

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, Georgia; Royersford, Pennsylvania; St. Thomas, Ontario, Canada; County Westmeath, Ireland; and Leeuwarden, The Netherlands) and markets these products through its wholly and majority 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. Sales growth in water and wastewater applications, fire protection, fabricated components and continued strength in international business contributed to the Company's record year in 2008. 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 2008 sustaining a record of dividend increases for 36 consecutive years.

Corporate Purpose

Over 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

(in thousands of dollars, except per share data)

Financial Position:	Twelve Months Ended		Year ended December 31,			
	December 31, 2008	2007	2006	2005	2004	2003
Net sales	\$330,646	\$305,562	\$270,910	\$231,249	\$203,554	\$195,826
Cost of products sold	253,557	238,110	212,234	184,178	161,129	153,975
Gross profit	77,089	67,452	58,676	47,071	42,425	41,851
Selling, general and administrative expenses	38,101	34,567	32,411	30,368	28,999	27,988
Operating income	38,988	32,885	26,265	16,703	13,426	13,863
Other income (expense)	1,506	2,498	1,461	435	926	537
Income before income taxes	40,494	35,383	27,726	17,138	14,352	14,440
Income taxes	13,297	12,524	8,654	6,235	5,075	4,613
Net income	\$27,197	\$22,859	\$19,072	\$10,903	\$9,277	\$9,787
Basic and diluted EPS	\$1.63	\$1.37	\$1.14	\$0.66	\$0.55	\$0.58

Quarter Ended 2008

	Mar. 31	Jun. 30	Sept. 30	Dec. 31
Net sales	\$81,434	\$84,031	\$84,188	\$80,993
Gross profit	19,844	20,406	20,172	16,667
Net income	7,152	7,895	7,385	4,765
Basic & diluted EPS	\$0.43	\$0.47	\$0.44	\$0.29

Quarter Ended 2007

	Mar. 31	Jun. 30	Sept. 30	Dec. 31
Net sales	\$74,461	\$79,647	\$74,629	\$76,825
Gross profit	16,065	18,099	16,267	17,021
Net income	5,092	6,538	5,475	5,754
Basic & diluted EPS	\$0.30	\$0.39	\$0.33	\$0.35

The Gorman-Rupp Company NYSE Alternext: GRC

Recent Price	\$17.69
52-Week Range	\$18.25-\$45.85
12-Month Diluted EPS	\$1.63
Book Value/Shares Outstanding	\$9.49
Market Capital (millions)	\$295.60
Current Dividend Rate	\$0.40
Shares Outstanding	16,707,535
Estimated Float	71.9%

Shares outstanding and per share data reflect the 5 for 4 stock split effective December 10, 2007.

5 Year Stock Prices



Condensed Balance Sheets

(in thousands of dollars)

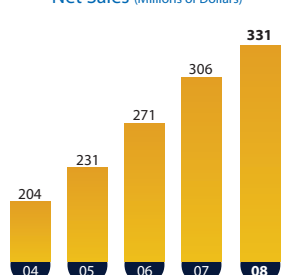
	December 31, 2008	December 31, 2007		December 31, 2008	December 31, 2007
Cash and cash equivalents	\$23,793	\$30,190	Accounts payable	\$15,878	\$14,162
Accounts receivable	48,200	47,256	Accrued liabilities & expenses	19,691	19,319
Inventories	56,881	53,223	Total current liabilities	35,569	33,481
Deferred income taxes & other current assets	5,392	4,619	Income taxes payable	863	823
Total current assets	134,266	135,288	Retirement & postretirement benefits	35,441	26,661
Property, plant & equipment - net	80,406	59,970	Deferred income taxes	459	609
Deferred income taxes & other assets	16,866	16,276	Minority interest	618	520
Total assets	\$231,538	\$211,534	Shareholders' equity	158,588	149,440
			Total liabilities & shareholders' equity	\$231,538	\$211,534
			<i>Shares Outstanding</i>	16,707,535	16,703,035

Summary of Selected Financial Data

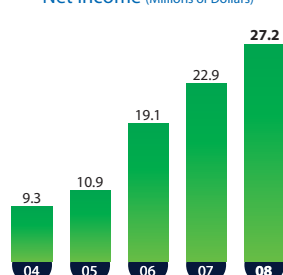
(in thousands of dollars, except per share data)

	Twelve Months Ended		Year Ended December 31,			
	December 31, 2008	2007	2006	2005	2004	2003
Financial Position:						
Current assets	\$134,266	\$135,288	\$120,118	\$110,501	\$96,974	\$95,718
Current liabilities	35,569	33,481	27,646	28,219	21,112	21,908
Working capital	98,697	101,807	92,472	82,282	75,862	73,810
Current ratio	3.8	4.0	4.3	3.9	4.6	4.4
Property, plant & equipment - net	80,406	59,970	52,351	51,505	54,812	54,338
Capital additions - net	27,909	12,826	7,258	3,189	7,500	3,698
Depreciation & amortization	7,848	7,597	6,688	6,808	7,179	7,274
Total assets	231,538	211,534	187,540	179,541	165,673	162,395
Shareholders' equity	158,588	149,440	128,142	127,048	121,898	117,918
Dividends paid	6,682	6,503	6,126	5,983	5,907	5,809
Average number of employees	1,093	1,065	1,049	991	963	997
Shareholder Information:						
Basic & diluted EPS	\$1.63	\$1.37	\$1.14	\$0.66	\$0.55	\$0.58
Cash dividends per share	0.400	0.388	0.365	0.358	0.354	0.348
EBITDA per share	2.89	2.58	2.06	1.43	1.30	1.30
Free cash flow	28,363	23,954	19,634	11,728	10,549	11,252
Average shares outstanding	16,705,210	16,701,175	16,696,962	16,692,273	16,686,997	16,681,146
Average daily share volume	30,527	32,468	30,360	13,573	9,910	9,131
Price:						
High	\$45.85	\$36.50	\$31.09	\$17.91	\$15.74	\$16.13
Low	18.25	21.61	13.62	12.16	11.93	9.32
Average Price/Earnings	19.66x	21.2x	19.6x	22.8x	25.2x	21.9x

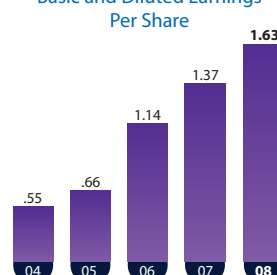
Net Sales (Millions of Dollars)



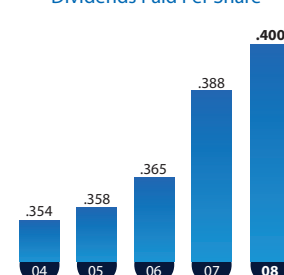
Net Income (Millions of Dollars)



Basic and Diluted Earnings Per Share



Dividends Paid Per Share



Shares outstanding and per share data reflect the 5 for 4 stock split, effective December 10, 2007.

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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.