

April 12, 2006

Ladies and Gentlemen,

Company Name: KOA Corporation

Name of Representative: President Koichi Mukaiyama

(Code Number 6999 TSE 1st Section)

Contact: Director and Top Management of Management Administration IV

Kayoko Fukano

(Telephone Number: 81-265-70-7171)

Results of take-over bid and classification change of our subsidiary company

Our subsidiary company, KOA DENKO (S) PTE. LTD. (with registered address in Singapore, and thereafter referred to as the "Offeror"), had been engaging in a take-over bid on our equity-method subsidiary, KOA DENKO (MALAYSIA) BERHAD (which is listed in the Second Board of Malaysian Securities Exchange or Bursa Malaysia Securities Berhad, and thereafter referred to as the "Offeree"), since March 6, 2006. On April 10, 2006, the offer period of the take-over has expired, and as a consequence of this take-over bid, the Offeree will join the list of our consolidated subsidiary companies. The details are provided in the following:

I. Outcome of the take-over bid

1. Overview of the take-over bid

- | | |
|-----------------------------|---|
| (1) Name of the Offeree | KOA DENKO (MALAYSIA) BERHAD |
| (2) Type of shares on offer | Ordinary shares |
| (3) Offer period | From March 6, 2006 through April 10, 2006 |
| (4) Offer price | RM 2.00 per share |

2. Results of the take-over bid

- | | |
|---|--|
| (1) Expected number of shares to be acquired | 30,560,500 shares |
| This includes 3,104,500 newly issued shares during the offer period, arising from the exercise of employee stock options. | |
| (2) Gained offer acceptance | 28,636,449 shares (93.70% of target shares) |
| (3) Necessary fund | RM 57,272,898 (Approximately JPY 1.85 billion) |
| (4) Change in shareholding | |

	Before take-over		After take-over	
	Number of shares held	Shareholding %	Number of shares held	Shareholding %
Issued shares	45,000,000	—	(†) 48,104,500	—
Offeror	400,000	0.89%	29,036,449	60.36%
KOA	17,144,000	38.10%	17,144,000	35.64%
Total	17,544,000	38.99%	46,180,449	96.00%

(†) The exercise of the employee stock option has resulted in the issuing of 3,104,500 new shares.

II. Change in the classification of subsidiary company

1. Reason for the change

As a consequence of this take-over, KOA Corporation possesses 96.00% of the voting shares of the Offeree (including the equity held indirectly), which will make the Offeree our subsidiary company.

2. Overview of the subject company

- (1) Trade name KOA DENKO (MALAYSIA) BERHAD
- (2) Representative Junji Tsuji
- (3) Address Lots 7, 8 & 9 Batu Berendam (Free Trade Zone) Melaka Malaysia
- (4) Establishment November 13, 1973
- (5) Business Manufacturing and sale of resistors
- (6) Accounting period Fiscal year ends on March 31.
- (7) Employees 483 (As of March 31, 2006)
- (8) Capital RM 48,104,500 (As of March 31, 2006)
- (9) Issued shares 48,104,500 shares (As of March 31, 2006)

(10) Recent Financial Results (Unit: Malaysian Ringgit)

	2005.3	2004.3
S a l e s	58,284,521	61,804,004
G r o s s P r o f i t	1,002,536	2,688,950
Ordinary Profit (△ L o s s)	△1,072,175	368,837
Net Profit (△ Loss)	△597,823	1,301,889
T o t a l A s s e t s	84,607,074	88,434,460
Shareholders' Equity	72,507,409	74,905,232
Dividend per Share	0.035	0.04

III. Future Outlook

From the fiscal year ended on March 2006, KOA Denko (Malaysia) Berhad will become a consolidated subsidiary company of KOA Corporation. The impact of this take-over on our consolidated financial results for the fiscal year ended on March 31, 2006 is immaterial.

KOA Denko (Malaysia) Berhad is currently listed in the Second Board of Malaysian Securities Exchange (Bursa Malaysia Securities Berhad), but with the offer acceptance exceeding the 90% threshold, we will be able to compulsory acquire all the remaining shares based on the provisions of Malaysian Securities Commission Act (※), to make KOA Denko (Malaysia) Berhad our wholly owned subsidiary.

(※) Section 34 of the Securities Commission Act, 1993