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MODEC, INC.
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Revision of Financial Results Forecast
for the Fiscal Year Ending December 31, 2010

MODEC, INC. revised today the consolidated financial results forecast for the fiscal year ending December 31, 2010, which was announced on February 22, 2010.

1. Half-year consolidated financial results forecast

(Millions of Japanese yen)

	Sales	Operating Profit	Ordinary Income	Net Income	Net Income per share
Previous Forecast (A)	70,000	-	1,800	1,500	Japanese yen 35.99
Revised Forecast (B)	89,000	2,000	3,100	1,750	41.98
Variance (B-A)	19,000	-	1,300	250	
Variance (%)	27.1	-	72.2	16.7	
2009 half-year consolidated financial results	96,244	501	2,847	1,878	50.23

2. Full year consolidated financial results forecast

(Millions of Japanese yen)

	Sales	Operating Profit	Ordinary Income	Net Income	Net Income per share
Previous Forecast (A)	120,000	-	3,200	2,600	Japanese yen 59.00
Revised Forecast (B)	140,000	-	3,200	2,600	59.00
Variance (B-A)	20,000	-	-	-	
Variance (%)	16.7	-	-	-	
2009 consolidated financial results	204,225	4,169	7,454	2,413	64.52

3. Reasons for the revision of the forecast

With respect to the half-year consolidated financial results, sales to be recorded based on the percentage of completion method are anticipated to increase because large size FPSO projects for Brazil and West Africa progressed ahead of schedule. As a result, sales are expected to be ¥89,000 million, which is ¥19,000 million higher than the initial forecast.

In accordance with increasing sales, we expect operating profit to be ¥2,000 million. As a result, ordinary income is anticipated to increase to ¥3,100 million, up ¥1,300 million from the initial forecast, net income is expected to be ¥1,750 million, up ¥250 million from the initial forecast.

With respect to the full year consolidated financial results, due to increasing sales in the interim period, sales are expected to be ¥140,000 million, which is ¥20,000 million higher than the initial forecast.

We have not changed the forecast for the profit because profit from the construction of leased FPSOs ordered from the affiliated companies is expected to be deferred and also there are many uncertainties including exchange rate fluctuations, anticipated new project orders, among other things.

The consolidated financial results forecast announced today is based on the information available as of August 10, 2010. There is a possibility that the actual financial results might differ from the forecast due to various factors.