

**SCHEDULE 5: FORM OF CONVERSION NOTICE**

**TASCO SYSTEM Co., Ltd. (the "Issuer")**

**JPY2,500,000,000**

**Zero Coupon Convertible Bonds due 2012**

**(Bonds with Stock Acquisition Rights, *shinkabu yoyakuken-tsuki shasai*)**

**(the "Bonds")**

**CONVERSION NOTICE**

**(BEFORE COMPLETING THIS CONVERSION NOTICE**

**PLEASE READ THE NOTES SET OUT BELOW)**

Name: .....

Date:.....

Address:.....

Tel/Fax No.s:.....

Signature: .....

To: Citibank, N.A., London (as Conversion Agent)

cc. TASCO SYSTEM Co., Ltd. (as Issuer)

I/We\*, being the holders of the Bond(s) specified below, hereby elect to convert such Bonds into fully paid and non-assessable shares of common stock of the Issuer (the "**Shares**") in accordance with Condition 5 of the terms and conditions of the Bonds.

1. Total number [and certificate number(s),] \*\* of Bond(s), to be converted:

Total number of Bonds: \_\_\_\_\_

[Certificate number(s) of Bond(s): \_\_\_\_\_]\*\*

Total principal amount of Bonds to be converted: JPY \_\_\_\_\_

Conversion Price: JPY \_\_\_\_\_

Number of Shares: \_\_\_\_\_

Number of Odd Lot Shares: \_\_\_\_\_

*N.B. If necessary, a list of the certificate numbers of the Bonds can be attached separately.*

2(A). (i) I/We\* hereby request that the certificate(s) for the Shares (other than any securities, property or cash) required to be delivered upon conversion at the Specified Office of the standing proxy of the relevant Bondholder not be issued to us but instead the following persons shall be registered as the owner of the Shares to be issued upon the conversion of the Bonds.

Name: .....

Address:.....

For the account of: .....

Account number: .....

(ii) I/We\* hereby request that any securities (other than the certificates for the Shares), property or cash required to be delivered upon conversion at the Specified Office of our standing proxy be delivered to the order of:

\*my/our standing proxy in Japan:

Name: .....

Address:.....

For the account of: .....

Account number: .....

and pursuant to the [Share Handling Regulations/Articles of Incorporation] of the Issuer I/we\* hereby notify the Issuer that the name and address of my/our\* standing proxy in respect of the Shares or other shares of the Issuer required to be delivered upon exercise of my/our\* right of conversion is as set out above and I/we\* undertake to notify the Issuer, in accordance with the provisions of its [Share Handling Regulations/Articles of Incorporation] as from time to time amended, of any change therein.

or \*other person to whose order delivery is to be made:

Name: .....

Address:.....

For the account of: .....

Account number: .....

(B) I/We\* hereby request that the certificates for Shares (together with any other securities, property or cash) required to be delivered upon conversion at the Specified Office of our standing proxy be delivered to the order of:

\*my/our standing proxy in Japan:

Name: .....

Address:.....

For the account of: .....

Account number: .....

and pursuant to the [Share Handling Regulations/Articles of Incorporation] of the Issuer I/we\* hereby notify the Issuer that the name and address of my/our\* standing proxy in respect of the Shares or other shares of the Issuer required to be delivered upon exercise of my/our\* right of conversion is as set out above and I/we\* undertake to notify the Issuer, in accordance with the provisions of its [Share Handling Regulations/Articles of Incorporation] as from time to time amended, of any change therein.

or \*other person to whose order delivery is to be made:

Name: .....

Address:.....

For the account of: .....

Account number: .....

3. Certificate

Where the Bonds are represented by the Global Bond, execution of this Conversion Notice by me/us\* constitutes a certification by me/us\* that as of the date hereof, and except as set forth below, the Bonds to which this Conversion Notice relates (i) are owned by person(s) that are not citizens or residents of the United States, domestic partnerships, domestic corporations or any estate or trust the income of which is subject to United States federal income taxation regardless of its source ("**United States person(s)**"), (ii) are owned by the United States person(s) that (a) are foreign branches of United States financial institutions (as defined in U.S. Treasury Regulations §1.165-12(c)(1)(v) ("**financial institutions**")) purchasing for their own account or for resale, or (b) acquired such bonds through foreign branches of United States financial institutions and who hold such Bonds through such United States financial institutions on the date hereof and in either case (a) or (b), each such United State financial institution hereby agrees, on its own behalf or through its agent, that it will comply with the requirements of Section 165(j)(3)(A), (B) or (C) of the Internal Revenue Code of 1986, as amended, and the regulations thereunder), or (iii) are owned by United States or foreign financial institution(s) for the purpose of resale during the restricted period (as defined in U.S. Treasury Regulations §1.163-5(c)(2)(ii)(D)(7)) and in addition if I/we\* am/are\* a United States or foreign financial institution described in clause (iii) above (whether or not also described in clause (i) or (ii)) this is to certify further that such financial institution has not acquired such Bonds for purposes of resale directly or indirectly to a United States person or to a person within the United States or its possessions.

For the purpose of the foregoing paragraph, "**United States**" means United States of America (including the States and District of Columbia); and its "possessions" include

Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands.

