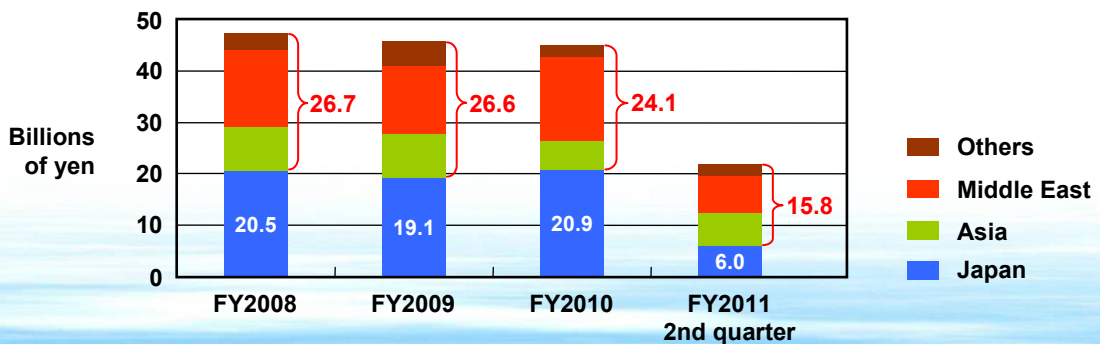
		Japan	Overseas	Breakdown of overseas			Total
				Asia	Middle East	Others	
Order Intake () - Composition ratio	FY2008	22.1 (43.6%)	28.7 (56.4%)	8.1 (15.9%)	14.5 (28.5%)	6.1 (12.0%)	50.8
	FY2009	20.0 (42.6%)	27.0 (57.4%)	6.3 (13.4%)	15.9 (33.8%)	4.8 (10.2%)	47.0
	FY2010	19.1 (32.6%)	39.5 (67.4%)	17.6 (30.0%)	19.9 (33.4%)	2.0 (4.0%)	58.6
	FY2011 2nd quarter	7.9 (35.7%)	14.4 (64.3%)	4.3 (19.2%)	6.8 (30.2%)	3.3 (14.9%)	22.3



Sales by area

(Billions of yen)

		Japan	Overseas	Breakdown of overseas			Total
				Asia	Middle East	Others	
Sales () - Composition ratio	FY2008	20.5 (43.4%)	26.7 (56.6%)	8.7 (18.5%)	14.7 (31.1%)	3.3 (7.0%)	47.3
	FY2009	19.1 (41.9%)	26.6 (58.1%)	8.5 (18.5%)	13.3 (29.2%)	4.8 (10.4%)	45.7
	FY2010	20.9 (46.5%)	24.1 (53.5%)	5.4 (12.0%)	16.3 (36.1%)	2.4 (5.4%)	45.0
	FY2011 2nd quarter	6.0 (27.4%)	15.8 (72.6%)	6.5 (29.8%)	7.2 (32.9%)	2.1 (9.9%)	21.8



Financial data

	FY2007 2nd quarter	FY2008 2nd quarter	FY2009 2nd quarter	FY2010 2nd quarter	FY2011 2nd quarter
Gross profit rate (%)	18.2	19.0	19.3	23.7	20.8
Operating income rate (%)	3.9	4.0	5.0	8.9	5.5
Ordinary income rate (%)	3.9	5.3	6.6	8.7	3.8
Free cash flow (Billion Yen)	△1.2	△1.1	2.7	△0.8	3.3
Capital ratio (%)	43.6	41.3	46.9	48.7	52.6
Dividend (Yen / share)	7	8	9	9	9

