

Company: Sumitomo Heavy Industries

Representative: Yoshinobu Nakamura,

President and Chief Executive

Officer

Code: 6302

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Regarding the Ministry of Defense's Suspension of Our Bidding Rights

The Ministry of Defense has notified us and our wholly owned subsidiary Sumiju Tokki Services Co., Ltd. that until such time as when all the details of the relevant case are revealed and the excess payments related to the overbilling of expenses are returned to the national treasury, they will suspend the bidding rights of both companies starting from May 25th, 2012.

Sumitomo Heavy Industries and Sumiju Tokki Service Co., Ltd. will continue to cooperate in full with Ministry of Defense investigations.

We are deeply sorry for the grave inconveniences this has caused, and offer our most sincere apologies.

Although the operational impact of this incident currently remains unclear, we will announce further details as they come to light.