



December 26, 2005

Press Release,

Caution to the Counterfeit Resistors of KOA

Please allow us to take this opportunity to express our sincere gratitude for your continued support of our business.

This is an urgent notice about the counterfeit parts of KOA.

Recently, we confirmed that counterfeit parts of KOA have been circulating in the North American and Chinese markets.

We are writing to alert you of the fact that these parts were sold through unauthorized distributors of electronic components, not through our direct sales or authorized distributors. At the present time, we have not obtained any information that any counterfeit parts have been discovered in the Japanese market.

We suspect the counterfeit parts do not meet our quality standards and are likely to result to failures and trigger accidents upon mounted on the devices. When problems occur, we will not be able to take any responsibility for these failures and accidents attributed to those counterfeit parts, as claiming compensations on counterfeiters is a tough case to make. Consequently, you may suffer unexpected losses.

Accordingly, we would like to ask all of you to purchase KOA products through KOA's sales departments/companies or authorized distributors.

If you have any questions, please feel free to contact KOA's quality assurance center.

Your understanding and cooperation are highly appreciated.

KOA's quality assurance center

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