

Notice of Revised Full-year Earnings Forecasts for the Fiscal Year Ending March 31, 2008

Consolidated and non-consolidated earnings forecasts that were announced during the reporting of financial results on July 26, 2007 have been revised.

1. Revisions to Full-year Earnings Forecasts for the Fiscal Year Ending March 2008 (Apr. 1, 2007 – Mar. 31, 2008)

(Consolidated)	(Millions of yen; %)			
	Net sales	Operating income	Ordinary income	Net income
Previous forecast (A)	910,000	96,000	86,000	48,000
Revised forecast (B)	900,000	101,000	91,000	52,000
[Year-on-year change (%)]	[19.0]	[28.9]	[30.0]	[42.5]
Amount of change (B)-(A)	(10,000)	5,000	5,000	4,000
[Percentage change]	[(1.1)]	[5.2]	[5.8]	[8.3]
For reference: Previous fiscal year results (Fiscal year ended March 31, 2007)	756,453	78,352	70,010	36,502

(Non-Consolidated)	(Millions of yen; %)			
	Net sales	Operating income	Ordinary income	Net income
Previous forecast (A)	488,000	37,800	46,000	33,000
Revised forecast (B)	492,500	38,600	47,100	33,400
[Year-on-year change (%)]	[19.1]	[34.0]	[27.5]	[25.2]
Amount of change (B)-(A)	4,500	800	1,100	400
[Percentage change]	[0.9]	[2.1]	[2.4]	[1.2]
For reference: Previous fiscal year results (Fiscal year ended March 31, 2007)	413,404	28,797	36,938	26,673

<Reason for the revision>

Global demand for hydraulic excavators in most areas such as Oceania and Asia, including China and India, as well as Western Europe, Russia and the Middle East is projected to increase, although demand in North America is expected to decline. Together with strong demand in Japan, aggregate world demand is anticipated to exceed the first quarter forecast.

Demand for mining equipment is also expected to remain strong in Oceania and Asia, the Americas, and Europe/Africa/Middle East.

Due to the aforementioned demand environment, as well as the impact of the weak yen, interim term business performance exceeded previous forecasts and strong demand is anticipated to continue in the latter half of the year. Accordingly, full-year earnings forecasts for the current fiscal year have been revised. As for exchange rates in the latter half of the current fiscal year, we forecast 115 yen to the U.S. dollar and 155 yen to the euro. In the event that a fluctuating exchange rate or other factors will impact business performance, our forecasts will be disclosed in a timely manner.

For reference, exchange rates are forecast as follows.

	Previous Forecast			Revised Forecast		
	1st Half	2nd Half	Full Year	1st Half	2nd Half	Full Year
Yen/U.S. dollar	119	115	117	119	115	116
Yen/Euro	160	155	158	160	155	157

Note: The above performance forecasts were prepared on the basis of information available as of the date of this announcement. Various factors could cause actual results to differ from these forecasts.