



Summary of Consolidated Earnings Report for the Third Quarter of the Fiscal Year Ending March 31, 2008

February 6, 2008

Company Name  **Tokyo Seimitsu Co., Ltd.**

Code number: 7729
Stock Listing: First Section TSE

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1. Consolidated Results of Operations for 3Q of FY 2008 (April 1, 2007 - December 31, 2007)

(1) Consolidated Business Results

(Millions of yen, rounded down)

	Net Sales		Operating Income		Ordinary Income		Net Income	
FY2008 3Q	69,311	-2.9%	7,871	-29.8%	7,828	-29.1%	4,260	-29.4%
FY2007 3Q	71,398	13.8%	11,206	16.0%	11,041	12.3%	6,038	7.3%
(Reference) FY2007 full year	100,322	-	14,086	-	13,612	-	8,741	-

	Net Income per Share (yen)	Net Income per Share (Diluted) (yen)
FY2008 3Q	106.09	99.05
FY2007 3Q	150.57	140.30
(Reference) FY2007 full year	217.91	203.10

(2) Consolidated Financial Position

(Millions of yen, rounded down; except as indicated)

	Total Assets	Net Assets	Equity Ratio (%)	Net Assets per Share (yen)
FY2008 3Q (December 2007)	114,130	55,735	48.5	1,378.76
FY2007 3Q(December 2006)	114,473	51,460	44.8	1,277.71
(Reference) FY2007 full year	114,831	54,281	47.1	1,347.09

(3) Consolidated Cash Flows

(Millions of yen, rounded down)

	Cash flow from Operating Activities	Cash flow from Investing Activities	Cash flow from Financing Activities	Cash and Cash Equivalents at the End of Period
FY2008 3Q	2,899	-5,378	-1,818	12,724
FY2007 3Q	4,359	-2,071	-2,993	13,253
(Reference) FY2007 full year	10,920	-3,439	-4,638	16,800

2. Situation of Dividend

No dividends are paid as of the end of the third quarter.

We do not change the dividend of the FY 2008 after the announcement on May 16, 2007.

(Yen)

	Per Share		
	Interim	Year End	Full Year
FY 2007	25.00	25.00	50.00
FY 2008	30.00	-	70.00
FY 2008 (Projected)	-	40.00	

3. Forecasts for FY 2008 (April 1, 2007 – March 31, 2008)

(Millions of yen, rounded down)

(Percentage shows changes from the previous year)

	Net Sales		Operating income		Ordinary Income		Net Income		Net Income per share (Yen)
Full Year	91,000	-9.3%	10,500	-25.5%	10,000	-26.5%	5,300	-39.4%	131.95

4. Other

- (1) Significant changes in subsidiaries during the year (changes in specified subsidiaries involving changes in scope of consolidation): Yes. Please refer to page 3 for details.

Addition: 0

Deletion: 1 subsidiary, Accretech Micro Technologies

- (2) Use of simplified accounting method: None

- (3) Changes in accounting method from the previous fiscal year: None

Cautionary Statements with Respect to Forward-looking Statements

We revised the consolidated business forecast from the previous forecast announced on November 15, 2007.

This summary and its related materials contain forward-looking statements based on information available to the management at the time of this announcement that it has judged to be rational, including such factors as economic conditions in Japan and other countries, or fluctuations in exchange rates, which may affect the Company's performance.

These forecasts and projects are subject to a number of risks and uncertainties, including market conditions, competition, and the global state of the semiconductor industry. Accordingly, actual results may differ materially from those projected in this earnings summary.

【Qualitative information Regarding Business Results】

1. Qualitative Information Regarding Consolidated Business Results

The Semiconductor Manufacturing Equipment Division's sales during the nine months ended December 2007 was ¥51,769 million (-6.6% from the same period of last year) because the capital spending in semiconductor manufacturers was postponed, especially prominent decrease was observed in testing process, due to the big drop of DRAM price and other factors. Operating income decreased 50.9% to ¥3,662 million because the operating income margin was decreased by slow sales.

The demand for the Measuring Instrument Division's products remained steady during the nine months ended December 2007. Its sales increased 9.9% to ¥17,541 million and its operating income achieved ¥4,208 million (+12.3%).

Overall, the Company's net sales during the nine months ended December 2007 totaled ¥69,311 million (-2.9%). Operating income decreased 29.8% to ¥7,871 million, ordinary income also dropped 29.1% to ¥7,828 million, and net income reached ¥4,260 million (-29.4%).

