

May 22, 2007

Dear Ladies and Gentlemen:

Company Name: KOA Corporation
Representative: President & CEO Koichi Mukaiyama
(Securities Code: 6999 Listed in the 1st Section of Tokyo and Nagoya Stock Exchanges)
Contact: Top Management of Management Administration IV
Kayoko Fukano
(Telephone Number 81-265-70-7171)

Notice regarding the election of Independent Auditor

In the Meeting of Board of Directors held on May 21, 2007, a resolution to propose the “Election of Independent Auditor” in the 79th General Meeting of Shareholders scheduled for June 9, 2007, was reached. The consent of the Board of Corporate Auditors to this proposal has already been received.

1. Reasons for the election of Independent Auditor

Chuo Aoyama Audit Corporation (present MISUZU Audit Corporation), which was an independent auditor of the Company, was punished by the Financial Services Agency with suspension of business for two months (from July 1 to August 31 2006). As a result, the audit corporation lost qualifications as an independent auditor as of July 1, 2006 and resigned from its office as the Company's independent auditor on that date.

Because of this, according to the decision of the Board of Corporate Auditors, Mr. Hidehiro Yatabe, CPA, and MISUZU Audit Corporation were appointed as temporary independent auditors on July 3, 2006 and on September 1, 2006, respectively.

We thus propose the appointment of a new Independent Auditor in the General Meeting of Shareholders scheduled for June 9, 2007.

2. Names and addresses of departing Independent Auditors

Name: Mr. Hidehiro Yatabe, CPA

Address: 4-7, Nishinippori 1-chome, Arakawa-ku, Tokyo

Name: MISUZU Audit Corporation

Address: Kasumigaseki Building, 2-5, Kasumigaseki 3-chome, Chiyoda-ku, Tokyo

3. Name and address of new Independent Auditor

Name: Grant Thornton Taiyo ASG

Address: 9th floor, Akasaka DS Building, 5-26, Akasaka 8-chome, Minato-ku, Tokyo

4. Date of change

June 9, 2007 (The scheduled date of 79th General Meeting of Shareholders)