



January 29, 2021

To Whom It May Concern

Listed Company: Sumitomo Heavy Industries, Ltd.  
 Representative: Shinji Shimomura, President and CEO  
 (Code: 6302)  
 Manager for Inquiries: Michiko Watanabe, General Manager,  
 Corporate Communications  
 Department  
 (Phone: 03-6737-2331)

### Notice Regarding Correction of Financial Forecasts and Dividend Forecast

Please be informed that at the January 29, 2021, board meeting, Sumitomo Heavy Industries, Ltd. decided to correct the financial forecasts and the dividend forecast announced on October 30, 2020.

#### 1. Consolidated Financial Forecasts for Fiscal Year Ending March 2021 (April 1, 2020 to March 31, 2021)

(Rounded to the nearest million yen)

	Net sales (millions of yen)	Operating profit (millions of yen)	Ordinary profit (millions of yen)	Profit attributable to owners of parent (millions of yen)	Profit per share for current period (yen)
Previous forecast (A)	810,000	36,000	31,500	16,000	130.18
Corrected forecast (B)	850,000	46,000	41,500	22,000	179.00
Difference (B-A)	40,000	10,000	10,000	6,000	—
% difference	4.9	27.8	31.7	37.5	—
(Reference) Last year's result (Year ended March 2020)	864,490	56,821	52,657	32,807	267.77

(Explanation of corrections)

Our financial forecasts were formulated under the assumption that, while the impact of the COVID-19 pandemic is significant, particularly for the Machinery Components, Precision Machinery, and Construction Machinery segments, which have short lead times after the receipt of orders, there would be a gradual recovery during the second half of the fiscal year.

There have been no major changes to this assumption. However, due to stronger than predicted demand in Japan and China in the Construction Machinery segment, better than expected progress in application of the percentage-of-completion method for construction work in the energy plant business, and a favorable change in profitability in the Precision Machinery and Industrial Machinery segments, we have upwardly corrected the consolidated forecasts announced on October 30, 2020 with regard to net sales, operating profit, ordinary profit, and profit attributable to owners of the parent. Please note that the major exchange rates for the consolidated accounting period of the fourth quarter are predicted to be USD 1 to JPY 100 and EUR 1 to JPY 120.

#### 2. Correction of End of Year Dividend Forecasts

	End of 1st quarter (yen)	End of 2nd quarter (yen)	End of 3rd quarter (yen)	End of year (yen)	Total (yen)
Previous forecast	—	—	—	30.00	39.00
Corrected forecast	—	—	—	45.00	54.00
Current result	—	9.00	—	—	—
(Reference) Last year's result (Year ended March 2020)	—	56.00	—	35.00	91.00

(Explanation of corrections)

In principle, we aim to distribute profits by offering and improving the dividend as per periodic profit. The dividend is determined after taking all factors into account, including the enrichment of internal reserves for long-term and steady business development. We aim for a consolidated dividend payout ratio of 30%. (The publication of the Medium-Term Management Plan has been postponed until around May 2021; the dividend policy from the previous Medium-Term Management Plan continues to be in effect.)

With regard to the dividend forecast for the current fiscal year, the above revisions have been made based on our dividend policy and the currently calculated consolidated forecasts for the fiscal year ending March 2021.

Note: The above forecasts have been made based on information available at the time of publication. Actual results may vary from the above forecast figures due to a variety of future factors.