Additional Documents

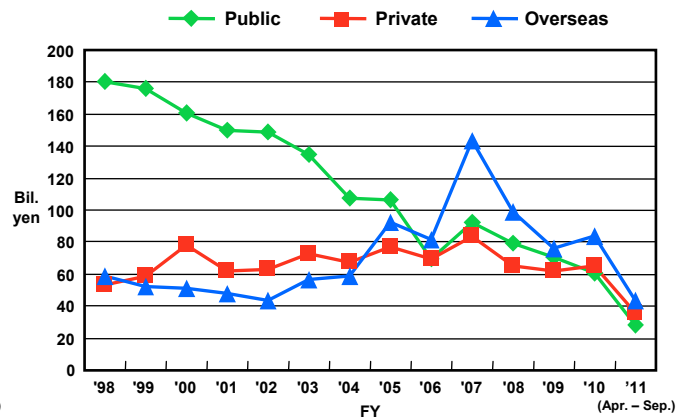
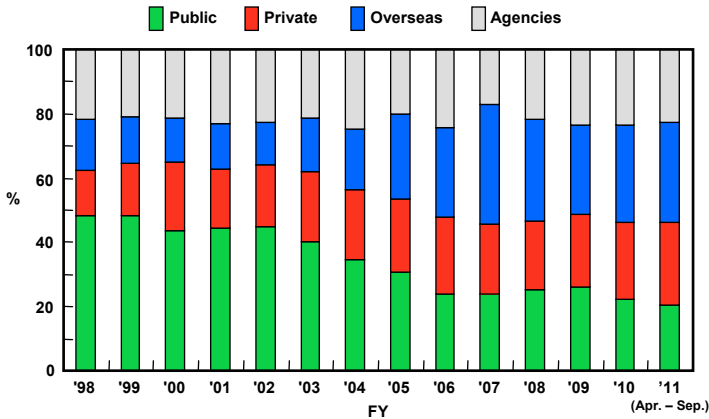
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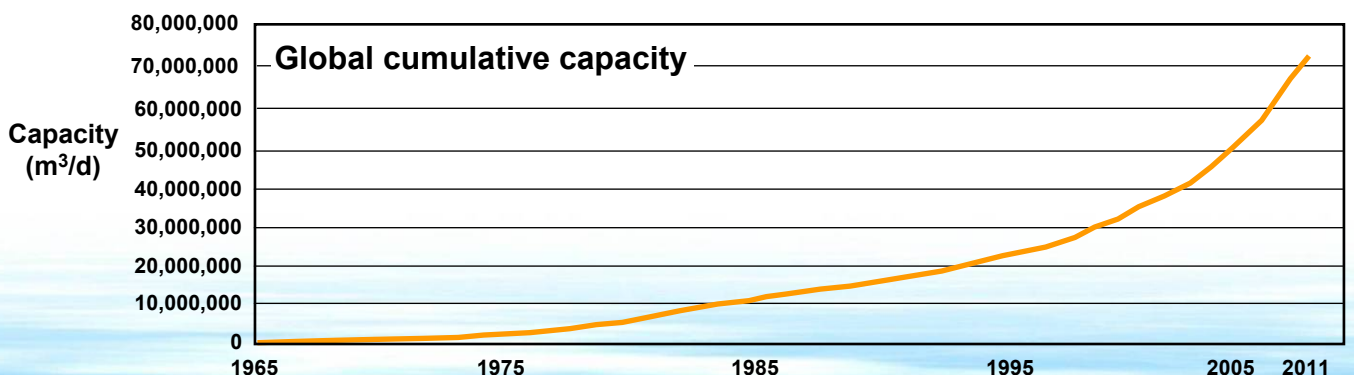
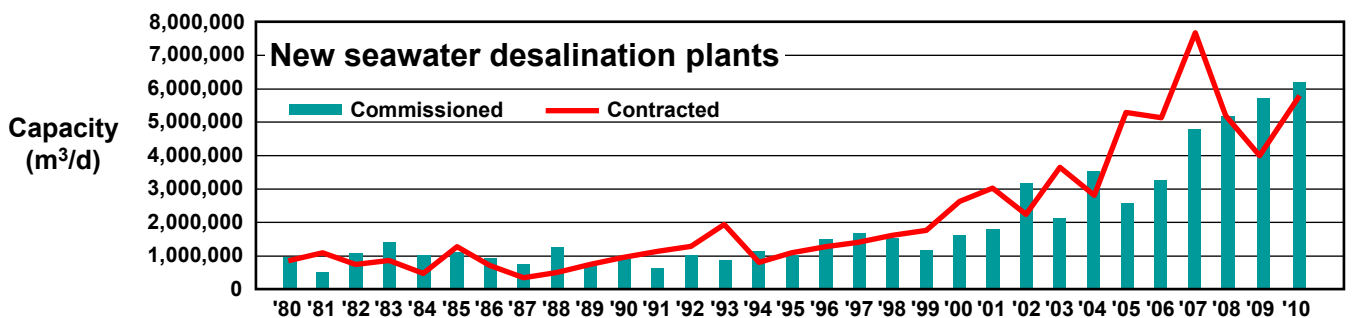
Order intake in Japanese pump market by sector



