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MODEC, Inc.
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Revision of Financial Results Forecast for the Fiscal Year Ending December 31, 2003

MODEC, Inc. revised today the previous forecast for consolidated and non-consolidated financial forecasts for the fiscal year ending December 31, 2003, which had been announced on August 18, 2003 and on May 28 & July 2, 2003 respectively.

1. Forecast for consolidated financial results for the year ending December 31, 2003 (January 1, 2003 to December 31, 2003)

(Millions of Japanese yen)

	Sales	Ordinary Income	Net Income
Previous Forecast (A) (Announced on August 18, 2003)	60,262	3,100	1,995
Revised Forecast (B)	66,700	3,100	2,000
Variance (B-A)	6,438	0	5
Variance (%)	10.7	0.0	0.3

(Reference)

	Sales	Ordinary Income	Net Income
Results for the year ended December 31, 2002	31,436	3,935	1,696

Although MODEC International LLC had been treated as a non-consolidated subsidiary accounted for by equity method until the fiscal year ending December 31, 2002, it has been treated as a consolidated subsidiary from the fiscal year ending December 31, 2003. If MODEC International LLC had been treated as a consolidated subsidiary company, consolidated financial results for the year ending December 31, 2002 would be as follows.

[NOTE] Consolidated financial results below is not audited; it was made by applying generally accepted consolidating adjustments procedure, which is the same procedure as taken for preparing the audited consolidated financial statements for the fiscal year ending December 31, 2002.

	Sales	Ordinary Income	Net Income
Results for the year ended December 31, 2002	56,540	3,893	1,690

2. Forecast for non-consolidated financial results for the year ending December 31, 2003 (January 1, 2003 to December 31, 2003)

(Millions of Japanese yen)

	Sales	Ordinary Income	Net Income
Previous Forecast (A) (Announced on May 28 and July 2, 2003)	30,939	1,667	966
Revised Forecast (B)	39,400	1,400	800
Variance (B-A)	8,461	△ 267	△ 166
Variance (%)	27.3	△ 16.0	△ 17.2

(Reference)

	Sales	Ordinary Income	Net Income
Results for the year ended December 31, 2002	20,730	1,105	585

3. Reasons for the revision of the forecast

Consolidated sales and non-consolidated sales are expected to exceed the previous forecasts mainly because of additional construction work orders for on-going projects.

Due to the appreciation of the yen, non-consolidated ordinary income and net income are expected to fall below the previous forecasts. On the other hand, consolidated ordinary income and net income are expected to reach the forecast level because construction works progressed than planned.

We plan to pay dividends of 7.50 yen per share, as it was previously announced.