

Corporate Profile

The Gorman-Rupp Company 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, ventilating and air conditioning (HVAC), military and other liquid-handling applications at seven locations (Mansfield and Bellville, Ohio; Toccoa and Buford, Georgia; Royersford, Pennsylvania; St. Thomas, Ontario, Canada; and County Westmeath, Ireland) and markets these products through its wholly owned subsidiaries and a network of about 1,000 distributors, through manufacturers' representatives, through third-party distributor catalogs and by direct sales in the United States, Canada and the world.

Gorman-Rupp, founded in 1933, is headquartered in Mansfield, Ohio and has over 1,000 employees. Record sales in 2006 reflect growth in the fire protection, original equipment manufacturer, municipal, and international markets. Positive cash flow from operations, profitability of all the Company's divisions, and no bank debt positions the Company well for the future. The Company increased the cash dividend in 2006 sustaining a record of dividend increases for 34 consecutive years.

Corporate Purpose

Almost seventy 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.

The Gorman-Rupp Company and Subsidiaries Comparative Income Statement Analysis (unaudited)

(in thousands of dollars, except per share data)

Financial Position:	Three Months Ended	Year ended December 31,				
	March 31, 2007	2006	2005	2004	2003	2002
Net sales	\$74,461	\$270,910	\$231,249	\$203,554	\$195,826	\$195,081
Cost of products sold	58,396	212,234	184,178	161,129	153,975	153,630
Gross profit	16,065	58,676	47,071	42,425	41,851	41,451
Sell, gen. admin. expense	8,440	32,411	30,368	28,999	27,988	27,921
Operating income	7,625	26,265	16,703	13,426	13,863	13,530
Other income (expense)	418	1,461	435	926	537	673
Income before income taxes	8,043	27,726	17,138	14,352	14,400	14,203
Income taxes	2,951	8,654	6,235	5,075	4,613	5,267
Net income	\$5,092	\$19,072	\$10,903	\$9,277	\$9,787	\$8,936
Basic and diluted EPS	\$0.38	\$1.43	\$0.82	\$0.69	\$0.73	\$0.67

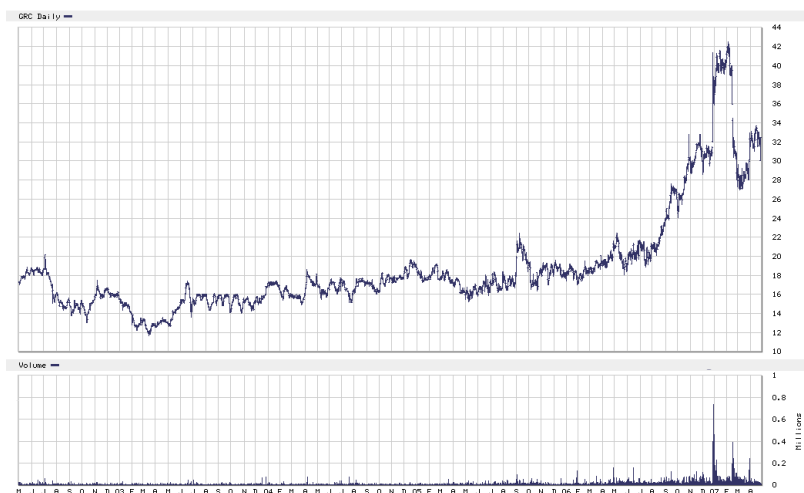
Quarter Ended 2007

	Mar. 31
Net sales	\$74,461
Gross profit	16,065
Net income	5,092
Basic & diluted EPS	\$0.38

Quarter Ended 2006

	Mar. 31	Jun. 30	Sep. 30	Dec. 31
Net sales	\$67,087	\$67,905	\$70,833	\$65,085
Gross profit	14,950	15,587	16,590	11,549
Net income	4,538	5,499	6,612	2,423
Basic & diluted EPS	\$0.34	\$0.41	\$0.50	\$0.18

5 Year Stock Prices



The Gorman-Rupp Company AMEX: GRC

Recent Price	\$32.03
52-Week Range	\$18.08 - \$42.52
12-Month Diluted EPS	\$1.47*
Book Value/Diluted Share	\$9.84
Market Capital (millions)	\$427.92
Dividend	\$0.464*
Shares Outstanding	13,360,004
Estimated Float	57.1%

