UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

For the Quarterly Period Ended March 31, 2015

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES
EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number 1-6747

The Gorman-Rupp Company
(Exact Name of Registrant as Specified in its Charter)

Ohio
(State or Other Jurisdiction of
Incorporation or Organization)

34-0253990
(I.R.S. Employer
Identification No.)

600 South Airport Road, Mansfield, Ohio
(Address of Principal Executive Offices)

44903
(Zip Code)

Registrant’s telephone number, including area code (419) 755-1011

Indicate by check mark whether the Registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the Registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit and post such files). Yes ☐ No ☑

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☐ Accelerated filer ☒
Non-accelerated filer ☐ Smaller reporting company ☐

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

There were 26,260,543 shares of common stock, without par value, outstanding at April 15, 2015.
PART I. FINANCIAL INFORMATION

Item 1. Financial Statements (Unaudited) 3
   Condensed Consolidated Statements of Income
      - Three Months Ended March 31, 2015 and 2014 3
   Condensed Consolidated Statements of Comprehensive Income
      - Three Months Ended March 31, 2015 and 2014 4
   Condensed Consolidated Balance Sheets
      - March 31, 2015 and December 31, 2014 5
   Condensed Consolidated Statements of Cash Flows
      - Three Months Ended March 31, 2015 and 2014 6

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations 9

Item 3. Quantitative and Qualitative Disclosures about Market Risk 13

Item 4. Controls and Procedures 13

PART II. OTHER INFORMATION

Item 1. Legal Proceedings 14

Item 1A. Risk Factors 14

Item 6. Exhibits 15

EX-31.1 Section 302 Principal Executive Officer (PEO) Certification 22
EX-31.2 Section 302 Principal Financial Officer (PFO) Certification 23
EX-32 Section 1350 Certifications 24

EX-101 Financial statements from the Quarterly Report on Form 10-Q of The Gorman-Rupp Company for the quarter ended March 31, 2015, formatted in eXtensible Business Reporting Language (XBRL)
PART I. FINANCIAL INFORMATION

ITEM 1—FINANCIAL STATEMENTS (UNAUDITED)

THE GORMAN-RUPP COMPANY AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

(In thousands, except share and per share amounts)

<table>
<thead>
<tr>
<th></th>
<th>Three Months Ended March 31,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015</td>
</tr>
<tr>
<td>Net sales</td>
<td>$99,233</td>
</tr>
<tr>
<td>Cost of products sold</td>
<td>75,318</td>
</tr>
<tr>
<td>Gross profit</td>
<td>23,915</td>
</tr>
<tr>
<td>Selling, general and administrative expenses</td>
<td>13,312</td>
</tr>
<tr>
<td>Operating income</td>
<td>10,603</td>
</tr>
<tr>
<td>Other income</td>
<td>331</td>
</tr>
<tr>
<td>Other expense</td>
<td>(21)</td>
</tr>
<tr>
<td>Income before income taxes</td>
<td>10,913</td>
</tr>
<tr>
<td>Income taxes</td>
<td>3,638</td>
</tr>
<tr>
<td>Net income</td>
<td>$7,275</td>
</tr>
<tr>
<td>Earnings Per Share</td>
<td>$0.28</td>
</tr>
<tr>
<td>Cash Dividends per Share</td>
<td>$0.10</td>
</tr>
<tr>
<td>Average Shares Outstanding</td>
<td>26,260,543</td>
</tr>
</tbody>
</table>

See notes to condensed consolidated financial statements.
### The Gorman-Rupp Company and Subsidiaries

**Condensed Consolidated Statements of Comprehensive Income (Unaudited)**

See notes to condensed consolidated financial statements.

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net income</td>
<td>$ 7,275</td>
<td>$ 9,954</td>
</tr>
<tr>
<td>Cumulative translation adjustments</td>
<td>(2,836)</td>
<td>(356)</td>
</tr>
<tr>
<td>Pension and postretirement medical liability adjustments, net of tax</td>
<td>226</td>
<td>174</td>
</tr>
<tr>
<td>Other comprehensive loss</td>
<td>(2,610)</td>
<td>(182)</td>
</tr>
<tr>
<td><strong>Total comprehensive income</strong></td>
<td>$ 4,665</td>
<td>$ 9,772</td>
</tr>
</tbody>
</table>

(Dollars in thousands)

Three Months Ended March 31.
## THE GORMAN-RUPP COMPANY AND SUBSIDIARIES
### CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)

(Dollars in thousands)

<table>
<thead>
<tr>
<th></th>
<th>March 31, 2015</th>
<th>December 31, 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$27,301</td>
<td>$24,491</td>
</tr>
<tr>
<td>Accounts receivable - net</td>
<td>71,593</td>
<td>70,734</td>
</tr>
<tr>
<td>Inventories</td>
<td>97,202</td>
<td>94,760</td>
</tr>
<tr>
<td>Deferred income taxes and other current assets</td>
<td>9,111</td>
<td>10,724</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>$205,207</td>
<td>$200,709</td>
</tr>
<tr>
<td><strong>Property, plant and equipment</strong></td>
<td>$267,184</td>
<td>$266,660</td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td>135,177</td>
<td>132,696</td>
</tr>
<tr>
<td><strong>Property, plant and equipment - net</strong></td>
<td>$132,007</td>
<td>$133,964</td>
</tr>
<tr>
<td><strong>Deferred income taxes and other</strong></td>
<td>6,152</td>
<td>6,313</td>
</tr>
<tr>
<td><strong>Goodwill and other intangible assets - net</strong></td>
<td>39,448</td>
<td>39,918</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>$382,814</strong></td>
<td><strong>$380,904</strong></td>
</tr>
</tbody>
</table>

