
Graham Corporation 20 Florence Avenue Batavia, NY 14020

IMMEDIATE RELEASE

Graham Corporation Announces \$7 Million in Orders

- ***US orders driven by resurgence of chemical/petrochemical industry resulting from availability of low cost natural gas***
- ***Awarded order for ejector system replacement condensers for South American refinery***

BATAVIA, NY, August 14, 2013 – Graham Corporation (NYSE MKT: GHM) (“Graham” or the “Company”), a global business that engineers, manufactures, and sells critical equipment for the oil refining, petrochemical and power industries, and also supplies components and raw materials for nuclear energy facilities, announced that it was recently awarded four orders totaling \$7 million for the North and South American refining, chemical/petrochemical and power markets. The projects are expected to ship during the first three quarters of fiscal 2015.

Two of the orders are for steam surface condensers to be installed at fertilizer facilities in the US. The first condenser will be installed in the power generation plant of an existing fertilizer production operation and will be used to convert waste steam to electricity. The second surface condenser will be installed at a new world-scale grassroots ammonia and urea fertilizer complex. The third order, also for a US application, is for replacement heat exchangers for a nuclear utility. Finally, the Company will supply ejector system replacement condensers for a South American oil refiner.

James R. Lines, Graham’s President and Chief Executive Officer, commented, “The low cost of natural gas continues to create opportunities for our products. Natural gas is a primary feedstock for ammonia and urea production. One of our orders will be installed in a facility that represents the first of its scale to be built in the US in over 15 years. Further, we believe that our large global installed base will continue to drive replacement demand as worldwide refining facilities upgrade and expand.

“We believe that we are in a strong position to address the growing demand correlated to the solid bidding pipeline that we have been experiencing over the last 12 months. We believe that these recent orders are indicative of our customers’ commitments to these types of projects and their willingness to invest at this point in the cycle,” concluded Mr. Lines.

ABOUT GRAHAM CORPORATION

With world-renowned engineering expertise in vacuum and heat transfer technology, Graham Corporation is a global designer, manufacturer and supplier of custom-engineered ejectors, pumps, condensers, vacuum systems and heat exchangers. For more than 75 years, Graham has built a reputation for top quality, reliable products and high-standards of customer service. Sold either as components or complete system solutions, the principal markets for Graham’s equipment are energy, including oil and gas refining and nuclear and other power generation, chemical/petrochemical and other process industries. In addition, Graham’s equipment can be found in diverse applications, such as metal refining, pulp and paper processing, shipbuilding, water heating, refrigeration, desalination, food processing, pharmaceutical, heating, ventilating and air conditioning, and in nuclear power installations, both inside the reactor vessel and outside the containment vessel.

Graham Corporation’s subsidiary Energy Steel & Supply Co. is a leading code fabrication and specialty machining company dedicated exclusively to the nuclear power industry.

Graham Corporation's reach spans the globe. Its equipment is installed in facilities from North and South America to Europe, Asia, Africa and the Middle East. Graham routinely posts news and other important information on its website, www.graham-mfg.com, where additional comprehensive information on Graham Corporation and its subsidiaries can be found.

Safe Harbor Regarding Forward Looking Statements

This news release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended.

Forward-looking statements are subject to risks, uncertainties and assumptions and are identified by words such as "expects," "estimates," "projects," "anticipates," "believes," "appears," "could," "plan," and other similar words. All statements addressing operating performance, events, or developments that Graham Corporation expects or anticipates will occur in the future, including but not limited to, the expected performance of Energy Steel & Supply Co, expected expansion and growth opportunities within the domestic and international nuclear power generation markets, anticipated revenue, the timing of conversion of backlog to sales, market presence, profit margins, tax rates, foreign sales operations, its ability to improve cost competitiveness, customer preferences, changes in market conditions in the industries in which it operates, changes in general economic conditions and customer behavior, forecasts regarding the timing and scope of the economic recovery in its markets, and its acquisition strategy are forward-looking statements. Because they are forward-looking, they should be evaluated in light of important risk factors and uncertainties. These risk factors and uncertainties are more fully described in Graham Corporation's most recent Annual and Quarterly Reports filed with the Securities and Exchange Commission, including under the heading entitled "Risk Factors."

Should one or more of these risks or uncertainties materialize, or should any of Graham Corporation's underlying assumptions prove incorrect, actual results may vary materially from those currently anticipated. In addition, undue reliance should not be placed on Graham Corporation's forward-looking statements. Except as required by law, Graham Corporation disclaims any obligation to update or publicly announce any revisions to any of the forward-looking statements contained in this news release.

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