

(Translation)

**ARTICLES OF INCORPORATION  
OF  
SUMITOMO HEAVY INDUSTRIES,LTD.  
(SUMITOMO JUKIKAI KOGYO KABUSHIKI KAISHA)  
(As amended on June 26, 2009)**

**CHAPTER 1. GENERAL PROVISIONS**

**ARTICLE 1. (Trade Name)**

The Company shall be called "Sumitomo Jukikai Kogyo Kabushiki Kaisha", and shall be written in English as SUMITOMO HEAVY INDUSTRIES, LTD.

**ARTICLE 2. (Object)**

The Object of the Company shall be to engage in the following lines of business:

1. Design, manufacture, installation, sale and repair of the following machinery, equipment, plants, systems and all the integrated facilities related thereto.
  - (1) Iron and steel making machinery, nonferrous metals making machinery, presses, material handling machinery, industrial vehicles, logistic equipment, parking systems, construction machines, chemical plants and process equipment, nuclear power equipment, hydraulic (water) and pneumatic machines, hydraulic (oil) machines and equipment, plastics processing machinery, ceramics processing machinery, glass processing machinery, machine tools, printing machines, pulp plant and auxiliaries, paper making machines, ship machinery and equipment, medical machinery and equipment, accelerators, electron beam processing systems, superconducting systems, laser systems, semiconductor equipment, liquid crystal-related manufacturing machines, XYstage, cryogenic equipment, precision machines and instruments, metal moulds and other industrial machinery in general.
  - (2) Air pollution control plants, water processing plants, waste disposal plants and other pollution control and environmental protection equipment.
  - (3) Turbines, boilers and power generating systems.
  - (4) Speed reducers and controllers and other power transmission devices and systems.
  - (5) Yachts and other leisure equipment.
  - (6) Electrical, electronic and other machinery and equipment related thereto.
  - (7) Information and communications devices manufacturing machines, other information and communications-related equipment and their parts and components.
- 2.Design, building, remodeling, scrapping, sale and repair of ships and naval craft.
- 3.Design, manufacture, installation, sale and repair of offshore structures and machinery and equipment for ocean and offshore development.
- 4.Design, manufacture, sale and repair of space and aeronautic machinery and equipment.
- 5.Design, manufacture, sale and repair of defense equipment.
- 6.Design, manufacture, installation, sale and repair of bridges, steel frames, and various other types of iron and steel structures.
- 7.Manufacture and sale of cast and/or forged products.
- 8.Construction and civil engineering work as well as consulting services therefor. Designing and supervising of architectural work.
- 9.Businesses relating to regional development, urban development, environmental protection, etc. and acceptance of commission to do planning, design, survey and supervision concerning them.
- 10.Businesses relating to water treatment.
- 11.Businesses relating to the treatment and regeneration of sewage, wastes and polluted soil.
- 12.Businesses relating to the supply of power and heat.
- 13.Possession, maintenance, management and operation of roads, railways, ports, airports, parks, government office buildings, educational and cultural facilities, research facilities, medical facilities, social welfare facilities, parking spaces and other public facilities.
- 14.Salvage, rescue operation and maritime transportation.

15. Lease of those described in items 1 through 14 above, work concerning control system techniques and engineering and sale thereof, and manufacture and sale of parts therefor.
16. Development and sale of information processing techniques.
17. Purchase and sale, rental and management of real estate properties.
18. Operating marine recreation, leisure, sports, lodging facilities, etc.
19. All the businesses and works incidental and/or related to the items set forth in 1 through 18 above.

**ARTICLE 3. (Location)**

The Company shall have its head office at Shinagawa-ku, Tokyo.

**ARTICLE 4. (Governing Bodies)**

In addition to the General Meeting of Shareholders and the Directors, the Company shall have the following governing bodies:

1. Board of Directors;
2. Auditors;
3. Board of Auditors; and
4. Accounting Auditors

**ARTICLE 5. (Method of Public Notice)**

The method of public notice of the Company shall be electronic publication. However, if the Company is unable to give public notice through electronic publication due to unavoidable circumstances, it shall be made in the Nihon Keizai Shimbun.

**CHAPTER 2. SHARES**

**ARTICLE 6. (Total Number of Issuable Shares)**

The total number of shares issuable by the Company shall be one billion eight hundred million (1,800,000,000) shares.

**ARTICLE 7. (Acquisition of Shares of the Company's Stock)**

The Company may acquire shares of its stock by a resolution of the Board of Directors in accordance with the provisions of Article 165, paragraph 2 of the Corporate Law.

**ARTICLE 8. (Number of Shares Comprising One Unit)**

The number of shares of the Company comprising one unit shall be one thousand (1,000) shares.