| **Liabilities and shareholders’ equity** |                |                   |
| **Current liabilities**     |                |                   |
| Accounts payable            | $20,361        | $17,908           |
| Short-term debt            | 9,000          | 12,000            |
| Payroll and related liabilities | 9,958        | 11,355            |
| Commissions payable        | 10,472         | 9,448             |
| Deferred revenue            | 3,390          | 4,166             |
| Accrued expenses            | 10,556         | 9,469             |
| **Total current liabilities** | $63,737         | $64,346           |
| Pension benefits            | 4,871          | 4,496             |
| Postretirement benefits     | 21,414         | 21,297            |
| Deferred and other income taxes | 8,786        | 8,798             |
| **Total liabilities**       | **98,808**     | **98,937**        |

| **Shareholders’ equity** |                |
| Outanding common shares: 26,260,543 at March 31, 2015 and December 31, 2014 (net of 788,253 treasury shares, respectively), at stated capital amounts | 5,133 | 5,133 |
| Additional paid-in capital | 3,059         | 3,059            |
| Retained earnings          | 295,750        | 291,101          |
| Accumulated other comprehensive loss | (19,936)  | (17,326)        |
| **Total shareholders’ equity** | **284,006**    | **281,967**      |

**Total liabilities and shareholders’ equity** | **$382,814** | **$380,904** |

See notes to condensed consolidated financial statements.
## The Gorman-Rupp Company and Subsidiaries
### Condensed Consolidated Statements of Cash Flows (Unaudited)

<table>
<thead>
<tr>
<th>(Dollars in thousands)</th>
<th>Three Months Ended March 31, 2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash flows from operating activities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net income</td>
<td>$ 7,275</td>
<td>$ 9,954</td>
</tr>
<tr>
<td>Adjustments to reconcile net income attributable to net cash provided by (used for) operating activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>3,752</td>
<td>3,462</td>
</tr>
<tr>
<td>Pension expense</td>
<td>913</td>
<td>696</td>
</tr>
<tr>
<td>Contributions to pension plan</td>
<td>—</td>
<td>(1,200)</td>
</tr>
<tr>
<td><strong>Changes in operating assets and liabilities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts receivable - net</td>
<td>(860)</td>
<td>(12,528)</td>
</tr>
<tr>
<td>Inventories - net</td>
<td>2,442</td>
<td>1,014</td>
</tr>
<tr>
<td>Accounts payable</td>
<td>2,453</td>
<td>(920)</td>
</tr>
<tr>
<td>Commissions payable</td>
<td>1,024</td>
<td>103</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>(777)</td>
<td>(599)</td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>(322)</td>
<td>169</td>
</tr>
<tr>
<td>Benefit obligations and other</td>
<td>(2,053)</td>
<td>(1,514)</td>
</tr>
<tr>
<td><strong>Net cash provided by (used for) by operating activities</strong></td>
<td>8,963</td>
<td>(1,363)</td>
</tr>
<tr>
<td><strong>Cash flows used in investing activities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash dividends</td>
<td>(2,626)</td>
<td>(2,692)</td>
</tr>
<tr>
<td>Payments to bank for borrowings</td>
<td>(3,000)</td>
<td>(3,837)</td>
</tr>
<tr>
<td><strong>Net cash used in financing activities</strong></td>
<td>(5,626)</td>
<td>(6,529)</td>
</tr>
<tr>
<td>Effect of exchange rate changes on cash</td>
<td>870</td>
<td>110</td>
</tr>
<tr>
<td><strong>Net increase (decrease) in cash and cash equivalents</strong></td>
<td>2,810</td>
<td>(9,373)</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beginning of period</td>
<td>24,491</td>
<td>31,123</td>
</tr>
<tr>
<td><strong>End of period</strong></td>
<td>$27,301</td>
<td>$21,750</td>
</tr>
</tbody>
</table>

*See notes to condensed consolidated financial statements.*
NOTE A - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles (“GAAP”) for interim financial information and in accordance with the instructions to Form 10-Q and, accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. The consolidated financial statements include the accounts of The Gorman-Rupp Company (the “Company” or “Gorman-Rupp”) and its wholly-owned subsidiaries. All significant intercompany accounts and transactions have been eliminated. In the opinion of management of the Company, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three months ended March 31, 2015 are not necessarily indicative of results that may be expected for the year ending December 31, 2015. For further information, refer to the consolidated financial statements and notes thereto included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2014, from which related information herein has been derived.

NOTE B - RECENTLY ISSUED ACCOUNTING STANDARDS

In May 2014, the Financial Accounting Standards Board issued ASU 2014-09, “Revenue from Contracts with Customers,” which supersedes most current revenue recognition guidance, including industry-specific guidance, and requires entities to recognize revenue in a way that depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled to in exchange for those goods or services. ASU 2014-09 is effective for fiscal years, and interim periods within those years, beginning after December 15, 2016, and is to be applied retrospectively, with early application not permitted. The Company currently does not expect the adoption of ASU 2014-09 to have a material impact on its consolidated financial statements.

NOTE C - INVENTORIES

Inventories are stated at the lower of cost or market. The costs for approximately 75% of inventories at March 31, 2015 and December 31, 2014 are determined using the last-in, first-out (LIFO) method, with the remainder determined using the first-in, first-out (FIFO) method, applied on a consistent basis. An actual valuation of inventory under the LIFO method is made at the end of each year based on the inventory levels and costs at that time. Interim LIFO calculations are based on management’s estimate of expected year-end inventory levels and costs and are subject to the final year-end LIFO inventory valuation.