While the received sales order during the nine months ended December 2007 in the Semiconductor Manufacturing Equipment Division was ¥48,296 million (-17.2%) that did not reach its target, the order in the Measuring Instrument Division increased 13.6% to 19,046 million that exceeded its target.

2 . Qualitative Information Regarding Consolidated Financial Position

Total assets decreased ¥701 million from the previous fiscal year (March 31, 2007) to ¥114,130 million. The main factors of the changes were the increase of land (¥2,766 million) and the decrease of cash and cash equivalents (¥4,073 million).

Total liabilities decreased ¥2,155 million from the previous fiscal year end to ¥58,394 million. The main factors of the difference were the increase of short-term debts (¥3,373 million), the decrease of income tax payable (¥2,744 million) and the decrease of long-term debts (¥1,781 million).

Total net assets increased ¥1,453 million to ¥55,735 million. The main factor of the difference was the increase of the retained earnings (¥2,025 million).

[Consolidated Cash Flows (Stated in nearest ¥100million)]

Net cash used in operating activities for the period amounted to ¥2,800 million, which was mainly due to income before taxes and minority interests for ¥7,700 million and payment of income taxes for ¥4,600 million.

Net cash used in investing activities amounted to ¥5,300 million, mainly due to payment for purchase of property, plant and equipment for ¥4,000 million.

Net cash used in financing activities amounted to ¥1,800 million, mainly due to payment of dividend for ¥2,200 million.

Balance of cash and cash equivalents at the end of period has decreased ¥4,000 million from the last fiscal year end, March 31, 2007, to ¥12,700 million.

3. Qualitative Information Regarding Consolidated Business Forecast

Because the recovery of capital spending in fourth quarter is expected to be weaker than previously forecasted due to the uncertainty of the economy and the decrease of DRAM prices, we revised the forecast of FY2008 (April 1, 2007 to March 31, 2008) as the following table from the previous forecast announced with the interim results. In this severe market environment, we try to retain the maximum profits by continuous cost reduction.

Forecast for FY2008(April 1, 2007-March 31, 2008)

(Millions of yen, rounded down)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per share (yen)
Previous forecast(A) (November 15, 2007)	99,000	12,000	12,000	6,500	161.71
Revised forecast (B)	91,000	10,500	10,000	5,300	131.95
Difference (B - A)	- 8,000	- 1,500	- 2,000	- 1,200	- 29.76
(%)	- 8.1%	- 12.5%	- 16.7%	- 18.5%	- 18.4%
FY 07 Results (April 1, 2006-March 31, 2007)	100,322	14,086	13,612	8,741	217.91

4. Other

Significant changes in subsidiaries during the year (changes in specified subsidiaries involving changes in scope of consolidation)

Deletion: 1 subsidiary, Accretech Micro Technologies.

The merger took the form of takeover by Tokyo Seimitsu, and Accretech Micro Technologies Co., Ltd was dissolved on April 1, 2007.

5. (Summary) Q3 Financial Statement

(1) Consolidated Quarterly Balance Sheets (Summary)

(Millions of yen, rounded down)

Item	FY07 3Q 31-Dec-06	FY08 31-Dec-07	Increase (decrease)	%	FY07 31-Mar-07
ASSETS					
Current Assets					
1 Cash and cash equivalents	13,279	12,752	(526)		16,826
2 Notes and accounts receivable	39,703	36,848	(2,854)		39,717
3 Inventories	32,040	30,723	(1,316)		27,207
4 Others	1,194	3,163	1,969		2,810
Total Current Assets	86,216	83,488	(2,728)	(3.2)	86,561
Fixed Assets					
1 Property, plant and equipment					
(1) Buildings and structures	8,018	8,677	658		8,219
(2) Equipment and vehicles	2,575	2,812	237		2,633
(3) Land	3,003	5,769	2,765		3,002
(4) Other fixed assets	1,104	1,362	257		1,324
Total Fixed Assets	14,702	18,622	3,919	26.7	15,180
2 Intangible fixed assets					
(1) Software	965	741	(224)		608
(2) Goodwill	2,992	2,578	(413)		2,888
(3) Others	93	103	10		92
Total Intangible fixed assets	4,051	3,423	(627)	(15.5)	3,589
3 Investments and other assets					
(1) Investment securities	5,945	5,324	(621)		5,996
(2) Other investments	3,556	3,271	(285)		3,533
Total Investments and other assets	9,502	8,595	(907)	(9.5)	9,499
Total Fixed Assets	28,257	30,641	2,384	8.4	28,270
Total Assets	114,473	114,130	(343)	(0.3)	114,831

