February 14, 2025

To whom it may concern:

Company name:
Sumitomo Heavy Industries, Ltd.
Representative:
President and CEO Shinji Shimomura
(Securities code: 6302 TSE Prime)
Inquiries: Yoshitaka Shimamura
General Manager, Corporate
Communications Department
(TEL. 03-6737-2332)

Notice Regarding Amendment of Targets for the Medium-Term Management Plan

Today, the Board of Directors of Sumitomo Heavy Industries, Ltd. (hereinafter referred to as the "Company") passed a resolution to amend the numerical targets for the fiscal year ending December 31, 2026, which is the final year of the Medium-Term Management Plan 2026 (hereinafter referred to as "MTMP 2026") announced on February 14, 2024, in view of the most recent trends of its performance. Details of the amended targets are outlined below.

1. Details of the Amendment

Financial targets [on a consolidated basis]

	Initial targets for the fiscal year ending December 31, 2026	Amended targets for the fiscal year ending December 31, 2026
Orders	JPY1,280 billion	JPY1,200 billion
Net sales	JPY1,250 billion	JPY1,173 billion
Operating profit	JPY100 billion	JPY 80 billion
Operating profit ratio	8.0%	6.8%
ROIC	8.0%	7.0%
[Reference] ROE	10.0%	7.8%
Exchange rate (US dollars)	JPY135	JPY135

2. Reason for the Amendment

The Company has defined its ideal state in 2030 as "a company that contributes to an affluent society through core technologies and realizes CSV" and formulated the MTMP 2026 by backcasting from that vision. To achieve this plan, the Company has implemented various measures since FY2024. However, the Company's earnings results for the fiscal year ended December 31, 2024 were significantly lower than expected due to such factors as a decrease in orders owing to ongoing weak market conditions in Europe, a slow demand recovery in the

semiconductor market, and the underperformance of the hydraulic excavator business in North America. Taking these circumstances into consideration, the Company has decided to amend the numerical targets for the final year of the MTMP 2026, the fiscal year ending December 31, 2026.

END