

### Notice Regarding Revisions to the Earnings Forecast

This is to notify that Sumitomo Heavy Industries (hereinafter referred to as “SHI” or the “Group”) has decided to revise its consolidated earnings forecast, which were announced on July 30, 2010, based on recent trends in overall financial performance. The revisions are as follows:

#### Details on the Revisions to the Earnings Forecast:

Revisions to the Second Quarter (2Q) Year-to-Date Financial Performance for the Fiscal Period ending March 2011 (April 1, 2010 to March 31, 2011)

	Net Sales	Operating Income	Ordinary Income	Quarterly Net Income	Quarterly Net Income per Share
	millions of JPY	millions of JPY	millions of JPY	millions of JPY	JPY
Previous Forecast (A)	245,000	11,000	8,500	3,000	4.97
Current Forecast (B)	252,000	16,000	14,500	8,000	13.26
Net Change (B-A)	7,000	5,000	6,000	5,000	
Net Change (%)	2.9	45.5	70.6	166.7	
(Reference) 2Q YTD Actuals from the Previous Year (2Q of Year Ended March 2010)	251,651	8,218	7,253	1,320	2.19

#### Reasons for the Change:

The forecast for net sales was revised upwards mainly due to the increase in demand from China for hydraulic excavators in the Construction Machinery segment and improved market conditions in the Precision Machinery segment. On the income side, the forecast for operating and ordinary incomes were revised upwards as the increase in sales in the Construction Machinery segment, as well as the effects of cost-cutting measures in the Precision Machinery, Industrial Machinery, and Ships segments took hold. Furthermore, the forecast for quarterly net income was revised upwards as the estimate for extraordinary loss to be booked in the quarter was lower than anticipated.

As for the full-year forecast for the period ending March 2011, SHI is currently in the process of reviewing internal financial information to determine whether any modifications are necessary. The Group plans to disclose any changes to the earnings forecast in conjunction with the second quarter financial results for the period ending March 2011 which is scheduled to be released on November 4, 2010.

Important Notice: The forecasts above were prepared based upon information available to SHI at the time the projections were made. Actual results may differ from such forecasted figures due to a variety of factors that may occur in the future.

END