Fiscal year		1998	1999	2000	2001	2002	2006	2007	2008	2009	2010	2010 (Apr.-Sep.)	2011 (Apr.-Sep.)	Year to year comparison
Public	Amount	180,337	176,337	160,550	149,806	148,831	69,504	92,722	79,096	70,999	61,305	29,754	28,720	▲3%
	Composition ratio %	48.2	48.4	43.7	44.5	44.9	23.9	24.0	25.4	26	22.4	23.0	20.5	—
Private	Amount	53,878	58,396	77,895	61,733	63,572	69,286	84,067	65,471	62,051	64,668	30,822	36,130	+17%
	Composition ratio %	14.4	16.	21.2	18.3	19.2	23.8	21.8	21.	22.8	23.6	23.8	25.8	—
Overseas	Amount	59,055	52,766	50,737	48,032	43,247	81,919	143,535	99,326	76,108	83,883	39,111	43,556	+11%
	Composition ratio %	15.8	14.5	13.8	14.3	13.1	28.1	37.2	31.9	27.8	30.6	30.2	31.2	—
Agencies	Amount	81,143	76,961	78,116	76,978	75,608	70,310	65,315	67,590	64,338	64,080	29,861	31,394	+5%
	Composition ratio %	21.7	21.1	21.3	22.9	22.8	24.2	16.9	21.7	23.5	23.4	23.0	22.5	—
Total	Amount	374,413	364,460	367,298	336,549	331,258	291,019	385,639	311,483	273,496	273,936	129,548	139,800	+8%
	Composition ratio %	100	100	100	100	100	100	100	100	100	100	100	100	—

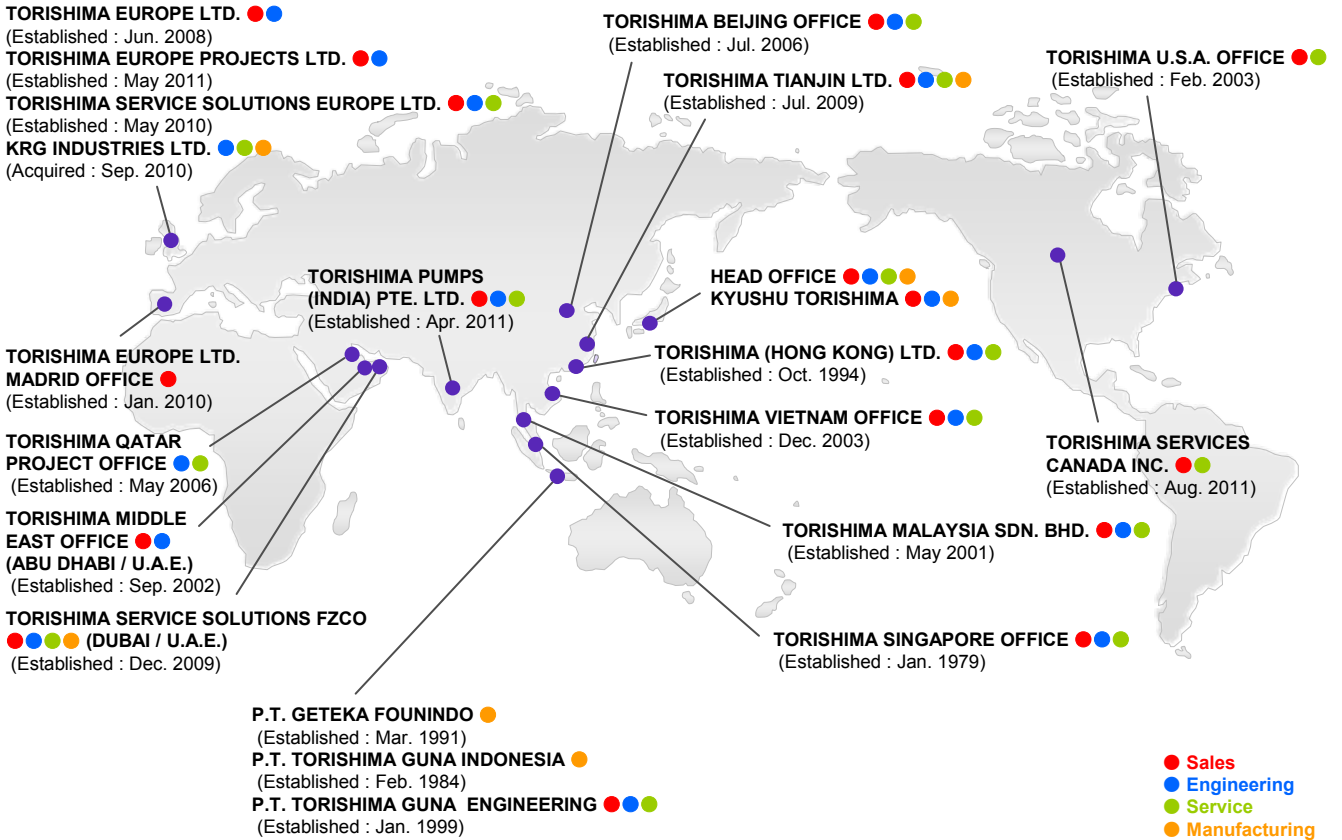
Reference : The Japan Society of Industrial Machinery Manufacturers

Annual new contracted and commissioned capacity of seawater desalination plants in the world