The major components of inventories are as follows (net of LIFO reserves of $58.8 million and $57.9 million at March 31, 2015 and December 31, 2014, respectively):

(Dollars in thousands) March 31, December 31,

Raw materials and in-process $14,870 $16,217
Finished parts 40,253 42,414
Finished products 42,079 36,129
Total inventories $97,202 $94,760

NOTE D - PRODUCT WARRANTIES

A liability is established for estimated future warranty and service claims based on historical claims experience and specific product failures. The Company expenses warranty costs directly to cost of products sold. Changes in the Company’s product warranty liability are:

(Dollars in thousands) March 31, December 31,

Balance at beginning of year $1,166 $1,170
Provision 185 488
Claims (280) (486)
Balance at end of period $1,071 $1,172
PART I – CONTINUED

ITEM 1. NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) – CONTINUED

NOTE E - PENSION AND OTHER POSTRETIREMENT BENEFITS

The Company sponsors a defined benefit pension plan ("Plan") covering certain domestic employees. Benefits are based on each covered employee’s years of service and compensation. The Plan is funded in conformity with the funding requirements of applicable U.S. regulations. The Plan was closed to new participants effective January 1, 2008. Employees hired after this date, in eligible locations, participate in an enhanced 401(k) plan instead of the defined benefit pension plan. Employees hired prior to this date continue to accrue benefits. Additionally, the Company sponsors defined contribution pension plans made available to all domestic and Canadian employees.

The Company also sponsors a non-contributory defined benefit health care plan that provides health benefits to certain domestic and Canadian retirees and their spouses. The Company funds the cost of these benefits as incurred.

The following tables present the components of net periodic benefit cost:

<table>
<thead>
<tr>
<th></th>
<th>Pension Benefit</th>
<th>Post Retirement Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Three Months Ended March 31,</td>
<td>Three Months Ended March 31,</td>
</tr>
<tr>
<td></td>
<td>2015</td>
<td>2014</td>
</tr>
<tr>
<td>Service cost</td>
<td>$ 784</td>
<td>$ 726</td>
</tr>
<tr>
<td>Interest cost</td>
<td>659</td>
<td>720</td>
</tr>
<tr>
<td>Expected return on plan assets</td>
<td>(1,067)</td>
<td>(1,208)</td>
</tr>
<tr>
<td>Recognized actuarial loss (gain)</td>
<td>537</td>
<td>458</td>
</tr>
<tr>
<td>Net periodic benefit cost</td>
<td>$ 913</td>
<td>$ 696</td>
</tr>
</tbody>
</table>

NOTE F – ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

The reclassifications out of accumulated other comprehensive loss as reported in the Consolidated Statements of Income are:

<table>
<thead>
<tr>
<th></th>
<th>Three Months Ended March 31,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015</td>
</tr>
<tr>
<td>Pension and other postretirement benefit:</td>
<td></td>
</tr>
<tr>
<td>Recognized actuarial loss (gain) (a)</td>
<td>$ 355</td>
</tr>
<tr>
<td>Income tax</td>
<td>(129)</td>
</tr>
<tr>
<td>Net of income tax</td>
<td>$ 226</td>
</tr>
</tbody>
</table>

(a) The recognized actuarial loss is included in the computation of net periodic benefit cost. See Note D for additional details.
Executive Overview

The Gorman-Rupp Company is a leading designer, manufacturer and international marketer of pumps and pump systems for use in diverse water, wastewater, construction, dewatering, industrial, petroleum, original equipment, agriculture, fire protection, heating, ventilating and air conditioning (HVAC), military and other liquid-handling applications. The Company attributes its success to long-term product quality, applications and performance combined with timely delivery and service, and continually develops initiatives to improve performance in these key areas.

Gorman-Rupp actively pursues growth opportunities through organic growth, international business expansion and acquisitions.

We continually invest in training for our employees, in new product development and in modern manufacturing equipment, technology and facilities all designed to increase production efficiency and capacity and drive growth by delivering innovative solutions to our customers. We believe that the diversity of our markets is a major contributor to the stable financial growth we have produced over the past 80 plus years.

Net sales during the first quarter of 2015 were $99.2 million compared to $110.1 million during the first quarter of 2014. Gross profit was $23.9 million for the first quarter of 2015, resulting in gross margin of 24.1% compared to 25.0% for the same period in 2014. Due to the extremely rapid decline in oil and natural gas production, combined with adverse winter conditions, net sales in January and February were particularly slower than the final month of the 2015 quarter.

Operating income was $10.6 million, resulting in operating margin of 10.7% for the first quarter of 2015 compared to an operating margin of 13.3% for the same period in 2014. Net income was $7.3 million during the first quarter of 2015 compared to $10.0
PART I – CONTINUED

ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – CONTINUED

million in the first quarter of 2014 and earnings per share were $0.28 and $0.38 for the respective periods. Both gross profit and operating income margin declines were due principally to the volume decreases from 2014 to 2015 and were not otherwise significantly impacted by any unusual cost increases other than increased health care expenses of 59 and 76 basis points, respectively.

The Company’s backlog of orders was $158.9 million at March 31, 2015 compared to $171.7 million at March 31, 2014 and $160.7 million at December 31, 2014. Approximately $39.1 million of orders related to the Permanent Canal Closures and Pumps (“PCCP”) project remain in the March 31, 2015 backlog total and are expected to be shipped during the remainder of 2015 and the first two quarters of 2016. Encouragingly, incoming orders during the first quarter of 2015 were comparable to the same period last year and increased $2.2 million compared to the fourth quarter of 2014 principally due to the beginning of the normal agricultural season, large volume pumps for wastewater and change orders for the PCCP project.

