

**RESULTS OF OPERATIONS FOR  
THE SECOND QUARTER ENDED SEPTEMBER 30, 2012 (CONSOLIDATED)  
(Japanese GAAP)**

November 8, 2012

Listed company name: Torishima Pump Mfg. Co., Ltd.  
 Stock exchange listings: First Section of Tokyo Stock Exchange and Osaka 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 13, 2012  
 Scheduled date of starting dividend payment: December 6, 2012  
 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, 2012 (April 1, 2012 through Sept. 30, 2012)

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

	Net sales		Operating income		Ordinary income		Net income	
		%		%		%		%
Second quarter ended Sept. 30, 2012	19,155	-12.1	-1,039	-	-884	-	-873	-
Second quarter ended Sept. 30, 2011	21,787	8.9	1,207	-31.8	825	-52.6	214	-78.0

Note: Comprehensive income: (Second quarter ended Sept. 30, 2012) -525 million yen (-%)  
 (Second quarter ended Sept. 30, 2011) 662 million yen (-%)

	Net income per share	Net income per share-Diluted
	Yen	Yen
Second quarter ended Sept. 30, 2012	-31.12	-
Second quarter ended Sept. 30, 2011	7.64	7.62

Note: % represents percentage change from a comparable previous period

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

	Total assets	Net assets	Equity ratio	Net assets per share
			%	Yen
September 30, 2012	58,489	30,973	52.0	1,083.99
March 31, 2012	60,812	31,775	51.3	1,112.29

(Reference): Shareholders' equity: (Sept. 30, 2012)¥30,421million (March 31, 2012)¥31,202 million

2. Dividends

	Dividends per share				
	End of 1Q	End of 2Q	End of 3Q	Fiscal year end	Annual
	Yen	Yen	Yen	Yen	Yen
FY2011	-	9.00	-	9.00	18.00
FY2012	-	9.00			
FY2012 (Forecast)			-	9.00	18.00

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

## 3. Forecast for fiscal year ending March 31, 2013

Millions of yen, except per share data

	Net sales		Operating income		Ordinary income		Net income		Net income per share
		%		%		%		%	Yen
Annual	45,000	-3.1	500	-78.1	700	-76.1	100	-93.3	3.56

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: No
- (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: Yes
  - ② Changes of accounting principles other than the above: No
  - ③ Changes in accounting estimates: Yes
  - 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, 2012) 29,889,079 (March 31, 2012) 29,889,079
  - ② Number of treasury stock at period end  
(Sept. 30, 2012) 1,824,662 (March 31, 2012) 1,837,167
  - ③ Weighed-average number of shares outstanding over the period  
(April 1 – Sept. 30, 2012) 28,053,582 (April 1 – Sept. 30, 2011) 28,052,074

## -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.

## Contents

1. Qualitative information for the second quarter of the FY2012	
(1) Qualitative information on consolidated results of operations -----	4
(2) Qualitative information on consolidated financial position -----	4
(3) Qualitative information on consolidated earnings forecasts -----	5
2. Other information	
(1) Changes in significant subsidiaries during this period -----	5
(2) Adoption of special accounting methods for presenting quarterly consolidated financial statements -----	5
(3) Changes in accounting principles, accounting estimates and correction of prior period errors -----	5
3. Consolidated quarterly financial statement	
(1) Consolidated quarterly balance sheet -----	6
(2) Consolidated quarterly statement of income (April 1 – September 30, 2012) -----	8
Consolidated quarterly statement of comprehensive income (April 1 – September 30, 2012) -----	9
(3) Note for assumption of going concern -----	10
(4) Note for significant changes in the amount of shareholders' equity -----	10
4. Additional information	
(1) Order received and sales -----	10

## 1. Qualitative information for the second quarter of the FY2012

### (1) Qualitative information on consolidated results of operations

During the second quarter of FY2012, the world economy recovered weakly. In the U.S., the economic recovery continued owing to the robust consumption despite the high unemployment rate. In emerging countries, the economies relatively grew steadily. In Europe, the financial concerns were prolonged. The economic growth in China and Asian emerging countries, which had acted as a driving force for the world economy, was slowing down.

In Japan, the economy continued modest growth. However the outlook remained uncertain because the appreciation of the yen started with financial concerns in Europe was prolonged and the exports to China continued stagnation.

The pump manufacturing industry continued steady demand from overseas for water- and energy-related sector. However competition for orders in the industry continued severe as a result of lower competitiveness due to strong yen and stagnation of private capital investment due to the world economic uncertainty.

