

[Translation]

April 5, 2013

To whom it may concern

Tosei Corporation  
 Toranomon Tosei Building, 4-2-3 Toranomon, Minato-ku, Tokyo  
 President and CEO: Seiichiro Yamaguchi  
 Ticker code: 8923 (Tokyo Stock Exchange, First Section)  
 Contact: Director and CFO: Noboru Hirano  
 TEL: +81-3-3435-2864

### **Notice Regarding the Revision of the Performance Forecast**

Tosei Corporation (the “Company”) hereby announces that it has revised its consolidated full-year and second quarter performance forecasts for the year ending November 30, 2013 (December 1, 2012 to November 30, 2013), which had originally been announced on January 10, 2013. The detail is as follows:

#### **1. Consolidated Performance Forecast Revision for the First Six Months of the Year Ending November 30, 2013 (December 1, 2012 to May 31, 2013)**

	Revenue (¥ million; %)	Operating profit (¥ million; %)	Profit before tax (¥ million; %)	Profit for the period attributable to owners of the parent (¥ million; %)	Basic earnings per share (¥)
Previous forecast (A) <under Japanese GAAP>	24,644	2,432	2,021	1,223	2,677.59
Revised forecast (B) <under IFRS>	24,542	2,289	1,914	1,158	2,535.83
Amount of change (B-A)	(102)	(142)	(107)	(64)	
Percentage change (%)	(0.4%)	(5.9%)	(5.3%)	(5.3%)	
[Reference] Results for the same period of the previous year <under Japanese GAAP>	10,151	922	535	286	626.14

#### **2. Consolidated Performance Forecast Revision for the Year Ending November 30, 2013 (December 1, 2012 to November 30, 2013)**

	Revenue (¥ million; %)	Operating profit (¥ million; %)	Profit before tax (¥ million; %)	Profit for the year attributable to owners of the parent (¥ million; %)	Basic earnings per share (¥)
Previous forecast (A) <under Japanese GAAP>	37,121	3,387	2,606	1,580	3,459.54
Revised forecast (B) <under IFRS>	37,013	3,284	2,635	1,597	3,497.69
Amount of change (B-A)	(108)	(103)	28	17	
Percentage change (%)	(0.3%)	(3.1%)	1.1%	1.1%	
[Reference] Results for the same period of the previous year <under Japanese GAAP>	24,539	3,030	2,172	1,405	3,076.34

### **3. Reason for Revision**

With its secondary listing on the Main Board of the Singapore Stock Exchange on March 27, 2013, the Company adopted International Financial Reporting Standards (IFRS) to its consolidated financial statements from the first quarter of the fiscal year ending November 30, 2013. To correspond to the differences in the recognition of revenues, profits and expenses as a result of this change in the accounting policies, the Company revised its consolidated full-year and second quarter (year-to-date) performance forecast for the fiscal year ending November 30, 2013.

#### <Major Revisions in the Revenues>

In the Rental Business, the Company had not booked any rent income during the free rent periods for those lease contracts with free rent periods. As the rent income is recognized on a straight-line basis over the lease term under the new accounting policy, necessary adjustments in revenue recognition have been made.

#### <Major Revisions in Profits and Expenses>

As for the write-down of the inventory, the previously adopted non-reversal method has now been changed to the reversal method; the depreciation of the inventory has been discontinued; the interest expenses during the development period in the Development Business, which used to be expensed as incurred, is now consolidated into the cost of the projects, resulting in change in the cost of revenue.

The projections are based on information available to the Company as of the date of the announcement, and actual performance may differ from the forecasts due to various factors.