The Company places a strong emphasis on cash flow generation and having excellent liquidity and financial flexibility. This focus has afforded us the continuing ability to reinvest our cash resources and preserve a strong balance sheet to position us for future opportunities. Net capital expenditures for 2015, consisting primarily of machinery and equipment, a new operations facility in Ireland and other building improvements, are currently estimated to be in the range of $13 to $15 million and are expected to be financed through internally generated funds.

The Company is very proud to have been recognized for the fourth consecutive year as one of the 100 Most Trustworthy Companies in America by Forbes. To create this list, the year’s public filings for more than 5,500 publicly-traded North American companies were reviewed and evaluated in depth by Forbes to identify the 100 U.S. companies that most “consistently demonstrated transparent accounting practices and solid corporate governance.”

On April 23, 2015, the Board of Directors authorized the payment of a quarterly dividend of $0.10 per share, representing the 261st consecutive quarterly dividend to be paid by the Company. During 2014, the Company again paid increased dividends and thereby attained its forty-second consecutive year of increased dividends. These consecutive years place Gorman-Rupp in the top 50 of all U.S. public companies with respect to number of consecutive years of increased dividend payments.

The Company currently expects to continue its exceptional history of paying regular quarterly dividends and increased annual dividends. However, any future dividends will be reviewed individually and declared by our Board of Directors at its discretion, dependent on our assessment of the Company’s financial condition and business outlook at the applicable time.

The company is pleased with Patterson Pump Company’s performance on the PCCP project, for which shipments of the large flood control pumps for New Orleans began in 2014, and expect it to be an even larger contributor this year. When completed, this flood control project is anticipated to be one of the largest such projects in the world. Also, 2015 results will be the first full fiscal year that includes the operations of Bayou City Pump Company, which we acquired in June 2014 and adds market diversity for our petroleum handling products and services.

Outlook

The business environment in most of the markets we serve has improved since the economic downturn in 2008 and 2009 as the U.S. economy has steadily recovered from the recession. However, the recent economic impacts of the rapid decline in prices and related production of oil has negatively affected our construction, rental and industrial pumps markets, and indirectly impacted our other markets. Additionally, the strong U.S. dollar has worked against our export and international sales, and lower commodity prices combined with wet weather conditions in many parts of the country negatively impacted agricultural sales. Despite this, the company expects that fire and municipal pump sales will continue to improve gradually and our portion of the New Orleans PCCP flood control project will remain on schedule for the remainder of this year. Although the headwinds may well continue for some time, the company intends to remain focused on our long-term track record of solid organic growth combined with strategic acquisition opportunities.

Generally we believe that the Company is well positioned to grow organically at a reasonably comparable sales pace and operating margins over the long term by expanding our customer base, both domestically and globally, and through new product offerings. We expect that the increasing need for water and wastewater infrastructure rehabilitation within the United States, and similar needs internationally, including in emerging economies, along with increasing demand for pumps and pump systems for industrial and agricultural applications, will provide excellent growth opportunities for Gorman-Rupp in the future.
PART I – CONTINUED

ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – CONTINUED

First Quarter 2015 Compared to First Quarter 2014

Net Sales

<table>
<thead>
<tr>
<th>(Dollars in thousands)</th>
<th>Three Months Ended March 31,</th>
<th>$ Change</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>$99,233</td>
<td>$110,064</td>
<td>$(10,831)</td>
</tr>
</tbody>
</table>

Sales decreased $9.2 million in the water end markets due to lower sales in the construction market, including rental sales, of $4.3 million due primarily to the decline in oil and gas production, which affected both domestic and international sales. Sales decreased in the agricultural market $3.0 million primarily due to expected domestic low farm income in 2015 and unseasonably wet weather conditions in certain locations domestically. Sales in the municipal market decreased $1.6 million driven by lower sales of large volume pumps for wastewater and water supply projects, partially offset by increased shipments related to the PCCP project of $7.4 million. Also, sales in the fire protection market decreased $1.5 million primarily due to lower domestic sales for slowing commercial building construction.

Sales decreased $1.6 million in non-water markets primarily due to lower sales in the OEM market of $3.6 million related to power generation equipment. This decrease was partially offset by increased sales in the petroleum market of $1.4 million for mid-stream transmission of refined petrochemical products and the contribution from the mid-2014 acquisition of Bayou City Pump Company.

Domestic sales decreased 9.3% or $6.6 million principally due to lower sales in the construction, municipal and OEM markets. International sales decreased 10.9% or $4.2 million principally due to lower sales in the construction and municipal markets. Of the total decrease in net sales in the first quarter of 2015 of $10.8 million, $2.2 million or 20.4% of the decrease was due to negative currency translation.

Cost of Products Sold and Gross Profit

<table>
<thead>
<tr>
<th>(Dollars in thousands)</th>
<th>Three Months Ended March 31,</th>
<th>$ Change</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of products sold</td>
<td>$75,318</td>
<td>$82,510</td>
<td>$(7,192)</td>
</tr>
<tr>
<td>% of Net sales</td>
<td>75.9%</td>
<td>75.0%</td>
<td></td>
</tr>
<tr>
<td>Gross Margin</td>
<td>24.1%</td>
<td>25.0%</td>
<td></td>
</tr>
</tbody>
</table>

The decrease in gross margin was principally due to the volume decreases from 2014 to 2015 and were not otherwise significantly impacted by any unusual cost increases. Cost of material was lower as a percent of net sales due to product mix. However, labor and overhead increased as a percent of net sales due to the lower volume and increased health care expenses of approximately 59 basis points.

