

March 10, 2006

Revision of Forecast for the Fiscal Year Ending March 31, 2006

Company name: TOKYO SEIMITSU CO., LTD.

(Stock code: 7729, Tokyo Stock Exchange 1st Section)

Representative: Sadakatsu Suzuki, President, C.E.O. & C.O.O.

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TOKYO SEIMITSU CO., LTD announced today revised financial results forecasts for the year ending March 31, 2006 Previous forecasts were announced on November 11, 2005.

1. Revision of Consolidated Results – FY2006 (April 1, 2005 to March 31, 2006)

(Millions of yen)

	Sales	Ordinary Income	Net Income
Previous Forecast (A) (announced on November 11, 2005)	89,000	14,000	7,700
Revised Forecast (B)	92,000	14,000	3,000
Change (B-A)	3,000	-	(4,700)
Change Ratio (%)	3.4%	-	(61.0%)
Results for the Previous Fiscal Year (the year ending March 31, 2005)	84,750	12,885	4,459

2. Revision of Non-Consolidated Results –FY 2006 (April1, 2005 to March 31, 2006)

(Millions of yen)

	Sales	Ordinary Income	Net Income
Previous Forecast (A) (announced on November 11, 2005)	79,000	10,500	6,500
Revised Forecast (B)	82,000	10,500	2,700
Change (B-A)	3,000	-	(3,800)
Change Ratio (%)	3.8%	-	(58.5%)
Results for the Previous Fiscal Year (the year ending March 31, 2005)	73,336	9,676	605

[Reasons for the Revisions]

(1) Consolidated Net Sales

Both orders received and net sales have been moving at a firm pace for our Semiconductor Manufacturing Equipment and Measuring Instruments Divisions on the back of strong demand for capital investment from semiconductor manufacturers and automakers, users of the products of the divisions. Therefore, both our semiconductor manufacture equipment and meteorology businesses are expected to exceed the sales levels forecast at the beginning of the year under review.

(2) Consolidated Ordinary Income

Higher net sales lead to increased profits. However, unforeseen expenses caused by the need to improve some older semiconductor manufacture equipment models, higher development expenses than planned and so on are expected to result in ordinary income remaining at the projected level.

(3) Consolidated Net Income

We have over the years addressed the issue of improving our financial structure such as capital turnover. As part of these efforts, we plan to further improve our financial strength in this fiscal year, with a view to enhancing our revenue bases. To this end, we expect to book about ¥6.3 billion in extraordinary losses.

This amount consists mainly of ¥2.8 billion in losses resulted from disposal and valuation of inventories of old models of semiconductor manufacture equipment products, and ¥3.2 billion in losses resulted from disposal of fixed assets and cancellation of leases of LEEPL (Low Energy E-beam Proximity Projection Lithography) related facilities.

Consequently, net income for the year under review is expected to be ¥3.0 billion, less than the amount forecast at the beginning of the year.

(4) Others

As for the dividend, there is no change from the previous year. We will pay a year-end dividend of ¥20 per share (for a full-year dividend of ¥40) as planned, taking into consideration the perspective of our long-term shareholders and our financial standing.

Aiming to significantly improve our financial structure, which has been one of our management issues, we have decided to dispose of old versions of semiconductor manufacturing equipment models and assets related to LEEPL ahead of schedule. Accordingly, we will complete addressing specific financial issues on hand, expecting that this will contribute to further improvement of profit. We also project record high sales of over ¥100 billion next fiscal year.

Cautionary Statements with Respect to Forward-looking Statements

Statements made in this commentary with respect to TOKYO SEIMITSU's plans and benefits as well as other statements that are not historical facts are forward-looking statements, which involve risks and uncertainties. Potential risks and uncertainties include, without limitation, general economic condition in TOKYO SEIMITSU's markets, exchange rates, and TOKYO SEIMITSU's ability to continue to win customers' acceptance of its products, which are offered in highly competitive markets characterized by continual new product introductions and rapid developments in technology.