Order received during the second quarter of FY2012 (April 1, 2012-Sept. 30, 2012) decreased by ¥4,308 million from the same period last year to ¥18,029 million. Order received from domestic public sector increased by ¥1,899 million from the same period last year to ¥6,739 million, order received from domestic private sector decreased by ¥525 million from the same period last year to ¥2,607 million and order received from overseas sector decreased by ¥5,682 million from the same period last year to ¥8,681 million.

Net sales during the second quarter of FY2012 (April 1, 2012-Sept. 30, 2012) decreased by ¥2,632 million from the same period last year to ¥19,155 million.

Operating losses during the second quarter of FY2012 (April 1, 2012-Sept. 30, 2012) amounted to ¥1,039 million (operating income during the same period last year was ¥1,207 million) and thus operating income margin was -5.4%.

Ordinary losses amounted to ¥884 million (ordinary income during the same period last year was ¥825 million) because foreign exchange losses as non-operating expenses was ¥145 million although reversal of allowance for doubtful accounts as non-operating income was ¥109 million and thus ordinary income margin was -4.6%.

Net losses amounted to ¥873 million (net income during the same period last year was ¥214 million) because loss on valuation of investment securities was ¥647 million and thus net income margin was -4.6%. Net losses per share were ¥31.12.

### (2) Qualitative information on consolidated financial position

At the end of the second quarter (Sept. 30, 2012), the Group's total asset was ¥58,489 million, ¥2,322 million lower than at the end of the previous fiscal year (March 31, 2012). Principal changes in asset items included a decline in notes and accounts receivable-trade of ¥2,128 million.

Total liabilities at the end of the second quarter amounted to ¥27,516 million, ¥1,520 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 ¥1,666 million.

Net assets at the end of the second quarter amounted to ¥30,973 million, ¥802 million lower than at the end of the previous fiscal year. Principal changes in net asset items included a decline in retained earnings of ¥1,153 million.

(3) Qualitative information on consolidated earnings forecasts

Forecast for fiscal year ending March 31, 2013 announced on October 31, 2012 has not been changed.

2. Other information

(1) Changes in significant subsidiaries during the second quarter of FY2012 (April 1, 2012-Sept. 30, 2012)

No items to report

(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 FY2012, 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) Changes in accounting principles, accounting estimates and correction of prior period errors

Changes in accounting principles (changes in the depreciation method)

Torishima Pump Mfg. Co., Ltd and its domestic consolidated subsidiaries have applied the depreciation method based on the revised Corporation Tax Law to tangible fixed assets newly booked on or after April 1, 2012 beginning with the first quarter of fiscal 2012, following the revision of the Corporation Tax Law. The effect of this application on the net losses, ordinary losses, and net losses per share is immaterial.

3. Consolidated quarterly financial statement

(1) Consolidated quarterly balance sheet

(Millions of yen)

	End of previous consolidated fiscal year (March 31, 2012)	End of the second quarter of consolidated FY2012 (September 30, 2012)
<b>Assets</b>		
Current assets		
Cash and deposits	7,521	6,952
Notes and accounts receivable-trade	23,795	21,666
Merchandise and finished goods	189	218
Work in process	6,102	6,219
Raw materials and supplies	1,947	1,966
Advance payments-trade	635	543
Deferred tax assets	1,148	1,699
Other	997	888
Allowance for doubtful accounts	-85	-86
Total current assets	42,253	40,068
Noncurrent assets		
Property, plant and equipment	9,417	9,360
Intangible assets	493	790
Investments and other assets		
Investment securities	7,173	6,684
Other	1,782	1,774
Allowance for doubtful accounts	-307	-187
Total investments and other assets	8,648	8,270
Total noncurrent assets	18,559	18,421
Total assets	60,812	58,489

(Millions of yen)

