



May 25, 2012

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### **Regarding the Overbilling to the Ministry of Defense**

On May 8<sup>th</sup>, the Japanese Ministry of Defense contacted Sumitomo Heavy Industries, requesting the total costs and other information from the Defense System Group (Tanashi Works). An internal investigation has since revealed that both the Defense System Group and our wholly-owned subsidiary Sumiju Tokki Service Co., Ltd. over-calculated their work hours in that report.

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.