

## Notification of Revised Financial Forecast

October 24, 2008

Name of listed company: ShinMaywa Industries, Ltd. Code number: 7224  
 (URL: <http://www.shinmaywa.co.jp> )  
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In view of the recent trends in its performance, ShinMaywa Industries Ltd. has made revisions to its earnings forecast released on April 28, 2008 as follows:

■ Revision of consolidated earnings forecast for the first half of the fiscal year ending March 31, 2009

	Net sales	Operating income	Ordinary income	Net income
	Million yen	Million yen	Million yen	Million yen
Previous forecast	59,500	500	500	100
Revised forecast	59,500	△100	30	△120
Change	—	△600	△470	△220
Change (%)	—	—	△94.0	—
FY 2007 / the first half	60,974	2,324	2,232	992

■ Revision of consolidated earnings forecast for the fiscal year ending March 31, 2009

	Net sales	Operating income	Ordinary income	Net income
	Million yen	Million yen	Million yen	Million yen
Previous forecast	139,000	5,500	5,500	2,900
Revised forecast	137,000	3,500	3,800	1,800
Change	△2,000	△2,000	△1,700	△1,100
Change (%)	△1.4	△36.4	△30.9	△37.9
FY 2007	138,959	5,008	4,697	2,450

■ Reason for revision

With regard to its first half performance, the company has revised its previous profit forecast taking into account such factors as the unprecedented increases in material prices and the loss from devaluation of inventories in the Special Purpose Truck segment, and the provision for losses on construction contracts, which the company additionally posted in view of the declining profitability of waste treatment facility construction in the Industrial Machinery segment.

Meanwhile, in order to cope with surging material prices, the company is working on the revision of its selling prices. However, the company expects that the benefits from such price revisions will be reflected in the financial results only from the third quarter onwards.

On a full-year basis, the company has revised its forecasts both for sales and profits considering that the delivery of wing-to-body fairings for the Boeing 777, the Aircraft segment's mainstay, is expected to decline significantly due to the prolonged workers strike at the Boeing Company.

※ The above projected business performance includes figures forecasted on the basis of future outlooks and plans as of the date of announcement. The projection includes uncertain factors, so actual business performance may differ from the projected business performance.