

The Depository Trust Company

IMPORTANT

B#: 3211-08
DATE: March 26, 2008
TO: All Participants
CATEGORY: Dividends
FROM: International Services
ATTENTION: Operations, Reorg & Dividend Managers, Partners & Cashiers
SUBJECT: TaxRelief - Country: Japan
Tsugami Corp CUSIP: 898536206
Record Date: 3/28/08 Payable Date: TBA
EDS Cut-Off: 04/04/08 Documentation Cut-Off: 04/04/08 5PM

The Depository Trust Company has received from Bank of New York Mellon/GlobeTax the attached information regarding certain tax refunds on the above captioned dividend.

As directed in the notice, participants that have qualified beneficial holders that expect to benefit from the procedure should secure the required documentation.

Important Legal Information: *The Depository Trust Company ("DTC") does not represent or warrant the accuracy, adequacy, timeliness, completeness or fitness for any particular purpose of the information contained in DTC communications, which are based in part on information obtained from third parties and not independently verified by DTC and which are provided as is. The information contained in this Important Notice is not intended to be a substitute for obtaining tax advice from an appropriate professional advisor. In providing this Important Notice, DTC shall not be liable for (1) any loss resulting directly or indirectly from mistakes, errors, omissions, interruptions, delays or defects in such notice, unless caused directly by gross negligence or willful misconduct on the part of DTC, and (2) any special, consequential, exemplary, incidental or punitive damages.*

Tsugami Corp
CUSIP#: 898536206
ADR R/D: March 28, 2008
ADR P/D: TBA

The Bank of New York Mellon acts as one of the depository banks for **Tsugami Corp (Cusip # 898536206)** American Depository Receipt (“ADR”) unsponsored programs. **Tsugami Corp** has recently announced their cash dividend.

Participants can use the DTC’s Elective Dividend System (EDS) function over the Participant Terminal System (PTS) to certify all or a portion of their position entitled to the applicable withholding tax rate.

NOTE: THE DEADLINE FOR CERTIFYING OVER EDS IS APRIL 4, 2008.

The various Japanese withholding tax rates that may be applicable are as follows:

10% Withholding Rate (unfavorable at 90% payment) applies to a beneficial owner of the ADRs that is a Japanese individual resident for tax purposes. This rate includes the additional 3% local tax. Information detailed on Appendix C will also be required.

7% Withholding Rate (favorable at 93% payment) applies to a beneficial owner of the ADRs that is not a Japanese individual resident for tax purposes and is therefore not subject to the 3% local tax.

0% Withholding Rate (exempt rate – U.S. pensions) applies to a beneficial owner of the ADRs that (a) is not engaged in a trade or business in Japan through a permanent establishment situated in Japan, within the meaning of the U.S. double taxation treaty with Japan, (b) is a qualifying “Pension Fund” as defined on Page 11 of the Technical Explanation of the new tax treaty between the U.S. and Japan, published by the U.S. Department of Treasury and (c) is able to certify that more than 50 % of the beneficiaries, members or participants of the eligible pension fund were individual residents of the U.S. or Japan as of the prior taxable period.

Qualifying plans are listed below:

1. qualified plans under section 401(a)
2. individual retirement plans (including those that are a part of a simplified employee pension plan that satisfies 408(k))
3. individual retirement accounts, individual retirement annuities, section 408(p) accounts
4. Roth IRAs under section 408 A
5. section 457 governmental plans
6. section 403(a) qualified annuity plans
7. section 403(b) plans
8. section 401(k) plans qualify as pension funds because a 401(k) plan is a type of 401(a) plan.
9. and any other fund identical or substantially similar to the foregoing schemes that are established pursuant to legislation introduced after the date of signature of the Convention.

0% Withholding Rate (exempt rate – U.K. pensions) applies to a beneficial owner of the ADRs that (a) is not engaged in a trade or business in Japan through a permanent establishment situated in Japan, within the meaning of the U.K. double taxation treaty with Japan, (b) is a qualifying “Pension Fund” as defined by Article 22, paragraph 2(e) of the Income Tax Convention between Japan and the United Kingdom of Great Britain and Northern Ireland, published by the Ministry of Finance Japan and (c) is able to certify that more than 50 % of the beneficiaries, members or participants of the eligible pension fund were individual residents of the U.K. or Japan as of the prior taxable period.