N.B.

- (i) \* Delete whichever is inapplicable
- (ii) \*\*Delete if inapplicable
- (iii) This Conversion Notice will be void unless Sections 1, 2 and 3 are duly completed (save that Section 1, other than the principal amount of the Bonds to be converted, shall not apply to Bonds in global form).
- (iv) Your attention is drawn to Condition 5(a)(ix) with respect to the conditions precedent which must be fulfilled before the Bonds specified above will be treated as effectively deposited for conversion.
- (v) The converting Bondholder should particularly note that in order to assert rights as a shareholder against the Issuer, he must have his name and address registered in the Issuer's register of shareholders and for that purpose the certificate or certificates for the Shares received must be presented to the Issuer.

Dated \_\_\_\_\_ Signature(s) \_\_\_\_\_

Print Name(s) \_\_\_\_\_

#### NOTES

1. If a retroactive adjustment contemplated by Condition 5 of the terms and conditions of the Bonds is required in respect of a conversion of Bonds, certificate(s) for the additional Shares deliverable pursuant to such retroactive adjustment (together with any other securities, property or cash) will be delivered or despatched in the same manner as the certificate(s) for the Share(s), other securities, property and cash previously issued pursuant to the relevant Conversion Notice.
2. A converting Bondholder who is not resident in Japan may appoint a standing proxy in Japan by means of a comprehensive power of attorney. The regulations applicable to foreign investment are subject to change, and it is recommended that Bondholders consult with their legal advisers on Japanese regulations applicable to them from time to time.
3. Shareholders are required to file their names, addresses and seals with Mizuho Trust Bank, the transfer agent for the Issuer, and foreign shareholders may file a specimen signature in lieu of a seal impression. Shareholders not resident in Japan are required to file a mailing address in Japan or appoint a standing proxy in Japan.

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TO BE COMPLETED BY THE CONVERSION AGENT

1. Bond Conversion Identification Number: CITILON/[insert sequential numbering]/ TASCO SYSTEM Co., Ltd. JPY2,500,000,000 Zero Coupon Convertible Bonds due 2012 (Bonds with Stock Acquisition Rights, *shinkabu yoyakuken-tsuki shasai*)
2. Stock Acquisition Date: \_\_\_\_\_
3. Aggregate principal amount of Bond(s) deposited for conversion:  
\_\_\_\_\_
4. Aggregate principal amount of Bond(s) elected to be converted into Shares: \_\_\_\_\_
5. \*Conversion Price on the Stock Acquisition Date: \_\_\_\_\_
6. \*\*Number of Shares issuable (disregard fractions): \_\_\_\_\_
7. \*\*(If applicable) Amount of cash payment due to converting Bondholder in respect of fractions of Shares: \_\_\_\_\_

Endorsed by the Conversion Agent

\_\_\_\_\_  
Date of endorsement:

N.B.

\*Last known price or as otherwise notified to the Conversion Agent by the Issuer or Calculation Agent.

\*\*As notified to the Conversion Agent by the Issuer or Calculation Agent

**SCHEDULE 6: FORM OF NOTICE TO CONVERSION AGENT**

*Form of notification to be sent by facsimile transmission by the Issuer to the Conversion Agent - see Clause 6.5(A).*

**TASCO SYSTEM Co., Ltd. (the "Issuer")**  
**JPY2,500,000,000**  
**Zero Coupon Convertible Bonds due 2012**  
**(Bonds with Stock Acquisition Rights, *shinkabu yoyakuken-tsuki shasai*)**  
**(the "Bonds")**

To: Citibank, N.A., London as Conversion Agent

Fax no: (44) 207 508 3866  
Attention: Agency and Trust

Bond Conversion Identification Number: CITILON/[*insert sequential numbering*]/ TASCO SYSTEM Co., Ltd. JPY2,500,000,000 Zero Coupon Convertible Bonds due 2012 (Bonds with Stock Acquisition Rights, *shinkabu yoyakuken-tsuki shasai*)

(A)

(B) (i)

(ii)

(iii)

(iv)

(C)

(D)

(E)

We confirm that the converting Bondholder or other person nominated in the Conversion Notice (or such other person or entity in whose name the Shares are to be registered pursuant to the Conditions) has been registered as the legal owner of the relevant Shares issued on conversion.

Regards

**TASCO SYSTEM Co., Ltd.**  
Issuer

## Explanation

Against the letters (A) to (E) inclusive will be inserted the following information with respect to the delivery of Shares upon conversion:-

- (A) = the Conversion Agent who forwarded the copy of the Conversion Notice in respect of the Bonds that have been converted;
- (B) = name of holder of account with Custodian (if applicable);
- (C) =
  - (i) number of Shares delivered upon conversion;
  - (ii) the amount (if any) of cash paid under Condition 5(a)(iii) in respect of fractions of Shares;
  - (iii) the nature of any securities and property received upon conversion;
  - (iv) the amount of any other cash payable upon conversion;
- (D) = the date and time of despatch of the certificate or certificates for Shares and any other securities, property or cash; and
- (E) = if applicable, the name and address of the person to whom or to whose order the certificate or certificates for Shares and/or cash, if any, were despatched and the address to which and the manner in which they were despatched.