



MEMBERSHIP

November 5, 2007

Name of listed company:

Penta-Ocean Construction Co., Ltd

Representative: Chairman and Executive Officer

Yoshio Murashige

Code number: 1893

Stock exchange: Tokyo, Osaka, Nagoya

Contact: General Manager, Finance Department

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Revision of Earnings Forecasts for the First Half of the Fiscal Year
Ending March 31, 2008

In the right of recent performance, Penta-Ocean Construction announced revisions of its earnings forecasts for the first half of the fiscal year 2007 which were originally provided on May 18, 2007, as shown below.

1. Revised forecasts of Interim Earnings for FY 03/08. (April 1, 2007-September 30, 2007)

(1) Consolidated

(Millions of yen, %)

	Net sales	Operating profit	Ordinary income	Net income
Previous forecast (A)	151,000	0	(1,400)	(2,000)
Revised forecast (B)	138,600	(1,100)	(2,500)	(2,200)
Difference (B – A)	(12,400)	(1,100)	(1,100)	(200)
Percentage change (%)	(8.2)%	-	-	-
Interim fiscal 2006	138,224	(630)	(1,802)	(8,175)

(2) Non-consolidated

(Millions of yen, %)

	Net sales	Operating profit	Ordinary income	Net income
Previous forecast (A)	138,000	0	(1,400)	(2,000)
Revised forecast (B)	126,300	(1,600)	(3,000)	(2,500)
Difference (B – A)	(11,700)	(1,600)	(1,600)	(500)
Percentage change (%)	(8.5)%	-	-	-
Interim fiscal 2006	125,850	(921)	(2,299)	(8,543)

This release contains certain forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may materially differ from those contained in the forward-looking statements as a result of various factors.

2. Reasons for revision of earnings forecast

The main reasons for the revision include falls in net sales and gross margin of construction works in both consolidated and non-consolidated results, compared with the initial forecasts (announced on May 18, 2007).

In contrast, the total amount of non-consolidated construction orders received increased 24.4% from the previous interim period. Orders fell in the private sector and rose in the public sector for both domestic civil engineering works and domestic building construction works. Overseas orders received increased remarkably, as they included a large port development project in Singapore.

The earnings forecast for the full year announced on May 18, 2007 has not been changed.

< Reference >

Non-consolidated orders received for the first half ended September 30, 2007

(Preliminary figures)

(Billions of yen, %)

		1H FY 03/08	1H FY 03/07	Difference	Y o Y
Domestic Civil Eng.	Public	37.3	26.6	10.7	40.4%
	Private	19.0	23.2	(4.2)	(18.0)%
		56.3	49.8	6.6	13.2%
Domestic Building Const.	Public	5.4	1.8	3.6	200.8%
	Private	51.2	58.7	(7.5)	(12.7)%
		56.6	60.5	(3.9)	(6.4)%
Overseas	Civil Eng.	89.4	17.8	71.6	401.9%
	Building Const.	4.5	38.2	(33.7)	(88.2)%
		93.9	56.0	37.8	67.5%
Construction Total		206.8	166.3	40.5	24.4%