

August 9, 2012

MODEC, INC.
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Revision of Financial Forecast for the Fiscal Year Ending December 31, 2012

MODEC, INC. revised today the consolidated half-year financial forecast for the fiscal year ending December 31, 2012 which was announced on February 16, 2012.

1. Half-year consolidated financial forecast

(Millions of Japanese yen)

	Revenue	Operating Profit	Ordinary Profit	Net Income	Net Income per share
Previous Forecast (A)	60,000	-	2,000	1,200	25.86
Revised Forecast (B)	85,000	480	2,000	470	10.13
Variance (B-A)	25,000	-	-	(730)	
Variance (%)	41.7	-	-	(60.8)	
2011 half-year financial results	57,370	(1,883)	2,696	2,623	56.54

2. Reasons for the revision of the forecast

Due to good progress on FPSO construction works, revenue increased significantly and is expected to become 85,000 million JPY.

On the other hand, machinery troubles occurred onboard vessels for which our overseas subsidiary is providing O&M services and approximately 1,500 million JPY of maintenance costs were recorded temporarily. As a result, ordinary profit is expected to become 2,000 million JPY as originally forecasted while net income is expected to stand at 470 million JPY.

The consolidated financial forecast announced today is based on the information available as of August 9, 2012. There is a possibility that the actual financial results might differ from the forecast due to various factors.