



September 14, 2007

Revision of Forecast for the Fiscal Year Ending March 31, 2008

Company name: TOKYO SEIMITSU CO., LTD.

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

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TOKYO SEIMITSU CO., LTD announced today revised financial forecasts for the year ending March 31, 2008. Previous forecasts were announced on May 16, 2007.

Revision of Consolidated Forecast – FY2008 (April 1, 2007 to March 31, 2008)

[Interim Year FY2008 – from April 1, 2007 to September 30, 2007]

	Sales	Operating Income	Ordinary Income	(Millions of yen) Net Income
Previous Forecast (A) (announced on May 16, 2007)	52,500	7,500	7,500	4,400
Revised Forecast (B)	49,000	5,800	6,000	3,000
Change (B-A)	(3,500)	(1,700)	(1,500)	(1,400)
Change Ratio (%)	(6.7%)	(22.7%)	(20.0%)	(31.8%)
Results for the Previous Fiscal Year (the year ending March 31, 2007)	51,838	8,929	8,840	4,998

[Full Year FY2008- from April 1, 2007 to March 31, 2008]

	Sales	Operating Income	Ordinary Income	(Millions of yen) Net Income
Previous Forecast (A) (announced on May 16, 2007)	1,080,000	17,500	17,500	10,000
Revised Forecast (B)	990,000	12,000	12,000	6,500
Change (B-A)	(9,000)	(5,500)	(5,500)	(3,500)
Change Ratio (%)	(8.3%)	(31.4%)	(31.4%)	(35.0%)
Results for the Previous Fiscal Year (the year ending March 31, 2007)	100,322	14,086	13,612	8,741

(Reference)

Revision of Non-Consolidated Forecasts –FY 2008 (April 1, 2007 to March 31, 2008)

[Interim Year FY2008 – from April 1, 2007 to September 30, 2007]

	Sales	Operating Income	Ordinary Income	(Millions of yen) Net Income
Previous Forecast (A) (announced on May 16, 2007)	46,000	5,400	5,400	3,800
Revised Forecast (B)	41,500	3,300	3,900	2,200
Change (B-A)	(4,500)	(2,100)	(1,500)	(1,600)
Change Ratio (%)	(9.8%)	(38.9%)	(27.8%)	(42.1%)
Results for the Previous Fiscal Year (the year ending March 31, 2007)	45,064	6,386	6,699	4,060

[Full Year FY2008- from April 1, 2007 to March 31, 2008]

	Sales	Operating Income	Ordinary Income	(Millions of yen) Net Income
Previous Forecast (A) (announced on May 16, 2007)	95,000	13,200	13,200	8,400
Revised Forecast (B)	85,000	7,500	7,900	4,600
Change (B-A)	(10,000)	(5,700)	(5,300)	(3,800)
Change Ratio (%)	(10.5%)	(43.2%)	(40.2%)	(45.2%)
Results for the Previous Fiscal Year (the year ending March 31, 2007)	86,827	9,565	9,847	5,666

[Reasons for Revisions]

1 Overview

Although orders have been steady up to mid-May, the capacity utilization ratio of many semiconductor manufacturers has decreased and accordingly our orders have slowed since then.

The recovery anticipated in the second quarter has, however, been slower than expected. While the outlook for an offsetting upside revision for second half orders is positive, at this stage a more conservative stance has been adopted and second half forecasts have also been revised downwards.

2 Forecast for Interim Period –FY2008 (April 1, 2007 to September 30,2007)

Sales and Operating Income for our Metrology business remain within the range of original forecasts.

Sales of Semiconductor Production Equipment (SPE) is estimated to fall short of forecasts by approximately 3.5 billion Yen due mainly to decreased order/sales of probing machines.

Operating Income is estimated to be down 1.7 billion due to sales reduction of probing machines which have a relatively higher operating margin. For other SPE products, Sales and Profit is generally in line with company forecasts, except for some sales shortfalls in specific product groups.

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

For the Metrology business, steady growth is expected for the second half of this fiscal year and Sales is expected to grow by 1.0 billion Yen from that of the first half, with Sales for the fiscal year ultimately in line with planned levels.

For the SPE business, with orders slow to recover for August and September and a significant recovery in the second half of FY2008 difficult to foresee, we have revised down our original plan and forecast Sales for the second half of FY2008 to be the same level as the first half.

As a result, we forecast total Sales of FY2008 to be 99.0 billion Yen and total Operating Income to be 12.0 Billion Yen.

4 Outlook for the Prober Business

The current market for probing machines reflects a recent slowdown of investment by semiconductor manufacturers. Our view is that the demand for probers, which are used for wafer testing, will bounce back in the near future.

In particular, there are currently a number of industry trials of new techniques for wafer testing such as the “one touch contact” system which is aimed at shortening processing time. However, it is our view that strict confidence testing is required for stack die devices and this can only be performed with probing machines, which require the appropriate test time. Hence, demand for our probing machines will rebound as demand for quality assurance is reasserted.

5 Dividend

The company remains committed to planned dividend payments to shareholders of total 70 Yen per share as announced in May 2007.

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.