

## MAJOR SUBSIDIARIES AND AFFILIATES

(As of July 1, 1999)

|  | Paid-in capital     | Principal business  |
|--|---------------------|---|
| <b>Sumitomo (S.H.I) Construction Machinery Co., Ltd.</b>         | ¥9,000 million      | Construction machinery  |
| <b>Shin Nippon Machinery Co., Ltd.</b>                           | ¥2,408 million      | Turbines, pumps, fasteners and blowers  |
| <b>Nihon Spindle Mfg. Co., Ltd.</b>                              | ¥3,276 million      | Spinning machinery and environmental protection equipment   |
| <b>Sumitomo Eaton Nova Corporation</b>                           | ¥ 600 million       | Semiconductor equipment, especially ion implantation systems  |
| <b>Sumitomo Eaton Hydraulics Co., Ltd.</b>                       | ¥ 825 million       | Hydraulic motors, pumps and power transmission equipment  |
| <b>Sumitomo Yale Co., Ltd.</b>                                   | ¥1,000 million      | Forklift trucks and logistic handling equipment   |
| <b>Izumi Food Machinery Co., Ltd.</b>                            | ¥ 120 million       | Food processing machinery and related equipment   |
| <b>Lightwell Co., Ltd.</b>                                       | ¥ 480 million       | Software and related equipment  |
| <b>Sumitomo Heavy Industries Foundry &amp; Forging Co., Ltd.</b> | ¥ 450 million       | Castings and forgings   |
| <b>Sumitomo Heavy Industries PTC Sales Co., Ltd.</b>             | ¥ 200 million       | Power transmission equipment  |
| <b>SHI Plastics Machinery, Ltd.</b>                              | ¥ 300 million       | Plastics machinery  |
| <b>Sumiju Environmental Engineering, Inc.</b>                    | ¥ 120 million       | Maintenance and operation control for environmental systems and plants  |
| <b>Sumiju Machinery &amp; Engineering Co., Ltd.</b>              | ¥ 90 million        | Production and installation of machinery and equipment  |
| <b>Marine United, Inc.</b>                                       | ¥ 480 million       | Design and construction of naval ships, merchant vessels and offshore structures  |
| <b>Osaka Chain &amp; Machinery, Ltd. Inc.</b>                    | ¥ 800 million       | Power transmission equipment  |
| <b>Sumitomo Heavy Industries (U.S.A.), Inc.</b>                  | US\$500 thousand    | Sales, service and market research (for industrial machinery and ships)   |
| <b>Sumitomo Heavy Industries (Europe) Ltd.</b>                   | STG£100 thousand    | Sales, service and market research (for industrial machinery and ships)   |
| <b>Sumitomo Heavy Industries (South East Asia) Pte., Ltd.</b>    | S\$200 thousand     | Sales, service and market research (for industrial machinery and ships)   |
| <b>Sumitomo Machinery Corporation of America</b>                 | US\$7,723 thousand  | Power transmission equipment  |
| <b>Sumitomo (SHI) Cyclo Drive Europe, Ltd.</b>                   | STG£6,400 thousand  | Power transmission equipment  |
| <b>Sumitomo (SHI) Cyclo Drive Asia Pacific Pte., Ltd.</b>        | S\$3,000 thousand   | Power transmission equipment  |
| <b>Sumitomo (SHI) Cyclo Drive Tianjin, Ltd.</b>                  | RMB54,000 thousand  | Power transmission equipment  |
| <b>SHI Plastics Machinery Inc. of America</b>                    | US\$7,000 thousand  | Holding company of Sumitomo (SHI) Plastics Machinery Mfg. (USA), LLC and Sumitomo (SHI) Plastics Machinery (America), LLC |
| <b>SHI Plastics Machinery (Europe) B.V.</b>                      | NLG3,000 thousand   | Plastics machinery  |
| <b>S.H.I. Plastics Machinery (S) Pte., Ltd.</b>                  | S\$2,400 thousand   | Plastics machinery  |
| <b>SHI Plastics Machinery (TAIWAN) Inc.</b>                      | NT\$7,200 thousand  | Plastics machinery  |
| <b>SHI Plastics Machinery (Hong Kong) Ltd.</b>                   | HK\$600 thousand    | Plastics machinery  |
| <b>SHI Plastics Machinery (Malaysia) Sdn. Bhd.</b>               | MYR700 thousand     | Plastics machinery  |
| <b>Link-Belt Construction Equipment Company</b>                  | US\$10,723 thousand | Construction equipment  |
| <b>SHI Machinery Service Hong Kong Ltd.</b>                      | HK\$2,000 thousand  | Maintenance service for harbor facilities (such as cranes)  |
| <b>SHI Designing &amp; Manufacturing Inc.</b>                    | PHP4,250 thousand   | Project implementation — from basic design through detailed design to sales   |