Selling, General and Administrative Expenses (SG&A)

<table>
<thead>
<tr>
<th>(Dollars in thousands)</th>
<th>Three Months Ended March 31,</th>
<th>$ Change</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Selling, general and administrative expenses</td>
<td>$13,312</td>
<td>$12,861</td>
<td>$451</td>
</tr>
<tr>
<td>% of Net sales</td>
<td>13.4%</td>
<td>11.7%</td>
<td></td>
</tr>
</tbody>
</table>
PART I – CONTINUED

ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – CONTINUED

The increase in SG&A expenses as a percent of net sales is principally due to volume decreases from 2014 to 2015 and was not otherwise significantly impacted by any unusual cost increases, other than increased health care expenses of approximately 17 basis points.

Net Income

<table>
<thead>
<tr>
<th>(Dollars in thousands)</th>
<th>Three Months Ended March 31.</th>
<th>2015</th>
<th>2014</th>
<th>$ Change</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income before income taxes</td>
<td></td>
<td>$10,913</td>
<td>$14,832</td>
<td>$(3,919)</td>
<td>(26.4)%</td>
</tr>
<tr>
<td>% of Net sales</td>
<td></td>
<td>11.0 %</td>
<td>13.5 %</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income taxes</td>
<td></td>
<td>$ 3,638</td>
<td>$ 4,878</td>
<td>$(1,240)</td>
<td>(25.4)%</td>
</tr>
<tr>
<td>Effective tax rate</td>
<td></td>
<td>33.3 %</td>
<td>32.9 %</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net income</td>
<td></td>
<td>$ 7,275</td>
<td>$ 9,954</td>
<td>$(2,679)</td>
<td>(26.9)%</td>
</tr>
<tr>
<td>% of Net sales</td>
<td></td>
<td>7.3 %</td>
<td>9.0 %</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Earnings Per Share</td>
<td></td>
<td>$ 0.28</td>
<td>$ 0.38</td>
<td>$(0.10)</td>
<td>(26.3)%</td>
</tr>
</tbody>
</table>

The decreases in net income and earnings per share were primarily due to the volume decreases from 2014 to 2015 related to substantial global economic uncertainty, including the significant drop in the price of oil beginning in the second half of 2014 and continuing weakness in foreign currency exchange rates relative to the U.S. dollar, which is an additional negative influence on global capital goods investment. The difference in the effective tax rate between the two periods is primarily due to the federal research and development tax credit that has not been extended for 2015.

Liquidity and Capital Resources

<table>
<thead>
<tr>
<th></th>
<th>Three Months Ended March 31.</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net cash provided by (used for) operating activities</td>
<td>$ 8,963</td>
<td>$(1,363)</td>
<td></td>
</tr>
<tr>
<td>Net cash used for investing activities</td>
<td>(1,397)</td>
<td>(1,591)</td>
<td></td>
</tr>
<tr>
<td>Net cash used for financing activities</td>
<td>(5,626)</td>
<td>(6,529)</td>
<td></td>
</tr>
</tbody>
</table>

Cash and cash equivalents and short-term investments totaled $27.6 million, and there was $9.0 million in outstanding bank debt at March 31, 2015. In addition, the Company had $24.3 million available in bank lines of credit after deducting $5.7 million in outstanding letters of credit primarily related to customer orders. At March 31, 2015 the Company was in compliance with its nominal restrictive covenants, including limits on additional borrowings and maintenance of certain operating and financial ratios. Working capital rose $5.1 million from December 31, 2014 to a record $141.5 million at March 31, 2015 principally due to work in-process inventory for the PCCP project.

The primary drivers of operating cash flows during the first three months of 2015 were business operations. Also, accounts payable and commissions payable increased driven by timing and product mix, respectively. During this same period in 2014 operating cash flows were primarily driven by increased accounts receivable due to record sales during the period.

During the first three months of 2015, investing activities of $1.4 million primarily consisted of capital expenditures for machinery and equipment and building improvements. Net capital expenditures for 2015, consisting primarily of machinery and equipment, a new operations facility in Ireland and other building improvements, are currently estimated to be in the range of $13 to $15 million and are expected to be financed through internally generated funds. During the first three months of 2014, investing activities of $1.6 million consisted primarily of capital expenditures for machinery and equipment.
PART I – CONTINUED

ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – CONTINUED

Net cash used for financing activities for the first three months of 2015 consisted of dividend payments of $2.6 million and repayment of $3.0 million in short-term debt. The ratio of current assets to current liabilities was 3.2 to 1 at March 31, 2015 and 3.1 to 1 at December 31, 2014.

Critical Accounting Policies

Our critical accounting policies are described in Item 7, Management’s Discussion and Analysis of Financial Condition and Results of Operations, and in the notes to our Consolidated Financial Statements for the year ended December 31, 2014 contained in our Fiscal 2014 Annual Report on Form 10-K. Any new accounting policies or updates to existing accounting policies as a result of new accounting pronouncements have been discussed in the notes to our Condensed Consolidated Financial Statements in this Quarterly Report on Form 10-Q. The application of our critical accounting policies may require management to make judgments and estimates about the amounts reflected in the Consolidated Financial Statements. Management uses historical experience and all available information to make these estimates and judgments, and different amounts could be reported using different assumptions and estimates.

Safe Harbor Statement

In connection with the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995, The Gorman-Rupp Company provides the following cautionary statement: This quarterly report on Form 10-Q contains various forward-looking statements based on assumptions concerning The Gorman-Rupp Company’s operations, future results and prospects. These forward-looking statements are based on current expectations about important economic, political, and technological factors, among others, and are subject to risks and uncertainties, which could cause the actual results or events to differ materially from those set forth in or implied by the forward-looking statements and related assumptions.