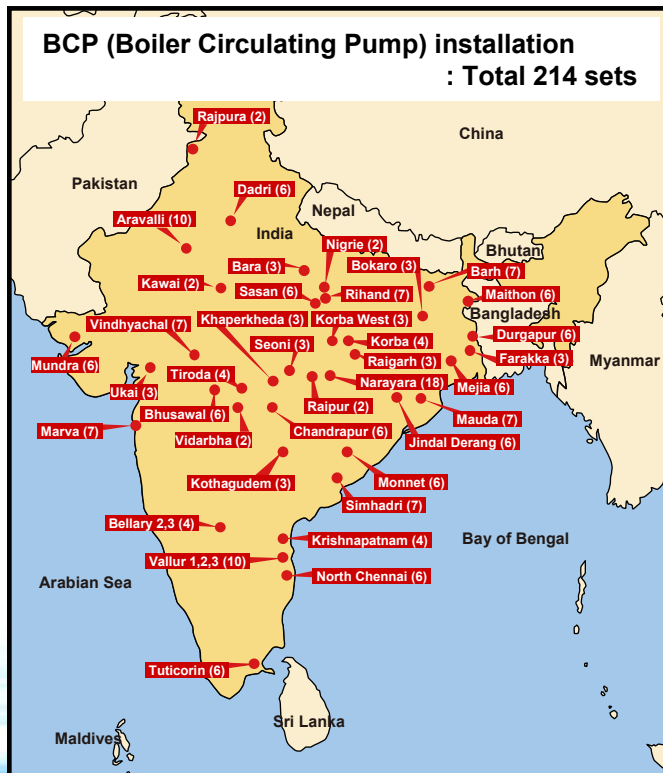
Reference : IDA DESALINATION "Year Book" 2010 - 2011

