



August 1, 2008

Notice of Extraordinary Loss by application of “Accounting Standard for Measurement of Inventories”

Company name: TOKYO SEIMITSU CO., LTD.

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

Representative: Sadakatsu Suzuki, Chairman and CEO

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TOKYO SEIMITSU CO., LTD announced to have recognized the extraordinary losses in the First Quarter of the Fiscal Year Ending March 31, 2009 (April 1, 2008 - June 30, 2008).

1. Extraordinary losses

As the application of “Accounting Standard for Measurement of Inventories” inaugurated from April 1, 2008, we devaluated the inventories at the beginning of the Fiscal Year.

As a result of this, we recognized the inventory evaluation loss of ¥2,519 million.

2. Impact to the business forecast

We include the impact of the devaluation in the “Forecast for FY 2009” of the “Consolidated Financial Statements for the First Quarter of the Fiscal Year Ending March 31, 2009” announced on August 1, 2008.