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MODEC, Inc.
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Revision of Financial Results Forecast for the Fiscal Year Ending December 31, 2005

MODEC, Inc. revised today the previous forecasts for consolidated financial forecasts for the fiscal year ending December 31, 2005, which had been announced on February 14, 2005.

1. Forecast for consolidated financial results for the fiscal year ending December 31, 2005 (January 1, 2005 to December 31, 2005)

(Millions of Japanese yen)

	Sales	Ordinary Income	Net Income
Previous Forecast (A)	55,000	4,500	2,500
Revised Forecast (B)	65,000	4,700	2,800
Variance (B-A)	10,000	200	300

2. Reasons for the revision of the forecast

The forecast for consolidated sales was revised to 65,000 million yen, 10,000 million yen up from the previous forecast. This is mainly due to the increase of sales revenue from affiliates accounted for by the equity method which was boosted by the orders of large size FPSO and FSO projects and the yen depreciation in exchange rates.

On the profit side, the forecast for consolidated ordinary income was revised from 4,500 million yen to 4,700 million yen and net income was revised from 2,500 million yen to 2,800 million yen respectively on the back of depreciation of yen.