In addition to certifying through EDS, the following documentation needs to be provided to The Bank of New York Mellon / GlobeTax (**FOR THE EXEMPT U.S. / U.K. PENSION PLANS AND JAPANESE INDIVIDUAL RESIDENTS ONLY**) no later than **April 4, 2008 at 5:00 PM EST**:

FOR EXEMPT US PENSIONS THE FOLLOWING DOCUMENTATION IS REQUIRED:

1) **Withholding Certification** listing the beneficial owner information of all U.S. PENSIONS claiming the exempt withholding tax rate. The beneficial owner name and TIN/SSN # on this form must match the 6166 form (see Appendix A).

2) **Certification of Residency** - An **original** U.S. IRS Form 6166 dated within **one year** of **May 1, 2008** must be provided for each beneficial owner. Please use Form 8802 in order to obtain a Form 6166 from the IRS.

* **Form 8802 must contain the following statement in Section #11:**

“Under penalties of perjury, I am a citizen of the United States and will continue to be for the current year.”

Please send form 8802 and payment of the user fee by mail to the Internal Revenue Service (“IRS”) located at: Internal Revenue Service, P.O. Box 42530, PHILADELPHIA, PA 19101-5230 Telephone: (215) 516-2000, Fax: (215) 516-1035.

3) **Power of Attorney** - An **original** Power of Attorney (“POA”) completed by the ultimate beneficiary of the income (See Appendix B) is also required. This power of attorney **must** be completed using the template provided and **must** be on the **letterhead of the ultimate beneficial owner** in order to be valid.

****NOTE:** The name of the beneficial owner on the Power of Attorney **must** exactly match, word for word, the beneficiaries name on their Form 6166. Also, please be sure to include the address of the beneficiary within the POA as shown in Appendix B.

FOR EXEMPT UK PENSIONS THE FOLLOWING DOCUMENTATION IS REQUIRED:

1) **Withholding Certification** listing the beneficial owner information of all U.K. PENSIONS claiming the exempt withholding tax rate. The beneficial owner name and TIN # on this form must match the Certificate of Residence form (see Appendix E).

2) **Certification of Residency** - An **original** Certificate of Residence dated within **one year** of **May 1, 2008** must be provided for each beneficial owner. Please use Certificate of Residence (see Appendix F).

3) **Power of Attorney** - An **original** Power of Attorney (“POA”) completed by the ultimate beneficiary of the income (See Appendix B) is also required. This power of attorney **must** be completed using the template provided and **must** be on the **letterhead of the ultimate beneficial owner** in order to be valid.

****NOTE:** The name of the beneficial owner on the Power of Attorney **must** exactly match, word for word, the beneficiaries name on their Certificate of Residency. Also, please be sure to include the address of the beneficiary within the POA as shown in Appendix B.

FOR JAPANESE INDIVIDUAL RESIDENTS SUBJECT TO THE 3% LOCAL TAX THE FOLLOWING DOCUMENTATION IS REQUIRED:

1) **Withholding Certification** listing the beneficial owner information of all Japanese Individual Residents who are subject to the local 3% tax. **It is required to provide the 7-digit Japanese postal code which indicates the prefecture of the Japanese resident (see Appendix C).**

The Withholding Certification form, Form 6166s, Certificates of Residence, and POAs must be received no later than **April 4, 2008**.

*****NOTE: NO DOCUMENTATION NEEDS TO BE PROVIDED FOR SHARES THAT ELECT TO RECEIVE THE FAVORABLE (93%) RATE.**

Elections for advance tax relief at the Favorable (93%) rate are subject to a tax relief fee of up to \$0.0035 per share. Elections for advanced tax relief at the Exempt (100%) rate are subject to a tax relief fee of up to \$0.0035 per share.

For reasons of cost effectiveness, only those U.S. Pensions holders with more than 1,400 ADRs may file for the additional 7% tax reclaim.

Late filings are subject to a tax relief fee of \$0.005 per ADR with a minimum tax relief fee of \$25.00 and no maximum tax relief fee withheld by the ADR Depository.