**ARTICLE 9. (Rights regarding Less-than-one-unit Shares)**

Shareholders of the Company may not exercise any rights other than the rights listed below with respect to less-than-one-unit shares held by them:

1. Right set forth in each item of Article 189, paragraph 2 of the Corporate Law;
2. Right to make a request under the provisions of Article 166, paragraph 1 of the Corporate Law;
3. Right to receive allotment of shares and subscription rights offered to shareholders; and
4. Right to make a request as provided in the following Article.

**ARTICLE 10. (Request for Purchase of Less-than-one-unit Shares)**

Every holder of less-than-one-unit shares of the Company may, as provided in the Regulations for Handling of Shares, make a request to the Company that it sell him/her the number of shares which together with such holder's less-than-one-unit shares would constitute one full unit.

**ARTICLE 11. (Custodian of the Register of Shareholders)**

The Company shall have a custodian of the Register of Shareholders.

The custodian of the Register of Shareholders and its place of business shall be determined

by a resolution of the Board of Directors and notified publicly.

The preparation and keeping of the Register of Shareholders, and the Register of Subscription Rights of the Company and other matters relating to the Register of Shareholders and the Register of Subscription Rights and the Register of Cancellation of Share Certificates shall be entrusted to the custodian of the Register of Shareholders and not handled by the Company.

**ARTICLE 12. (Regulations for Handling of Shares)**

Procedures for exercise of rights of shareholders of the Company and other matters relating to the handling of shares and their fees shall be governed by the Regulations for Handling of Shares determined by the Board of Directors as well as laws and regulations and these Articles of Incorporation.

**CHAPTER 3. GENERAL MEETING OF SHAREHOLDERS**

**ARTICLE 13. (Convocation)**

The Ordinary General Meeting of Shareholders of the Company shall be convened in June each year. In addition, extraordinary general meetings of shareholders may be convened when needs arise.

General meetings of shareholders of the Company shall be held at a place located within the 23 wards of Tokyo.

**ARTICLE 14. (Record Date for Ordinary General Meeting of Shareholders)**

The record date for determination of voting rights for purposes of an ordinary general meeting of shareholders of the Company shall be the 31st day of March each year.

**ARTICLE 15. (Chairman)**

The General Meeting of Shareholders shall be presided over by the President of the Company. If the President is unable to act, a member of the Board of Directors shall take his place in the order determined by the Board of Directors in advance.

**ARTICLE 16. (Disclosure through the Internet of Reference Materials for General Meeting of Shareholders and Deemed Supply of Information)**

When it calls a general meeting of shareholders, the Company may disclose through the Internet information regarding matters required to be stated or presented in the reference materials for a general meeting of shareholders, business report, financial statements and consolidated financial statements as provided in the Ministry of Justice Ordinance and thereby deem such information to have been supplied to shareholders.

**ARTICLE 17. (Adoption of Resolution)**

Resolution of the General Meeting of Shareholders shall be adopted by a majority of the voting rights of the shareholders present who are entitled to vote at the meeting; provided, however, that in cases where there are special provisions in laws or regulations to be applicable or there are otherwise provided in these Articles of Incorporation, such provisions shall apply.

A resolution at the General Meeting of Shareholders provided in Article 309, paragraph 2 of the Corporate Law shall be passed by at least two-thirds (2/3) majority of votes of shareholders present at such meeting at which shareholders holding at least one-third(1/3) of the voting rights of shareholders entitled to vote at the meeting are present.

**ARTICLE 18. (Voting Rights by Proxy)**

The shareholder may exercise his voting right by appointing one other shareholder of the Company, as his proxy, who has voting rights of the Company. In this case, a document certifying his power shall be submitted to the Company.

## CHAPTER 4. DIRECTORS AND BOARD OF DIRECTORS

### ARTICLE 19. (Number of Directors)

The Company shall have twelve (12) or less Directors.

### ARTICLE 20. (Election of Directors)

Resolution for the election of Directors shall be adopted by a majority of the voting rights of shareholders present at the General Meeting of Shareholders, who shall represent one-third (1/3) or more of the voting rights of the shareholders entitled to vote at the meeting.

Adoption of the said resolution shall not be by cumulative voting.

### ARTICLE 21. (Term of Office of Directors)

The term of office of Directors shall expire at the close of the Ordinary General Meeting of Shareholders concerning the last to end of the fiscal years within one (1) year after the their election. The term of office of a Director elected to fill a vacancy or to meet increase in number shall be until such time as the term of office of other incumbent Directors is to expire.