Torishima global network



Major contracts in the world

India

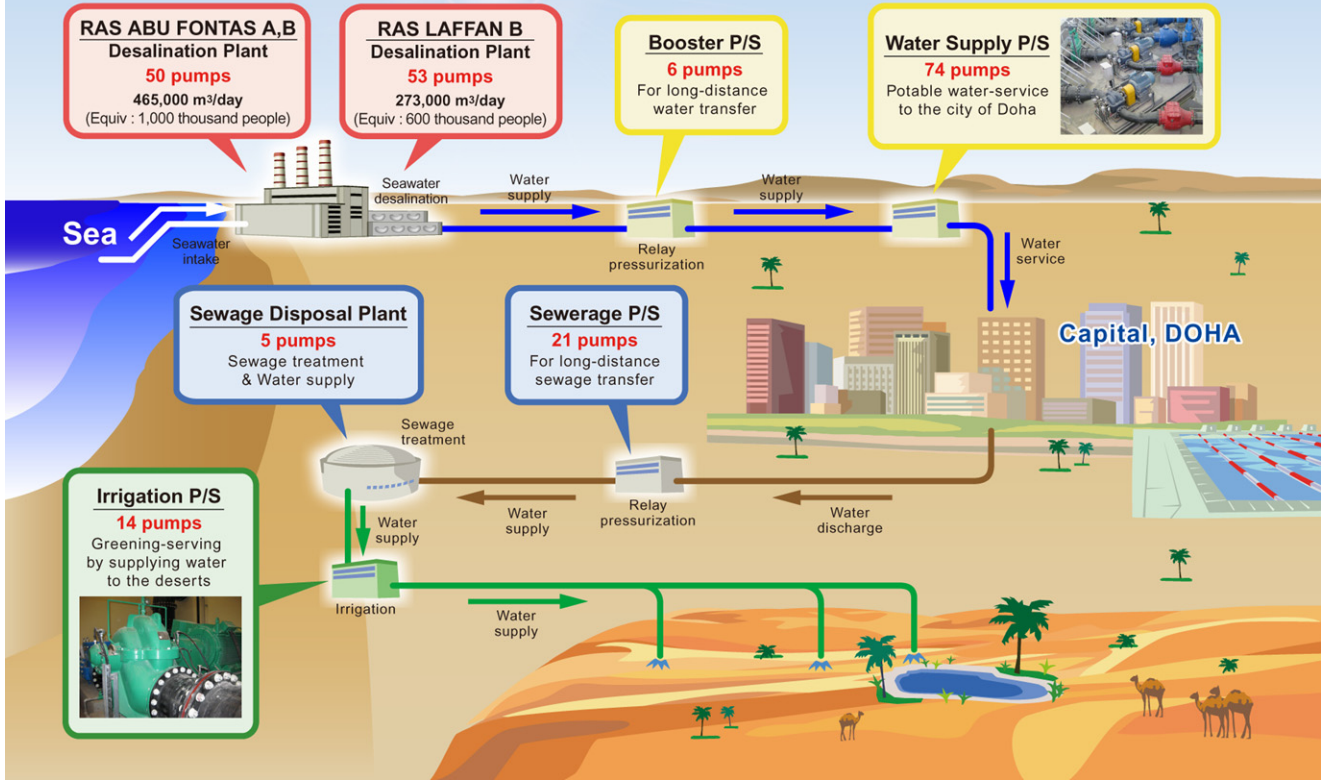


As of Nov, 2011 including the pumps under manufacturing

For Example

Qatar

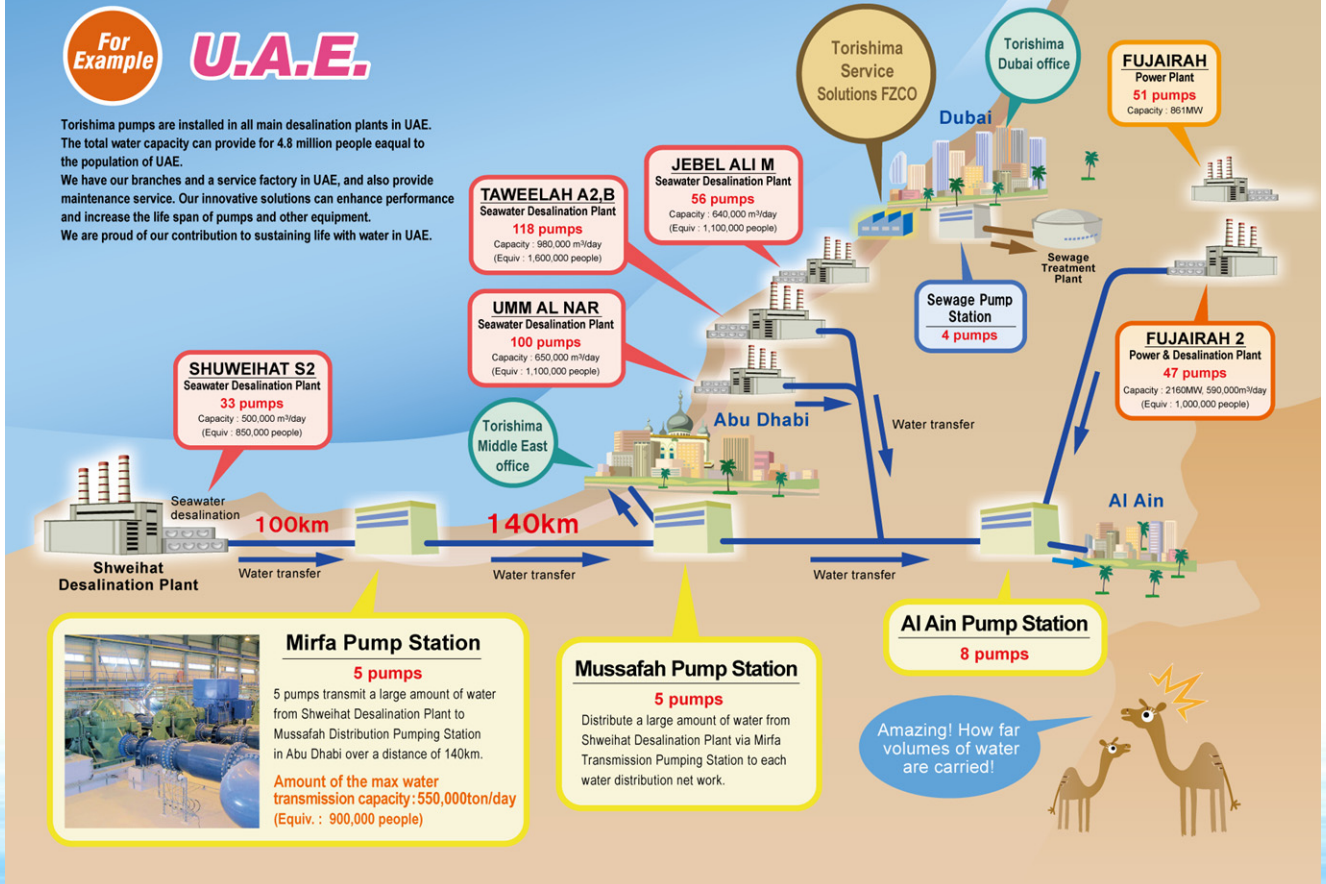
TORISHIMA PUMPS support whole sustainable water supply system

