

October 29, 2009

To whom it may concern

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Notice Concerning Revision of Forecasts

Sasebo Heavy Industries Co., Ltd. (“the Company”) hereby announces that, in light of recent business trends, the forecasts announced on May 15, 2009 have been revised as shown below:

Revisions to the Consolidated Forecasts for the Full-term Ending March 31, 2010
(From April 1, 2009 to March 31, 2010)

(Unit: millions of yen)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income Per Share (yen)
Previous Forecast (A)	65,000	4,000	3,800	2,200	13.71
Revised Forecast (B)	65,000	6,500	6,000	3,500	21.81
Difference (B-A)	-	2,500	2,200	1,300	
Difference (%)	-	62.5%	57.9%	59.1%	
(Reference) Results for the Previous Term Ended March 31, 2009	77,464	7,051	6,939	3,091	19.26

Revisions to the Non-consolidated Forecasts for the Full-term Ending March 31, 2010
(From April 1, 2009 to March 31, 2010)

(Unit: millions of yen)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income Per Share (yen)
Previous Forecast (A)	64,000	4,000	3,800	2,200	13.71
Revised Forecast (B)	64,000	6,500	6,000	3,500	21.81
Difference (B-A)	-	2,500	2,200	1,300	
Difference (%)	-	62.5%	57.9%	59.1%	
(Reference) Results for the Previous Term Ended March 31, 2009	76,169	6,946	6,827	3,017	18.80

Reason for Revision

The main reason for the above revisions was increases to operating income, ordinary income and net income of the company submitting the consolidated financial statements (the Company) due to factors such as a fall in materials and equipment prices, particularly the price of steel, and a decrease in costs achieved through productivity improvements.

*Cautionary Statements Concerning the Forecasts

The above forecasts are based on information currently available to the Company and on certain assumptions that we consider reasonable. Actual results may vary significantly due to various factors.