Questions about this advance tax relief process and late filings should be directed to:
The Bank of New York Mellon / GlobeTax by phone at 800-915-3536 or by mail at:

The Bank of New York Mellon / GlobeTax
90 Broad Street, 16th Floor
New York, NY 10004
Attn: Jeanny Yang

APPENDIX A - U.S. ELIGIBLE PENSIONS ONLY

< *Your company letterhead* >

To: The Bank of New York Mellon / GlobeTax
 90 Broad Street (16th Floor)
 New York, New York 10004-2205
 Phone: 1-800-915-3536 Fax: 1-800-985-3536

Re: Withholding Certification for Tsugami Corp CUSIP# 898536206

I / We the undersigned (Contact Name) authorized representative of (DTC Participant Name) holding shares at Cede & Co. under DTC# (DTC PTS Number) of Tsugami Corp ; CUSIP# 898536206, request that the upcoming cash dividend payable to holders as of 3/28/2008, receive the additional 7% tax reclaim

Name of Pension Fund/IRA	Complete U.S. Address	Tax ID Number	# ADR Shares	Law of Establishment (ERISA, State Law of <State>, etc.)

***** IF THERE ARE MORE THAN 7 BENEFICIAL HOLDERS, PLEASE CALL JEANNY YANG AT THE NUMBER ABOVE AND WE WILL SEND YOU A PRE-FORMATTED DISK. PLEASE RETURN THE DISK AND THE HARD COPY WITH THE REQUIRED AUTHORIZED SIGNATURES TO THE ADDRESS ABOVE.**

Participants will be fully liable for all withholding taxes and any claims, penalties or interest to the Japanese Tax Authorities ("charge-backs"), including without limitations, any foreign exchange fluctuations associated with such funds at the time due or payable. The Bank of New York Mellon shall not be liable for the failure to secure any refund.

Incorrect claims and/or elections could result in fines and/or penalties.

TEL: _____

 Print Name of Signatory

FAX: _____

 Position of Signatory

PLEASE INCLUDE YOUR PHONE AND FAX NUMBER SO THAT WE CAN CONTACT YOU WITH ANY QUESTIONS THAT WE MIGHT HAVE.

APPENDIX B – POWER OF ATTORNEY

(U.S. Pension Fund's Letterhead)

Power of Attorney

(Name of Pension Fund/IRA = the Undersigned), with address in (City, State, Country) hereby appoints The Bank of New York ("Bank") and/or the Bank's designated standing proxy(ies) as its true and lawful attorney with full Power of Attorney to do all or any of the following acts with respect to the American Depository Receipts representing shares in Tsugami Corp ("Securities") that the Bank holds in its safe custody on behalf of the Undersigned through a Participant in the Depository Trust Company .

- i) To sign and file required forms with competent tax authorities in order to secure any tax privileges and benefits such as tax reduction or tax-exemption at source.
- ii) To receive on behalf of the Undersigned tax repayments made by competent tax authorities as a result of lodging reclaim forms.
- iii) To perform any other act as may be necessary to execute the acts mentioned herein.

The Undersigned also authorizes the Bank and/or the Bank's designated standing proxy(ies) to submit this power of attorney or a photocopy of it to competent tax authorities.

(the Name of the Pension Fund/IRA)

<Place and Date>
Place and Date

<Signature of Officer of Beneficiary>
Authorized Signature(s)/Title (s)

In addition, the authorized representative:

Confirms that more than 50% of the beneficiaries, members or participants of the eligible pension fund were individual residents of the U.S. or Japan as of the prior taxable period.

(the Name of the Pension Fund/IRA)

<Place and Date>
Place and Date

<Signature of Officer of Beneficiary>
Authorized Signature(s)/Title (s)

APPENDIX C - JAPANESE INDIVIDUAL RESIDENTS ONLY

< *Your company letterhead* >

To: The Bank of New York Mellon / GlobeTax
 90 Broad Street (16th Floor)
 New York, New York 10004-2205
 Phone: 1-800-915-3536 Fax: 1-800-985-3536

PLEASE PROVIDE THIS LISTING ONLY FOR JAPANESE INDIVIDUAL RESIDENTS THAT YOU HAVE ELECTED TO RECEIVE THE 90% RATE THROUGH EDS.