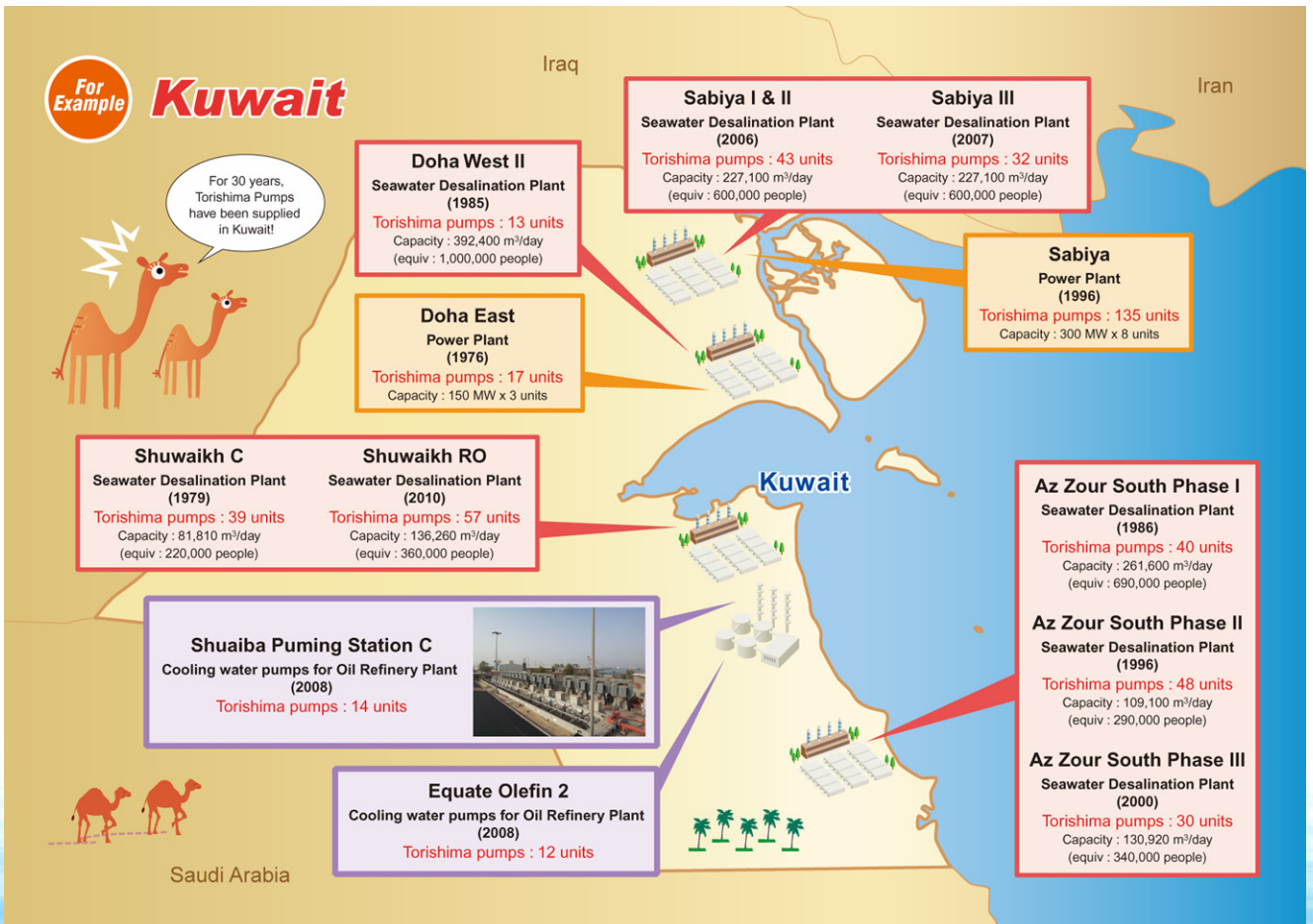


For Example

U.A.E.

Torishima pumps are installed in all main desalination plants in UAE. The total water capacity can provide for 4.8 million people equal to the population of UAE. We have our branches and a service factory in UAE, and also provide maintenance service. Our innovative solutions can enhance performance and increase the life span of pumps and other equipment. We are proud of our contribution to sustaining life with water in UAE.





Hong Kong

深圳 (中国) (Shenzhen)

For Example

There is not enough water to supply the population of 7 million in Hong Kong. 70 percent of the water demand is imported from China. The precious resources is carried to each pump station by Torishima Pumps then flowed into the residents and commercial facilities throughout the country. Torishima Pumps have a significant role in sewage treatment as well.

Here are TORISHIMA Pumps!

Hong Kong's skyscrapers

Stainless-steel feed pump for building facility

Muk Wu 'C' Water Transmission P/S

12 Pumps

The gateway pumping station for drinking water of Hong Kong, located in the border between Northern Hong Kong and Shenzhen China. The water is transmitted to downstream water treatment plants and pumping stations and brought to the residents.

surge tank

Tai Po Tau Water Supply Pumping Complex

13 Pumps

The biggest water supply pumping complex in Hong Kong consisting of 4 pumping stations in the main route from Muk Wu 'C' pumping station.

