

June 16, 2007

### ***Item 9: Adopt Shareholders Rights Plan (Poison Pill)***

Some objections have been raised about this measure and we feel it is important to respond to them.

We have not disclosed the members of the special committee because they have not yet been selected and because we want to make the selection after we know the identity of a potential acquirer so that the members are appropriate, particularly with respect to their independence of the potential acquirer.

Although our directors are elected for two year terms rather than annually, the proposed duration of the plan is only one year, so shareholders will, in fact, have an annual opportunity to reject the plan directly.

Finally, although we did not meet the three week criteria for release of the proxy materials, we missed by only one day, i.e. the proxy materials were sent 20 days before the shareholders meeting. This slight delay was due to taking into consideration the latest takeover developments in our industry.

For these reasons, we feel that the above objections are largely mitigated by the circumstances and so we urge you to approve this plan.

Sincerely yours,



Ken Nakamura

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