Re: Withholding Certification for Tsugami Corp CUSIP# 898536206 Record Date: 3/28/2008

Name of Japanese Individual Resident	Complete Japan Address	# ADR Shares

Participants will be fully liable for all withholding taxes and any claims, penalties or interest to the Japanese Tax Authorities ("charge-backs"), including without limitations, any foreign exchange fluctuations associated with such funds at the time due or payable. The Bank of New York Mellon shall not be liable for the failure to secure any refund.

Incorrect claims and/or elections could result in fines and/or penalties.

TEL: _____

 Print Name of Signatory

FAX: _____

 Position of Signatory

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APPENDIX D – POWER OF ATTORNEY

(U.K. Pension Fund’s Letterhead)

Power of Attorney

(Name of Pension Fund/IRA = the Undersigned), with address in (City, State, Country) hereby appoints The Bank of New York (“Bank”) and/or the Bank’s designated standing proxy(ies) as its true and lawful attorney with full Power of Attorney to do all or any of the following acts with respect to the American Depository Receipts representing shares in Tsugami Corp (“Securities”) that the Bank holds in its safe custody on behalf of the Undersigned through a Participant in the Depository Trust Company .

- i) To sign and file required forms with competent tax authorities in order to secure any tax privileges and benefits such as tax reduction or tax-exemption at source.
- ii) To receive on behalf of the Undersigned tax repayments made by competent tax authorities as a result of lodging reclaim forms.
- iii) To perform any other act as may be necessary to execute the acts mentioned herein.

The Undersigned also authorizes the Bank and/or the Bank’s designated standing proxy(ies) to submit this power of attorney or a photocopy of it to competent tax authorities.

(the Name of the Pension Fund/IRA)

<Place and Date>
Place and Date

<Signature of Officer of Beneficiary>
Authorized Signature(s)/Title (s)

In addition, the authorized representative:

Confirms that more than 50% of the beneficiaries, members or participants of the eligible pension fund were individual residents of the U.K. or Japan as of the prior taxable period.

(the Name of the Pension Fund/IRA)

<Place and Date>
Place and Date

<Signature of Officer of Beneficiary>
Authorized Signature(s)/Title (s)

APPENDIX E - U.K. ELIGIBLE PENSIONS ONLY

< Your company letterhead >

To: The Bank of New York Mellon / GlobeTax
 90 Broad Street (16th Floor)
 New York, New York 10004-2205
 Phone: 1-800-915-3536 Fax: 1-800-985-3536

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Name of Pension Fund/IRA	Complete U.K. Address	Tax ID Number	# ADR Shares	Law of Establishment (ERISA, State Law of <State>, etc.)

***** IF THERE ARE MORE THAN 7 BENEFICIAL HOLDERS, PLEASE CALL JEANNY YANG AT THE NUMBER ABOVE AND WE WILL SEND YOU A PRE-FORMATTED DISK. PLEASE RETURN THE DISK AND THE HARD COPY WITH THE REQUIRED AUTHORIZED SIGNATURES TO THE ADDRESS ABOVE.**

Participants will be fully liable for all withholding taxes and any claims, penalties or interest to the Japanese Tax Authorities ("charge-backs"), including without limitations, any foreign exchange fluctuations associated with such funds at the time due or payable. The Bank of New York Mellon shall not be liable for the failure to secure any refund.

Incorrect claims and/or elections could result in fines and/or penalties.

TEL : _____

 Print Name of Signatory

FAX: _____

 Position of Signatory

PLEASE INCLUDE YOUR PHONE AND FAX NUMBER SO THAT WE CAN CONTACT YOU WITH ANY QUESTIONS THAT WE MIGHT HAVE.

居 住 者 証 明 書
Certificate of Residence

私は、届出者 _____ が、
日本国と _____ との間の
租税条約第 _____ 条第 _____ 項 _____ に規定する居住者であることを証明します。

I hereby certify that (the applicant:) _____
is a resident under the provisions of the Income Tax Convention between
Japan and the United Kingdom of Great Britain and Northern Ireland,
Article 22, para. 2 (e).

年月日 _____
Date _____ / _____ / _____

署 名 _____
Signature _____

官 印
Official Stamp