Such factors include, but are not limited to: (1) continuation of the current and projected future business environment, including interest rates, changes in foreign exchange rates, commodity pricing and capital and consumer spending and volatility in domestic oil production activity; (2) competitive factors and competitor responses to initiatives of The Gorman-Rupp Company; (3) successful development and market introductions of anticipated new products; (4) stability of government laws and regulations, including taxes; (5) stable governments and business conditions in emerging economies; (6) successful penetration of emerging economies; (7) unforeseen delays or disruptions in the New Orleans flood control project, including any further revisions to the timing of shipments for the project; (8) continuation of the favorable environment to make acquisitions, domestic and foreign, including regulatory requirements and market values of potential candidates and our ability to successfully integrate and realize the anticipated benefits of completed acquisitions; and (9) risks described from time to time in our reports filed with the Securities and Exchange Commission. Except to the extent required by law, we do not undertake and specifically decline any obligation to review or update any forward-looking statements or to publicly announce the results of any revisions to any of such statements to reflect future events or developments or otherwise.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company’s foreign operations do not involve material risks due to their relative size, both individually and collectively. Approximately 90% of the Company’s sales are domiciled within or originated from the United States. The Company is not exposed to material market risks as a result of its diversified export sales. Export sales generally are denominated in U.S. Dollars and made on open account or under letters of credit.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

The Company maintains a set of disclosure controls and procedures designed to ensure that information required to be disclosed by the Company in reports that it files or submits under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission rules and forms. The Company’s
ITEM 4. CONTROLS AND PROCEDURES – CONTINUED

Disclosure controls and procedures are also designed to ensure that information required to be disclosed in Company reports filed under the Securities Exchange Act of 1934 is accumulated and communicated to the Company’s Management, including the principal executive officer and the principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

An evaluation was carried out under the supervision and with the participation of the Company’s Management, including the principal executive officer and the principal financial officer, of the effectiveness of the design and operation of the Company’s disclosure controls and procedures as of the end of the period covered by this report on Form 10-Q. Based on that evaluation, the principal executive officer and the principal financial officer have concluded that the Company’s disclosure controls and procedures were effective as of March 31, 2015.

Changes in Internal Control Over Financial Reporting

There have been no changes in the Company’s internal control over financial reporting that occurred during the first recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Company’s internal control over financial reporting.

PART II OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

There are no material changes from the legal proceedings previously reported in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2014.

ITEM 1A. RISK FACTORS

There are no material changes from the risk factors previously reported in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2014.
ITEM 6. EXHIBITS

Exhibit (3)(ii) (4) Regulations, as amended
Exhibit 31.1 Certification of Jeffrey S. Gorman, Chief Executive Officer, Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
Exhibit 31.2 Certification of Wayne L. Knabel, Chief Financial Officer, Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
Exhibit 32 Certification pursuant to 18 U.S.C. Section 1350, as adopted Pursuant to Section 906 of The Sarbanes-Oxley Act of 2002.
Exhibit 101 Financial statements from the Quarterly Report on Form 10-Q of The Gorman-Rupp Company for the quarter ended March 31, 2015, formatted in eXtensible Business Reporting Language (XBRL): (i) the Condensed Consolidated Statements of Income, (ii) the Condensed Consolidated Statements of Comprehensive Income, (iii) the Condensed Consolidated Balance Sheets, (iv) the Condensed Consolidated Statements of Cash Flows and (v) the Notes to Condensed Consolidated Financial Statements.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

The Gorman-Rupp Company
(Registrant)

Date: April 29, 2015

By: /s/ Wayne L. Knabel
Wayne L. Knabel
Chief Financial Officer

15
AMENDED REGULATIONS
OF
THE GORMAN-RUPP COMPANY

ARTICLE I
SHAREHOLDERS’ MEETINGS

SECTION 1. ANNUAL MEETINGS.

The annual meeting of the Company shall be held at such time as is set forth in the notice of the meeting, on the fourth Thursday in April of each year, if not a legal holiday, and if a legal holiday, then on the next day not a legal holiday, for the election of Directors and the consideration of reports to be laid before such meeting. Upon due notice, there may also be considered and acted upon at an annual meeting any matter which could properly be considered and acted upon at a special meeting, in which case and for which purpose the annual meeting shall also be considered as, and shall be, a special meeting. When the annual meeting is not held or Directors are not elected thereat, they may be elected at a special meeting called for that purpose.

SECTION 2. SPECIAL MEETINGS.

Special meetings of shareholders may be called by the Chairman of the Board or the President or a Vice President, or by the Directors by action at a meeting or by a majority of the Directors acting without a meeting, or by the person or persons who hold of record not less than twenty-five percent of all shares outstanding and entitled to be voted on any proposal to be submitted at such meeting.

Upon request in writing delivered either in person or by registered mail to the President or Secretary by any person or persons entitled to call a meeting of shareholders, such officer shall forthwith cause to be given, to the shareholders entitled thereto, notice of a meeting to be held not less than seven nor more than sixty days after the receipt of such request, as such officer shall fix. If such notice shall not be given within twenty days after the delivery or mailing of such request, the person or persons calling the meeting may fix the time of the meeting and give, or cause to be given, notice in the manner hereinafter provided.

SECTION 3. PLACE OF MEETINGS.

Any meeting of shareholders may be held either at the principal office of the Company or at such other place within or without the State of Ohio as may be designated in the notice of said meeting.

SECTION 4. NOTICE OF MEETINGS.