*Trailing 12 months

Condensed Balance Sheets (unaudited)

(in thousands of dollars)

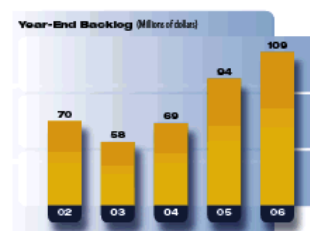
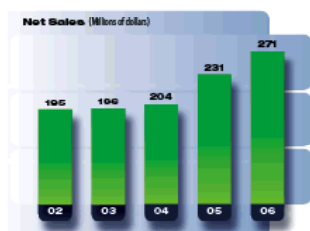
	March 31, 2007	December 31, 2006		March 31, 2007	December 31, 2006
Cash & cash equivalents	\$24,125	\$16,855	Accounts payable	\$10,193	\$10,417
Accounts receivable	44,912	45,135	Accrued liabilities & expenses	17,024	17,229
Inventories	48,911	50,299	Total Current Liabilities	27,217	27,646
Deferred income taxes & other current assets	4,401	7,829	Income tax payable	1,211	0
Total Current Assets	122,349	120,118	Retirement & postretirement benefits	30,814	31,752
Property, plant & equipment - net	52,305	52,351	Shareholders' equity	131,432	128,142
Deferred income taxes & other assets	16,020	15,071	Total Liabilities & Shareholders' Equity	\$190,674	\$187,540
Total Assets	\$190,674	\$187,540	<i>Shares Outstanding</i>	<i>13,360,004</i>	<i>13,360,004</i>

Summary of Selected Financial Data (unaudited)

(in thousands of dollars, except per share data)

	Three Months Ended		Year Ended December 31,				
	March 31, 2007	2006	2005	2004	2003	2002	
Financial Position:							
Current assets	\$122,349	\$120,118	\$110,501	\$96,974	\$95,718	\$85,315	
Current liabilities	27,217	27,646	28,219	21,112	21,908	19,282	
Working capital	95,132	92,472	82,282	75,862	73,810	66,033	
Current ratio	4.5	4.3	3.9	4.6	4.4	4.4	
Property, plant & equipment - net	52,305	52,351	51,505	54,812	54,338	57,757	
Capital additions - net	1,567	7,258	3,189	7,500	3,698	5,765	
Depreciation & amortization	1,694	6,688	6,808	7,179	7,274	7,035	
Total assets	190,674	187,540	179,541	165,673	162,395	154,302	
Long-term debt	-	-	-	-	-	-	
Shareholders' equity	131,432	128,142	127,048	121,898	117,918	112,912	
Dividends paid	1,603	6,126	5,983	5,907	5,809	5,550	
Average number of employees	1,060	1,049	991	963	997	1,054	
Shareholder Information:							
Basic & diluted EPS	\$1.47*	\$1.43	\$0.82	\$0.69	\$0.73	\$0.67	
Cash dividends per share	0.464*	0.456	0.448	0.442	0.435	0.416	
EBITDA per share	2.65*	2.45	1.79	1.62	1.63	1.60	
Free cash flow	20,126*	19,669	11,728	10,549	11,252	10,421	
Average shares outstanding	13,360,004	13,358,145	13,354,394	13,350,173	13,345,492	13,340,805	
Average daily share volume	24,648*	24,288	10,858	7,928	7,305	8,894	
Price:							
High	\$42.52*	\$38.86	\$22.39	\$19.67	\$20.16	\$20.16	
Low	18.08*	17.02	15.20	14.91	11.65	13.06	
Average Price/Earnings	20.6*x	19.5x	23.0x	24.8x	19.8x	24.8x	

*Trailing 12 months



Per share data reflect the 5 for 4 stock split effective December 8, 2006.

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For Additional Information:

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Open Enrollment Dividend Reinvestment and Stock Purchase Plan

A plan for investment in shares of common stock of The Gorman-Rupp Company is available through National City Bank. Whether purchasing shares for the first time or adding to existing holdings, investors can now buy and sell common shares of The Gorman-Rupp Company directly through National City's Open Enrollment Dividend Reinvestment and Stock Purchase Plan. For additional information, write to the Company, Attention: Corporate Secretary, for a copy of the plan brochure.