

The Gorman-Rupp Company, founded in 1933, designs, manufactures and sells pumps and related equipment (pump and motor controls) for use in water, wastewater, construction, industrial, petroleum, original equipment, agriculture, fire protection, heating, ventilation and air conditioning (HVAC), military and other liquid-handling applications at 11 locations in the United States and 7 locations in other countries. The Company markets these products through its wholly owned subsidiaries and a broad network of distributors, through manufacturers' representatives, through third-party distributor catalogs and by direct sales in the United States and internationally.

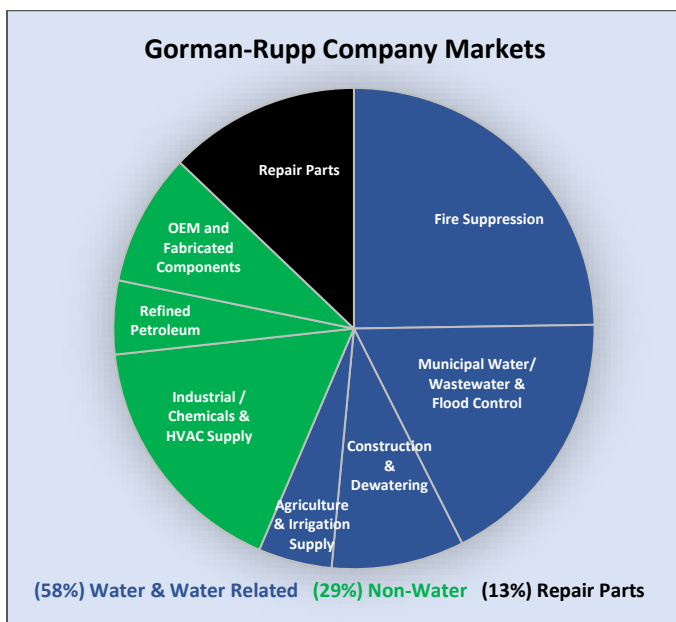
## Overview

- Founded in 1933 by J.C. Gorman and H.E. Rupp
- Global Headquarters: Mansfield, Ohio, USA
- 10 subsidiaries, 18 global locations
- 1,150 employees worldwide
- Sales to 130 countries
- No third-party debt
- 49 consecutive years of annual dividend increases
- New York Stock Exchange: GRC
- Chairman and CEO: Jeffrey S. Gorman
- President and COO: Scott A. King

## Global Operations



## Market Diversity



## Mission Statement

Over eighty-five years ago, The Gorman-Rupp Company was established upon a philosophy of, and a commitment to, product quality and technological leadership in the pump industry. Gorman-Rupp's philosophy of growth and service is reflected in the mission statement made by co-founders J.C. Gorman and H.E. Rupp, which reads:

*"To provide a quality product, competitively priced, delivered on time, backed by reliable service, at a profit that provides an equitable return to our shareholders, as well as providing our employees with competitive wages and benefits."*

The fulfillment of this commitment has provided the foundation for The Gorman-Rupp Company to become a world pump leader, where the Company continues to emphasize customer training and education as part of the sales process.

## Focus on Product Quality and Customer Service

- Leading designer and manufacturer of pumps and pump systems
- Certified state of the art testing facilities
- Emphasis on customer training and education
- Over 5,000 pump models
- Nearly two million square feet of design, manufacturing and distribution space worldwide
- Well positioned international facilities
- Investment in R&D – history of innovation