Not more than sixty days nor less than ten days before the date fixed for a meeting of shareholders, whether annual or special, written notice of the time, place and purposes of such meeting shall be given by or at the direction of the President, a Vice President, the Secretary or an Assistant Secretary. Such notice shall be given either by personal delivery or by mail to each shareholder of record entitled to notice of such meeting. If such notice is mailed, it shall be addressed to the shareholders at their respective addresses as they appear upon the records of the Company, and notice shall be deemed to have been given on the day so mailed. Notice of adjournment of a meeting need not be given if the time and place to which it is adjourned are fixed and announced at such meeting.
SECTION 5. SHAREHOLDERS ENTITLED TO NOTICE AND TO VOTE.

If a record date shall not be fixed and the books of the Company shall not be closed against transfers of shares pursuant to statutory authority, the record date for the determination of shareholders who are entitled to notice of, or who are entitled to vote at, a meeting of shareholders, shall be the date next preceding the day on which notice is given, or the date next preceding the day on which the meeting is held, as the case may be.

SECTION 6. INSPECTORS OF ELECTION – LIST OF SHAREHOLDERS.

Inspectors of Election may be appointed to act at any meeting of shareholders in accordance with statute.

At any meeting of shareholders, a list of shareholders, alphabetically arranged, showing their respective addresses and the number and classes of shares held by each on the record date applicable to such meeting shall be produced on the request of any shareholder.

SECTION 7. QUORUM.

Subject to the provisions of the Amended Articles of Incorporation, to constitute a quorum at any meeting of shareholders, there shall be present in person or by proxy shareholders of record entitled to exercise not less than fifty percent of the voting power of the Company in respect of any one of the purposes for which the meeting is called.

The shareholders present in person or by proxy, whether or not a quorum be present, may adjourn the meeting from time to time.

SECTION 8. VOTING.

In all cases, except where otherwise by statute or the Articles or the Regulations provided, a majority of the votes cast shall control.

Cumulative voting in the election of Directors shall be permitted as provided by statute.

SECTION 9. REPORTS TO SHAREHOLDERS.

At the annual meeting, or the meeting to be held in lieu thereof, the officers of the Company shall lay before the shareholders a financial statement as required by statute.

SECTION 10. ACTION WITHOUT A MEETING.

Any action which may be authorized or taken at a meeting of the shareholders may be authorized or taken without a meeting with the affirmative vote or approval of, and in a writing or writings signed by, all of the shareholders who would be entitled to notice of a meeting for such purpose, which writing or writings shall be filed with or entered upon the records of the Company.
ARTICLE II
DIRECTORS

SECTION 1. ELECTION, NUMBER AND TERM OF OFFICE.

The Directors shall be elected at the annual meeting of shareholders, or if not so elected, at a special meeting of shareholders called for that purpose, and each Director shall hold office until the date fixed by these Regulations for the next succeeding annual meeting of shareholders and until his successor is elected, or until his earlier resignation, removal from office, or death. At any meeting of shareholders at which Directors are to be elected, only persons nominated as candidates shall be eligible for election.

The number of Directors, which shall not be less than three, may be fixed or changed at a meeting called for the purpose of electing Directors at which a quorum is present, by the affirmative vote of the holders of a majority of the shares represented at the meeting and entitled to vote on such proposal. In case the shareholders at any meeting for the election of Directors shall fail to fix the number of Directors to be elected, the number elected shall be deemed to be the number of Directors so fixed.

SECTION 2. MEETINGS.

Regular meetings of the Directors shall be held immediately after the annual meeting of shareholders and at such other times and places as may be fixed by the Directors, and such meetings may be held without further notice.

Special meetings of the Directors may be called by the Chairman of the Board or by the President or by a Vice President or by the Secretary of the Company, or by not less than one-third of the Directors. Notice of the time and place of a special meeting shall be served upon or telephoned to each Director at least twenty-four hours, or mailed, telegraphed or cabled to each Director at least forty-eight hours, prior to the time of the meeting.

SECTION 3. QUORUM.

A majority of the number of Directors then in office shall be necessary to constitute a quorum for the transaction of business, but if at any meeting of the Directors there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time without notice other than announcement at the meeting until a quorum shall attend.

SECTION 4. ACTION WITHOUT A MEETING.

Any action which may be authorized or taken at a meeting of the Directors may be authorized or taken without a meeting with the affirmative vote or approval of, and in a writing or writings signed by, all of the Directors, which writing or writings shall be filed with or entered upon the records of the Company.

SECTION 5. COMMITTEES.

The Directors may from time to time appoint one or more of its members to act as a committee or committees of Directors in the intervals between meetings of the Directors and may delegate to such committee or committees any of the authority of the Directors other than that of filling vacancies among the Directors or in any committee of the Directors. Each such committee and each member thereof shall serve at the pleasure of the Board. The Directors may appoint one or more Directors as alternate members of any such committee, who may take the place of any absent member or members at any meeting of such committee.

In particular, the Directors may create and define the powers and duties of an Executive Committee. Except as above provided and except to the extent that its powers are limited by the Directors, the Executive Committee during the intervals between meetings of the Directors shall possess and may exercise, subject to the control and direction of
the Directors, all of the powers of the Directors in the management and control of the business of the Company, regardless of whether such powers are specifically conferred by these Regulations. All action taken by the Executive Committee shall be reported to the Directors at their first meeting thereafter.

Unless otherwise ordered by the Directors, a majority of the members of any committee appointed by the Directors pursuant to this section shall constitute a quorum at any meeting thereof, and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of such committee. Action may be taken by any such committee without a meeting by a writing or writings signed by all of its members. Any such committee shall prescribe its own rules for calling and holding meetings and its method of procedure, subject to any rules prescribed by the Directors, and shall keep a written record of all action taken by it.

Unless otherwise restricted by action of the Board of Directors, any committee of Directors created pursuant to this section may further delegate any or all of its authority and duties to a subcommittee of one or more of its members.