(Millions of yen, rounded down)

Item	FY07 3Q 31-Dec-06	FY08 3Q 31-Dec-07	Increase (decrease)	%	FY07 31-Mar-07
LIABILITIES					
Current Liabilities					
1 Notes and accounts payable, trade	25,098	23,200	(1,897)		23,596
2 Short-term debt	-	3,492	3,492		118
3 Current portion of long-term debt	3,117	3,100	(16)		3,117
4 Current portion of bonds	1,700	13,965	12,265		1,200
5 Income taxes payable	2,568	739	(1,829)		3,483
6 Others	4,859	5,380	520		4,797
Total Current Liabilities	37,343	49,877	12,534	33.6	36,312
Long-term Liabilities					
1 Bonds Convertible bonds	14,015	-	(14,015)		13,965
2 Long-term debt	7,482	4,382	(3,100)		6,163
3 Allowance for employee retirement benefits	3,878	3,861	(17)		3,816
4 Others	292	273	(19)		292
Total Long-term Liabilities	25,669	8,516	(17,152)	(66.8)	24,237
Total Liabilities	63,012	58,394	(4,618)	(7.3)	60,549
NET ASSETS					
Shareholders' Equity					
1 Common stock	9,563	9,608	45		9,592
2 Additional paid-in capital	20,583	20,628	45		20,611
3 Retained Earnings	19,619	24,347	4,728		22,322
4 Treasury Stock	(100)	(105)	(5)		(101)
Total Shareholders' Equity	49,666	54,478	4,812	9.7	52,424
Valuation Gain/Loss, Translation Gain/Loss, Etc.					
1 Net unrealized holding gain on securities	1,399	665	(734)		1,416
2 Foreign currency translation adjustment	224	242	17		257
Total Valuation Gain/Loss, Translation Gain/Loss, Etc.	1,624	907	(716)	(44.1)	1,673
Share warrants	170	349	178	105.0	183
Total Net Assets	51,460	55,735	4,274	8.3	54,281
Total Liabilities and Net Assets	114,473	114,130	(343)	(0.3)	114,831

(2) Consolidated Quarterly Statements of Income (Summary)

(Millions of yen, rounded down)

Item	FY07 3Q (April 1, 2006 - December 31, 2006)	FY08 3Q (April 1, 2007 - December 31, 2007)	Increase (decrease)	%	FY07 (April 1, 2006 - March 31, 2007)
Net sales	71,398	69,311	(2,087)	(2.9)	100,322
Cost of sales	49,877	50,892	1,015	2.0	72,211
Gross Profit on Sales	21,521	18,418	(3,102)	(14.4)	28,111
Selling, general and administrative exp	10,315	10,547	232	2.3	14,025
Operating Income	11,206	7,871	(3,334)	(29.8)	14,086
Non-operating income	274	522	247	90.2	208
Interest and dividend income	92	443	351		114
Exchange gain	53	-	(53)		-
Other	129	78	(50)		93
Non-operating expenses	439	565	126	28.8	681
Interest expenses	187	184	(2)		259
Exchange loss	-	225	225		31
Other	251	155	(96)		390
Ordinary Income	11,041	7,828	(3,213)	(29.1)	13,612
Extraordinary gains	155	7	(148)	(95.3)	155
Consumption tax refund at past financial year	155	-	(155)		155
Others	-	7	7		0
Extraordinary losses	582	53	(528)	(90.7)	569
Expense of lawsuit	537	-	(537)		517
Others	44	53	9		51
Income before taxes and minority interests	10,615	7,781	(2,833)	(26.7)	13,198
Income taxes	4,576	3,520	(1,056)	(23.0)	4,457
Net income	6,038	4,260	(1,777)	(29.4)	8,741

(3) Consolidated Quarterly Statements of Cash Flows (Summary)

(Millions of yen, rounded down)

