
Graham Corporation 20 Florence Avenue Batavia, NY 14020

IMMEDIATE RELEASE

Graham Corporation Wins \$8 Million of Orders for Global Oil Refining Projects

- ***Oil refinery order to provide a new Graham ejector system in China***
- ***Two orders to replace ejector system components in Canadian Oil Sands and in U.S.***

BATAVIA, NY, June 10, 2014 – Graham Corporation (NYSE: GHM), a global business that designs, manufactures, and sells critical equipment for the oil refining, petrochemical and power industries, including the supply of components and raw materials to nuclear energy facilities, announced that it has been awarded three refinery orders for projects valued at approximately \$8 million in total. One of the orders relates to the upgrade of a refinery in China and the other two orders are for replacement components at North American refineries. Shipments are expected to occur within the next 9 to 12 months.

The China refinery upgrade order calls for a new Graham ejector system engineered to improve conversion of crude oil to transportation fuels. The other two orders, one of which is for the Canadian Oil Sands and the other for the U.S., are for ejector system components that must be replaced due to corrosion resulting from their harsh operating environments. Demand for upgraded, revamped and replacement equipment to the oil refining market has been strong, especially given the industry's desire to extend intervals between planned shutdowns for inspection and maintenance. The operating environments for equipment used in such facilities can be harsh and corrosive, which in turn drives refineries to make investments to improve throughput and performance.

James R. Lines, Graham's President and Chief Executive Officer, commented, "Winning these refinery orders in China, the Canadian Oil Sands and the U.S. demonstrates the geographic breadth of our presence in global refining markets. These markets present various opportunities to us, including new capacity, revamps to existing refineries to allow for the processing of new feedstocks or differing end products, and new process units designed to reduce pollution from transportation fuels. The aftermarket segment of the refining markets is different from other portions of the refining markets we serve in that order execution is typically less complicated and lead times are generally shorter than they are for new capacity or feedstock flexibility investments. This allows for a quicker project turnaround."

Mr. Lines concluded, "Our bidding pipeline continues to be very full and active. This, and our recent order activity, supports our confidence in our guidance for fiscal 2015. Our long-term growth objective is to double our revenue to exceed \$200 million in the current cycle."

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 77 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.

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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," "objective," "typically," "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 Report filed with the Securities and Exchange Commission, included 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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