Stonecutters Island Main Sewage P/S

8 Pumps

The most important pumping station for improving the environment of Hong Kong that almost all sewage water in Kowloon and Eastern Hong Kong Island is taken into Stonecutters Island through the underground tunnels and treated at one place.

Lamma Power Station Gas & Coal-fired Power Plants

53 Pumps

Capacity : 3,736MW

Torishima Pump is a vital component in Hong Kong's lifeline!

Australia

For Example

Australia has magnificent nature like Great Barrier Reef and Ayers Rock, but continuing drought since 2002 has been causing a serious water shortage crisis. Torishima pumps are operating night and day in seawater desalination, power and waste water treatment plants in order to support Australian abundant life environment.

Dried-up lake by drought

Bluewater Power Station

29 pumps

200MW

Victorian Desalination Plant

R.O. system desalination plant

36 pumps

411,000 m³/d (equiv : 1,500 thousand people)

Western Corridor Recycled Water Project

Waste water treatment plant

7 pumps

Kogan Creek Power Station

1 pump

750MW

Gold Coast Desalination Plant

R.O. system desalination plant

16 pumps

133,000 m³/d (equiv : 450 thousand people)

One of the world's largest high pressure seawater feed pumps

Merrimac Waste Water Treatment Plant

2 pumps

Sydney Desalination Plant

R.O. system desalination plant

5 pumps

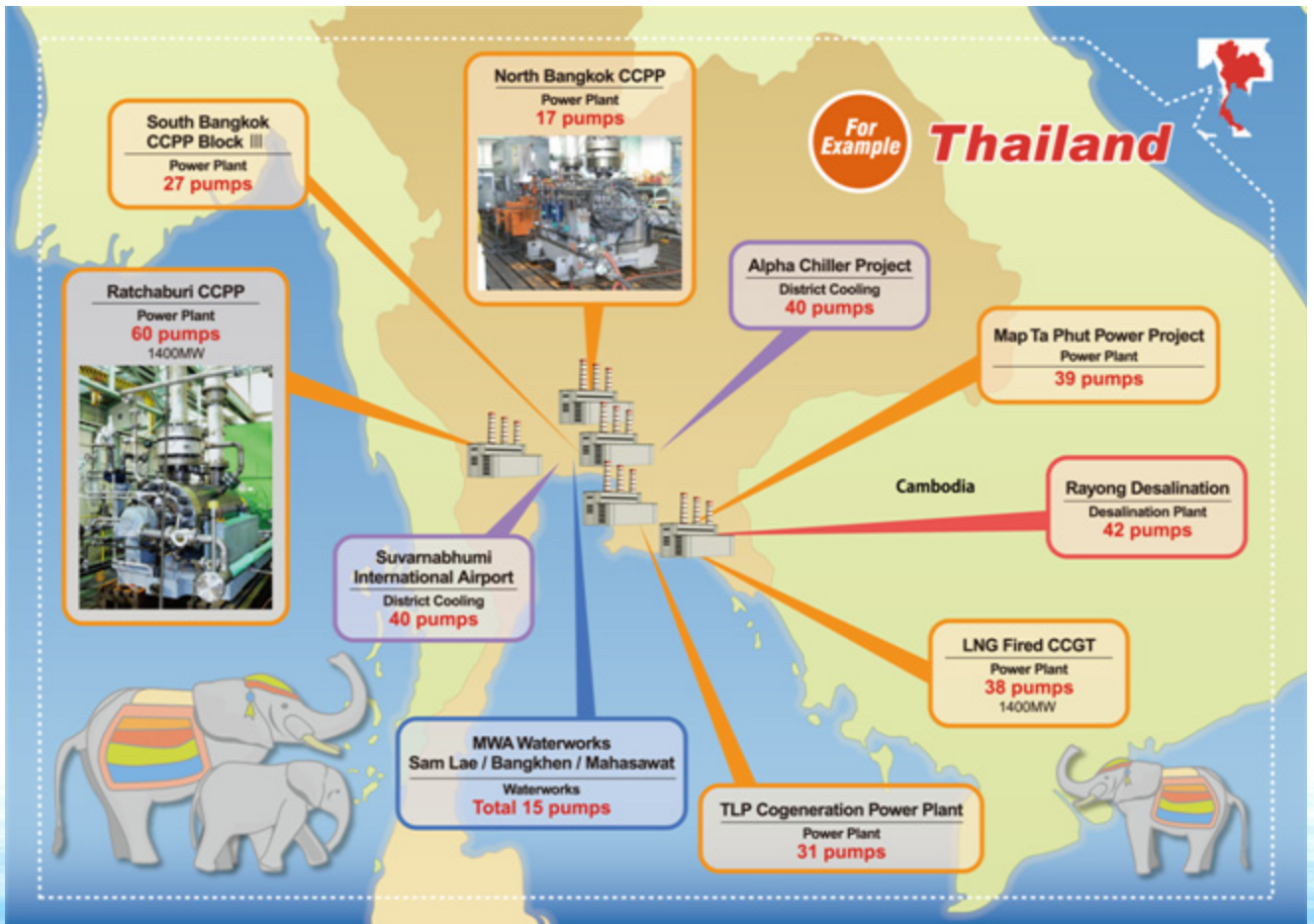
250,000 m³/d (equiv : 900 thousand people)