### ARTICLE 22. (Representative Directors and Directors in Executive Positions)

The Board of Directors shall by its resolution elect one (1) or more Representative Directors from among its members.

Representative Directors shall each represent the Company.

The Board of Directors may by its resolution elect from among its members, one (1) Chairman and one (1) President of the Company.

### ARTICLE 23. (Convocation of Board of Directors)

Meetings of the Board of Directors shall be convened by Chairman, except as otherwise provided for by law. Should the office of Chairman be vacant, the President of the Company shall be act in his place.

Notice of the meeting of the Board of Directors shall be sent to each Director and Auditor at least three (3) days prior to such meeting, provided, however, that the above notice period may be shortened in case of urgency.

### ARTICLE 24. (Resolution Adopted without a Meeting of the Board of Directors)

If, with respect to a proposal that requires resolution by the Board of Directors, every Director entitled to vote on such proposal indicates in writing or by electromagnetic record his/her approval of the proposal and if no Auditors raise an objection, a resolution of the Board of Directors for such proposal shall be deemed to have been duly adopted at a meeting of the Board of Directors.

### ARTICLE 25. (Indemnification of Directors)

The Company may, by resolution of the Board of Directors, indemnify Directors from their liability as provided in Article 423, paragraph 1 of the Corporate Law, to the extent prescribed by law.

The Company may enter into with its outside directors an agreement to limit their liability for compensation as provided in Article 423, paragraph 1 of the Corporate Law; provided, however, that the maximum limit of liability for compensation based on such agreement shall be an amount which is not less than ten million yen(¥10,000,000) and which is determined in advance or an amount prescribed by law, whichever is larger.

## CHAPTER 5. EXECUTIVE OFFICERS

### ARTICLE 26. (Duties and Election of Executive Officers )

The Board of Directors may by its resolution elect Executive Officers and allocate the Company's affairs to be conducted by each such Executive Officer.

**ARTICLE 27. (Executive Officers in Executive Positions)**

The Board of Directors may by its resolution elect from among its members one (1) or more Senior Executive Vice President(s), one (1) or more Executive Vice President(s), one (1) or more Senior Vice President(s).

**CHAPTER 6. AUDITORS AND BOARD OF AUDITORS**

**ARTICLE 28. (Number of Auditors)**

The Company shall have five (5) or less Auditors.

**ARTICLE 29. (Election of Auditors)**

Resolution for the election of Auditors shall be adopted by a majority of the voting rights of shareholders present at the General Meeting of Shareholders, who shall represent one-third (1/3) or more of the voting rights of the shareholders entitled to vote at the meeting.

**ARTICLE 30. (Term of Office of Auditors)**

The term of office of Auditors shall expire at the close of the Ordinary General Meeting of Shareholders concerning the last of the fiscal years ending within four (4) years after their election.

The term of office of an Auditor elected to fill a vacancy shall be until such time as the term of office of the retired Auditor was to expire.

**ARTICLE 31. (Convocation of Board of Auditors)**

Notice of the meeting of the Board of Auditors shall be sent to each Auditor at least three (3) days prior to such meeting, provided, however, that the above notice period may be shortened in case of urgency.

**ARTICLE 32. (Indemnification of Auditors)**

The Company may, by resolution of the Board of Directors, indemnify Auditors from their liability as provided in Article 423, paragraph 1 of the Corporate Law to the extent prescribed by law.

The Company may enter into an agreement with outside auditors to limit their liability for compensation as provided in Article 423, paragraph 1 of the Corporate Law; provided, however, that the maximum limit of liability for compensation based on such agreement shall be an amount which is not less than ten million yen (¥10,000,000) and which is determined in advance or an amount prescribed by law, whichever is larger.

**CHAPTER 7. ACCOUNTS**

**ARTICLE 33. (Fiscal Year)**

The fiscal year of the Company shall be from the 1<sup>st</sup> day of April each year to the 31<sup>st</sup> day of March of the following year.

**ARTICLE 34. (Dividends)**

Dividends of the Company shall be paid to the shareholders or registered pledgees whose names are recorded in the Register of Shareholders of the Company as of the 31<sup>st</sup> day of March each year by a resolution of the General Meeting of Shareholders.

**ARTICLE 35. (Interim Dividends)**

By resolution of the Board of Directors, the Company may pay interim dividends to the shareholders or registered pledgees whose names are recorded in the Register of Shareholders as of the 30<sup>th</sup> day of September each year.

**ARTICLE 36. (Limited Period for Payment of Dividends)**

In the event that dividends (including interim dividends) are not received within three (3) years from the day of starting payment, the Company shall be relieved of the responsibility for the payment thereof.