	FY07 3Q (Apr 1, 2006 - Dec 31, 2006)	FY08 3Q (Apr 1, 2007 - Dec 31, 2007)	FY07 (Apr 1, 2006 - Mar 31, 2007)
Cash flows from operating activities:			
Income before income taxes and minority interests	10,615	7,781	13,198
Depreciation and amortization	1,670	1,503	2,468
Amortization of goodwill	309	309	413
Interest and dividend income	(92)	(443)	(114)
Interest expense	187	184	259
Change in trade notes and accounts receivable	(3,067)	3,160	(3,096)
Change in inventories	(4,960)	(3,517)	(382)
Change in trade notes and accounts payable	88	(458)	(1,379)
Change in other operating activities	1436	(1,098)	1,868
Subtotal	6,187	7,421	13,235
Proceed from interest and dividend income	92	272	114
Payment of interest	(161)	(163)	(265)
Payment of income taxes	(1,759)	(4,631)	(2,164)
Net cash flows from operating activities	4,359	2,899	10,920
Cash flows from investing activities:			
Payment for purchase of property, plant and equipment	(1,923)	(4,094)	(3,144)
Proceeds from sales of property, plant and equipment	135	60	134
Payment for purchase of investment securities	(1,000)	(824)	(1,500)
Proceeds from sales of investment securities	1,009	-	1,509
Change in other investing activities	(292)	(520)	(438)
Net cash flows from investing activities	(2,071)	(5,378)	(3,439)
Cash flows from financing activities:			
Change in short-term borrowings	(3,056)	3,377	(2,938)
Proceeds from long-term borrowings	4,000	-	4,000
Payments for repayment of long-term borrowings	(2,154)	(1,797)	(3,473)
Payment for redemption of bonds	(200)	(1,200)	(700)
Dividend payments	(1,804)	(2,208)	(1,804)
Change in other financing activities	221	10	277
Net cash flows from financing activities	(2,993)	(1,818)	(4,638)
Adjustment on foreign currency translation of cash and cash equivalents	107	46	106
Net increase (decrease) in cash and cash equivalents	(597)	(4,251)	2,948
Cash and cash equivalents at beginning of year	13,851	16,800	13,851
Increase of cash and cash equivalents from the change in scope of consolidation	-	175	-
Cash and cash equivalents at end of period	13,253	12,724	16,800

(4) Business segments

Sales by divisions

(Millions of yen, rounded down)

	FY 07 3Q		FY 08 3Q		FY 07	
	(April 1, 2006 - December 31, 2006)		(April 1, 2007 - December 31, 2007)		(April 1, 2006 - March 31, 2007)	
Semiconductor manufacturing equipment	55,435		51,769		78,091	
Measuring systems	15,963		17,541		22,230	
Total	71,398		69,311		100,322	

Operating Income by divisions

(Millions of yen, rounded down)

	FY 07 3Q		FY 08 3Q		FY 07	
	(April 1, 2006 - December 31, 2006)		(April 1, 2007 - December 31, 2007)		(April 1, 2006 - March 31, 2007)	
Semiconductor manufacturing equipment	7,459		3,662		8,830	
Measuring systems	3,746		4,208		5,256	
Total	11,206		7,871		14,086	

Sales by geographical segment

(Millions of yen, rounded down)

	FY 07 3Q		FY 08 3Q		FY 07	
	(April 1, 2006 - December 31, 2006)		(April 1, 2007 - December 31, 2007)		(April 1, 2006 - March 31, 2007)	
Japan	57,380		56,439		81,916	
United States	8,934		5,624		11,443	
Germany	5,084		6,751		6,962	
South Korea	-		496		-	
Total	71,398		69,311		100,322	

Overseas sales

(Millions of yen, rounded down)

	FY 07 3Q		FY 08 3Q		FY 07	
	(April 1, 2006 - December 31, 2006)		(April 1, 2007 - December 31, 2007)		(April 1, 2006 - March 31, 2007)	
Overseas sales total	34,479		35,712		50,462	
East Asia	17,740		19,675		28,709	
North America	6,698		4,031		9,121	
Europe	5,466		6,627		7,332	
Southeast Asia	4,396		5,016		5,057	
Other areas	178		362		242	

Orders received and backlog

(Millions of yen, rounded down)

	FY 07 3Q		FY 08 3Q		FY 07	
	(April 1, 2006 - December 31, 2006)		(April 1, 2007 - December 31, 2007)		(April 1, 2006 - March 31, 2007)	
	Received	Backlog	Received	Backlog	Received	Backlog
Semiconductor manufacturing equipment	58,319	22,334	48,296	20,350	82,465	28,823
Measuring systems	16,768	5,159	19,046	6,669	22,994	5,118
Total	75,087	27,493	67,343	27,020	105,460	28,942