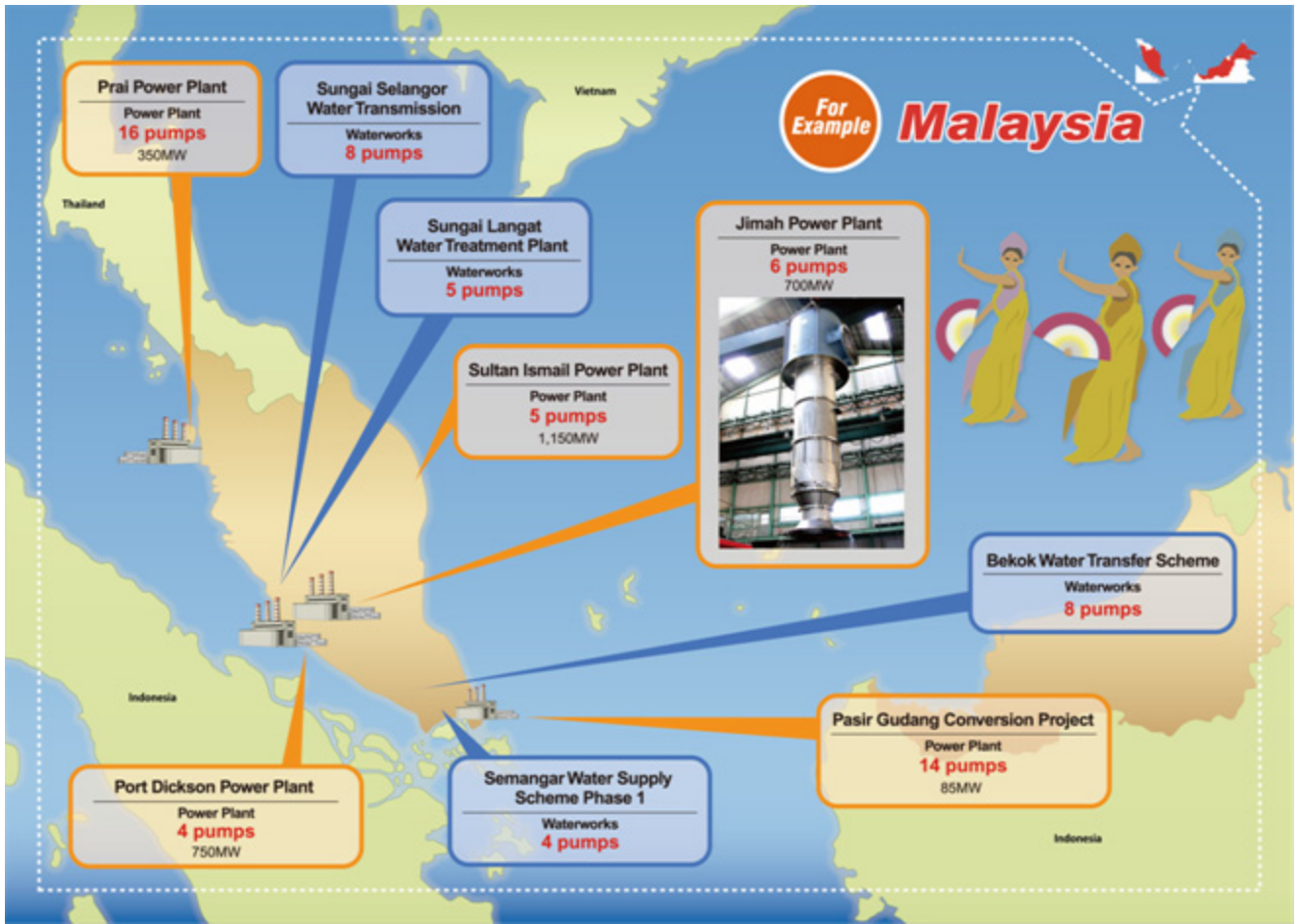
Tamar Valley Power Station

11 pumps

200MW







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.

【Contact】

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