	End of previous consolidated fiscal year (March 31, 2012)	End of the second quarter of consolidated FY2012 (September 30, 2012)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable-trade	10,843	9,177
Short-term loans payable	3,107	4,530
Income taxes payable	50	61
Advances received	3,269	3,844
Provision for bonuses	682	712
Provision for product warranties	1,235	737
Provision for loss on construction contracts	323	450
Other	2,164	1,346
<b>Total current liabilities</b>	<b>21,676</b>	<b>20,861</b>
Noncurrent liabilities		
Long-term loans payable	4,830	4,226
Provision for retirement benefits	1,893	1,844
Provision for directors' retirement benefits	18	20
Provision for loss on guarantees	76	-
Other	541	564
<b>Total noncurrent liabilities</b>	<b>7,360</b>	<b>6,655</b>
<b>Total liabilities</b>	<b>29,037</b>	<b>27,516</b>
Net assets		
Shareholders' equity		
Capital stock	1,592	1,592
Capital surplus	7,803	7,813
Retained earnings	23,541	22,388
Treasury stock	-972	-966
<b>Total shareholders' equity</b>	<b>31,965</b>	<b>30,828</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	-145	-153
Deferred gains or losses on hedges	-264	8
Foreign currency translation adjustment	-353	-262
<b>Total accumulated other comprehensive income</b>	<b>-763</b>	<b>-407</b>
Subscription rights to shares	80	78
Minority interests	492	473
<b>Total net assets</b>	<b>31,775</b>	<b>30,973</b>
<b>Total liabilities and net assets</b>	<b>60,812</b>	<b>58,489</b>

## (2) Consolidated quarterly statement of (comprehensive) income

Consolidated quarterly statement of income (April 1 – September 30, 2012)

(Millions of yen)

	Second quarter ended September 30, 2011 (April 1, 2011 - September 30, 2011)	Second quarter ended September 30, 2012 (April 1, 2012 - September 30, 2012)
Net sales	21,787	19,155
Cost of sales	17,257	16,460
Gross profit	4,529	2,694
Selling, general and administrative expenses	3,322	3,734
Operating income (loss)	1,207	-1,039
Non-operating income		
Interest income	41	28
Dividends income	86	83
Equity in earnings of affiliates	48	41
Rent income	34	34
Reversal of allowance for doubtful accounts	-	109
Other	107	139
Total non-operating income	319	436
Non-operating expenses		
Interest expenses	61	53
Foreign exchange losses	543	145
Other	96	82
Total non-operating expenses	702	281
Ordinary income (loss)	825	-884
Extraordinary income		
Gain on sales of investment securities	53	-
Total extraordinary income	53	-
Extraordinary loss		
Loss on valuation of investment securities	663	647
Total extraordinary losses	663	647
Income (loss) before income taxes and minority interests	215	-1,532
Income taxes	-9	-655
Income (loss) before minority interests	224	-876
Minority interests in income (loss)	10	-2
Net income (loss)	214	-873



Consolidated quarterly statement of comprehensive income (April 1 – September 30, 2012)

(Millions of yen)

	Second quarter ended September 30, 2011 (April 1, 2011 - September 30, 2011)	Second quarter ended September 30, 2012 (April 1, 2012 - September 30, 2012)
Income (loss) before minority interests	224	-876
Other comprehensive income		
Valuation difference on available-for-sale securities	-132	-7
Deferred gains or losses on hedges	121	273
Foreign currency translation adjustment	446	87
Share of other comprehensive income of associates accounted for using equity method	1	-2
Total other comprehensive income	437	350
Comprehensive income	662	-525
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	625	-517
Comprehensive income attributable to minority interests	36	-8

(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) Order received and sales

Order received and sales by demand category

Order received

(Millions of yen)

	From April 1, 2011 to September 30, 2011		From April 1, 2012 to September 30, 2012		Year-on-year comparison	
Public	4,839	21.7%	6,739	37.4%	1,899	39.3%
Private	3,133	14.0%	2,607	14.5%	-525	-16.8%
Overseas	14,364	64.3%	8,681	48.1%	-5,682	-39.6%
Total	22,337	100.0%	18,029	100.0%	-4,308	-19.3%

Sales

(Millions of yen)

	From April 1, 2011 to September 30, 2011		From April 1, 2012 to September 30, 2012		Year-on-year comparison	
Public	3,570	16.4%	2,173	11.4%	-1,397	-39.1%
Private	2,399	11.0%	2,993	15.6%	593	24.7%
Overseas	15,817	72.6%	13,988	73.0%	-1,828	-11.6%
Total	21,787	100.0%	19,155	100.0%	-2,632	-12.1%

Order backlog

(Millions of yen)

	As of September 30, 2011		As of September 30, 2012		Year-on-year comparison	
Public	7,797	16.3%	11,377	29.0%	3,580	45.9%
Private	3,189	6.7%	2,312	5.9%	-876	-27.5%
Overseas	36,779	77.0%	25,525	65.1%	-11,253	-30.6%
Total	47,766	100.0%	39,216	100.0%	-8,550	-17.9%