[Translation]

July 5, 2013

To whom it may concern

Tosei Corporation
Toranomon Tosei Building, 4-2-3 Toranomon, Minato-ku, Tokyo
President and CEO: Seiichiro Yamaguchi
Securities code: 8923 (Tokyo Stock Exchange, First Section)
S2D (Singapore Exchange, Mainboard)
Contact: Director and CFO: Noboru Hirano
TEL: +81-3-3435-2864

Notice Regarding the Variance between Performance Forecasts and Results for the First Six Months of the Fiscal Year Ending November 30, 2013 as well as the Revision of Full-year Forecasts

Tosei Corporation (the "Company") hereby announces that there has been the following variance between its performance forecasts originally announced on April 5, 2013 and the actual results for the first six months of the fiscal year ending November 30, 2013 (December 1, 2012 to May 31, 2013). Additionally, the Company also announces that it has revised its consolidated full-year performance forecasts for the current fiscal year (December 1, 2012 to November 30, 2013), in reflection of the recent development in its operating performance.

1. Variance Between the Performance Forecasts and the Results for the First Six Months of the Fiscal Year Ending Nov. 30, 2013 (Dec.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 for the period (¥)
< IFRS based> Performance forecasts (A)	24,542	2,289	1,914	1,158	25.36
< IFRS based> Results (B)	23,090	2,752	2,384	1,461	31.99
Amount of variances (B-A)	(1,451)	462	470	302	
Percentage change (%)	(5.9%)	20.2%	24.6%	26.1%	
[Reference] Results for the first six months of the previous fiscal year ended Nov. 30, 2012 < JGAAP based>	10,151	922	535	286	6.26

2. Revision of Consolidated Performance Forecasts for the Year Ending Nov. 30, 2013 (Dec.1, 2012 to Nov. 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 for the year (¥)
< IFRS based> Previous forecasts (A)	37,013	3,284	2,635	1,597	34.98
< IFRS based> Revised forecasts (B)	34,946	3,805	3,107	1,903	41.66
Amount of change (B-A)	(2,066)	521	472	305	
Percentage change (%)	(5.6%)	15.9%	17.9%	19.1%	
[Reference] Results for the previous fiscal year ended Nov. 30, 2012 <under JGAAP>	24,539	3,030	2,172	1,405	30.76

Note: The Company split its shares by 100 for 1, effective July 1, 2013. Therefore, the basic earnings per share for the period and the basic earnings per share for the year have been calculated on the assumption that the stock had been split at the beginning of the previous fiscal year.

3. Reasons for the Variance and the Revision

(1) Variance Between the Performance Forecasts and the Results for the First Six Months Ended May 31, 2013

The consolidated revenue fell below the previous forecast since the Company decided to postpone the dispositions of certain buildings in the Revitalization Business later until after end of the current fiscal year, and also the sale of Restyling properties had progressed slower than expected.

On the other hand, the actual profits exceeded the forecasts, owing to the sale of two condominium projects completed in the current two quarters, under which larger profit margins were earned compared with the original plans, as well as to the brokerage fees etc. booked associated with property dispositions in the Fund and Consulting Business.

(2) Revision in Consolidated Performance Forecasts for the Year Ending Nov. 30, 2013

The Company revised its consolidated full-year revenue forecast for the year ending November 30, 2013 downward to ¥34,946 million, a decrease of ¥2,066 million from the previous forecast, due mainly to the rescheduled dispositions of certain buildings.

On the other hand, it revised the consolidated full-year forecasts for the operating profit upward to ¥ 3,805 million, an increase of ¥521 million and the profit for the year to ¥1,903 million, an increase of ¥305 million, as they have exceeded the original plan during the first-half of the current year, and are generally expected to remain as planned in the second-half.

End of Notice

Note: The above performance forecasts are based on information available at the time of announcement. Various subsequent factors may cause the actual performance to differ from the forecasts.