## Focus on Employees

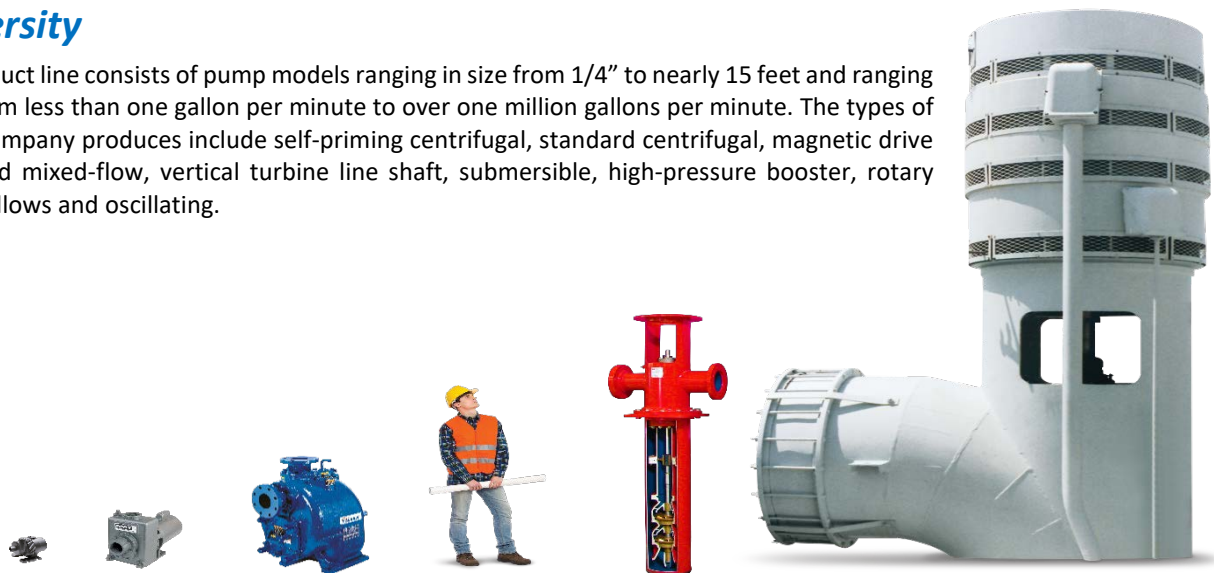
- Invest in resources to develop talent needed to be an industry leading manufacturer
- Provide training opportunities and educational benefits to assist in career development and skill expansion
- Average employee tenure of approximately 12 years reflects our strong culture
- Competitive compensation packages, including profit sharing for all employees
- Emphasis on health and safety through upfront and ongoing training
- Commitment to fundamental human rights
- Promotion of inclusion and diversity

## Investment Profile

- Over 85 years of innovation and quality pump leadership
- Consistent management team with proven results
- Product and market diversification
- Strong balance sheet
- Well positioned for long-term sustainable growth
- Significant acquisition and expansion flexibility
- History of returning capital to shareholders
- Dividend track record

## Product Diversity

The Company's product line consists of pump models ranging in size from 1/4" to nearly 15 feet and ranging in rated capacity from less than one gallon per minute to over one million gallons per minute. The types of pumps which the Company produces include self-priming centrifugal, standard centrifugal, magnetic drive centrifugal, axial and mixed-flow, vertical turbine line shaft, submersible, high-pressure booster, rotary gear, diaphragm, bellows and oscillating.



## Financial Highlights (2020)

<b>Net Sales</b>	<b>Adjusted EPS</b>	<b>Free Cash Flow</b>	<b>Dividends Per Share</b>	<b>Consecutive Years Of Dividend Growth</b>	<b>Total Debt</b>
\$349 M	\$0.97	\$25.1 M	\$0.59	49	\$0

## Consolidated Income Statements and Selected Financial Data

(Dollars in thousands, except per share data)

	Year Ended December 31,				
	2020	2019	2018	2017	2016
Net sales	\$348,967	\$398,179	\$414,334	\$379,389	\$382,071
Cost of products sold	259,412	295,504	304,413	278,181	289,543
Gross profit	89,555	102,675	109,921	101,208	92,528
Selling, general and administrative expenses	53,802	58,835	59,282	55,474	54,294
Impairment charges	-	-	-	4,098	1,800
Operating income	35,753	43,840	50,639	41,636	36,434
Other (expense) income, net	(4,507)	1,326	(323)	(2,258)	48
Income before income taxes	31,246	45,166	50,316	39,378	36,482
Income taxes	6,058	9,351	10,337	12,823	11,599
Net income	\$25,188	\$35,815	\$39,979	\$26,555	\$24,883
Earnings per share (EPS)	\$0.97	\$1.37	\$1.53	\$1.02	\$0.95

	Year ended December 31,				
	2020	2019	2018	2017	2016
<b>Financial Position</b>					
Current Ratio	6.4	5.0	4.3	5.0	4.1
Adjusted EBITDA (1)	48,539	58,916	67,653	62,577	53,831
Free cash flow (2)	25,146	33,634	43,389	42,555	35,736
<b>Dividend Information:</b>					
Regular cash dividends per share	0.59	0.55	0.51	0.47	0.43
Special cash dividend per share	-	-	2.00	-	-

(1) Adjusted EBITDA equals EBITDA less impairment and pension settlement charges.

(2) Free cash flow equals Adjusted EBITDA, less regular dividends and normal capital expenditures.