ARTICLE III

OFFICERS

SECTION 1. OFFICERS.

The Company may have a Chairman of the Board and shall have a President (both of whom shall be Directors), a Secretary and a Treasurer. The Company may also have one or more Vice Presidents and such other officers and assistant officers as the Directors may deem necessary. All of the officers and assistant officers shall be elected by the Directors.

SECTION 2. AUTHORITY AND DUTIES OF OFFICERS.

The officers of the Company shall have such authority and shall perform such duties as are customarily incident to their respective offices, or as may be specified from time to time by the Directors regardless of whether such authority and duties are customarily incident to such office.

SECTION 3. COMPENSATION.

The Directors shall fix the compensation of the Chairman of the Board and of the President and shall fix or authorize one or more officers or Directors to fix the compensation of any or all other officers. The Directors may authorize compensation to any Director and to any member of any committee for attendance at meetings and for any special services.

ARTICLE IV

INDEMNIFICATION AND INSURANCE

SECTION 1. INDEMNIFICATION.

(a) The Company shall indemnify any person who was or is a party or is threatened to be made a party, to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a Director, officer, employee or agent of the Company, or is or was serving at the
request of the Company as a director, trustee, officer, employee or agent of another corporation, domestic or foreign, nonprofit or for profit, partnership, joint venture, trust or other enterprise, to the full extent permitted from time to time under the laws of the State of Ohio; provided, however, that the Company shall indemnify any such agent (as opposed to any Director, officer or employee) of the Company to an extent greater than that required by law only if and to the extent that the Directors may, in their discretion, so determine.

(b) The indemnification authorized by this Article shall not be exclusive of, and shall be in addition to, any other rights granted to those seeking indemnification hereunder or under the Articles or any agreement, vote of shareholders or disinterested Directors, or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, trustee, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

(c) No amendment, termination or repeal of this Article IV shall affect or impair in any way the rights of any Director or officer of the Company to indemnification under the provisions hereof with respect to any action, suit or proceeding arising out of, or relating to, any actions, transactions or facts occurring prior to the final adoption of such amendment, termination or repeal.

SECTION 2. LIABILITY INSURANCE.

The Company may purchase and maintain insurance or furnish similar protection, including but not limited to trust funds, letters of credit or self-insurance, on behalf of or for any person who is or was a Director, officer, employee or agent of the Company, or is or was serving at the request of the Company as a director, trustee, officer, employee or agent of another corporation, domestic or foreign, nonprofit or for profit, partnership, joint venture, trust or other enterprise, against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, regardless of whether the Company would have the power to indemnify him against such liability under this Article. Insurance may be purchased from or maintained with a person in which the Company has a financial interest.

ARTICLE V

MISCELLANEOUS

SECTION 1. TRANSFER AND REGISTRATION OF CERTIFICATES.

The Directors shall have authority to make such rules and regulations as they deem expedient concerning the issuance, transfer and registration of certificates for shares and the shares represented thereby and may appoint transfer agents and registrars thereof.

SECTION 2. SUBSTITUTED CERTIFICATES.

Any person claiming a certificate for shares to have been lost, stolen or destroyed shall make an affidavit or affirmation of that fact, shall give the Company and its registrar or registrars and its transfer agent or agents a bond of indemnity satisfactory to the Directors or to the Executive Committee or to the President or a Vice President and the Secretary or the Treasurer, and, if required by the Directors or the Executive Committee or such officers, shall advertise the same in such manner as may be required, whereupon a new certificate may be executed and delivered of the same tenor and for the same number of shares as the one alleged to have been lost, stolen or destroyed.
SECTION 3. VOTING UPON SHARES HELD BY THE COMPANY.

Unless otherwise ordered by the Directors, the President, in person or by proxy or proxies appointed by him, shall have full power and authority on behalf of the Company to vote, act and consent with respect to any shares issued by other corporations which the Company may own.

SECTION 4. CORPORATE SEAL.

The seal of the Company shall be circular in form with the name of the Company stamped around the margin and the words “Corporate Seal” stamped across the center.

SECTION 5. ARTICLES TO GOVERN.

In case any provision of these Regulations shall be inconsistent with the Articles, the Articles shall govern.

SECTION 6. AMENDMENTS.

These Regulations may be amended by the affirmative vote or the written consent of the shareholders of record entitled to exercise a majority of the voting power on such proposal, provided, however, that if an amendment is adopted by written consent without a meeting of the shareholders, the Secretary shall mail a copy of such amendment to each shareholder of record who would have been entitled to vote thereon and did not participate in the adoption thereof.
CERTIFICATIONS

I, Jeffrey S. Gorman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Gorman-Rupp Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: April 29, 2015

/s/ Jeffrey S. Gorman
Jeffrey S. Gorman
President and Chief Executive Officer
The Gorman-Rupp Company
(Principal Executive Officer)
CERTIFICATIONS

I, Wayne L. Knabel, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Gorman-Rupp Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: April 29, 2015

/s/ Wayne L. Knabel
Wayne L. Knabel
Chief Financial Officer
The Gorman-Rupp Company
(Principal Financial Officer)
In connection with the Quarterly Report of The Gorman-Rupp Company on Form 10-Q for the quarter ended March 31, 2015, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), each of the undersigned officers of the Company certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to such officer’s knowledge:

1. The Report fully complies with the requirements of Section 13(a) and 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods expressed in the Report.

Date: April 29, 2015

/s/ Jeffrey S. Gorman
Jeffrey S. Gorman
President and Chief Executive Officer
(Principal Executive Officer)

/s/ Wayne L. Knabel
Wayne L. Knabel
Chief Financial Officer
(Principal Financial Officer)

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.

24