

June 17, 2005



KIA MOTORS
KIA MOTORS AMERICA, INC.
Corporate Headquarters
9801 Muirlands Blvd.
Irvine, CA 92618-2521
TEL: (949) 470-7000
FAX: (949) 470-2802

Attention: All Kia Dealer Principals

Kia Motors America, Inc., in cooperation with the National Highway Traffic Safety Administration, is conducting a voluntary Safety Recall Campaign on certain 2001 Rio models to replace the steel wheels. Your Kia Service Manager was sent the following material:

Technical Service Bulletin that provides the following information:

- Vehicle Repair Procedures
- Affected VIN Production Range
- Warranty Claim Information

Your Service Manager was also sent a copy of the owner notification letter, a Q&A guide for recall questions, both of which describe the defect and the resulting risk to motor vehicle safety, and a list of retail Kia Rio owners affected by the recall. The owner letter will be mailed June 22, 2005.

Please make certain the appropriate personnel in your dealership are familiar with the details of this recall to ensure proper responses to customer inquiries and requests to have the recall performed on their 2001 Rio vehicles.

Notice – Tire replacement due to tires being worn past their wear limit is the responsibility of the customer.

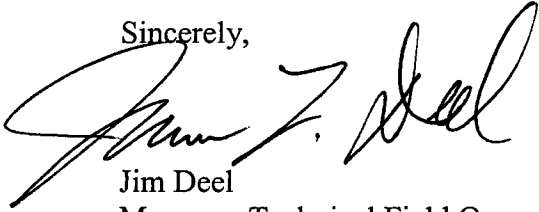
NHTSA ADVISORY: It is a violation of Federal law for a dealer to deliver a new motor vehicle covered by this notification under a sale or lease until the defect is remedied.

LEGAL PRIVACY LIABILITY NOTICE: Pursuant to the terms of the Dealer Sales and Service Agreement and the Gramm-Leach-Bliley federal consumer privacy act, you are required to keep confidential any and all information and documents provided to you by Kia Motors America, Inc. or generated by you in the conduct of carrying out work under that Agreement regarding Kia vehicle purchasers and owners, including but not limited to warranty claim information. Kia dealers may use such owner information for the sole purpose of conducting and performing this voluntary recall campaign, and for no other purpose.

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Your prompt attention in completing this recall is appreciated. If you have any questions, please contact your Kia District Parts/Service Manager.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Deel". The signature is written in a cursive style with a large, sweeping initial "J".

Jim Deel
Manager, Technical Field Operations

Enclosures



SAFETY RECALL NOTICE

KIA MOTORS

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June 22, 2005

Dear Kia Rio Owner:

This notice is sent to you in accordance with the requirements of the National Highway Traffic Safety Administration. Kia Motors America, Inc. has decided that a defect relating to motor vehicle safety exists in certain 2001 Rio models.

What is the problem?

- The steel wheels on some 2001MY Rio models may have a manufacturing flaw that could cause the wheels to crack under long term driving fatigue. If cracks occur, wheel noise and vibration will result and become progressively worse over time. If cracking is severe, the wheel could fail and separate from the mounting hub and possibly result in loss of vehicle control and a crash.

What can you do to protect yourself and others?

- Have your vehicle repaired as promptly as possible as described below.
- If you are hearing loud noises which appear to be coming from the area of your wheels, or if you are experiencing significant unusual vibrations while driving your vehicle, contact the Kia Customer Assistance number below to have your vehicle towed to your nearest dealer.

What will Kia do?

- If you have one or more original equipment steel wheels, Kia will replace all four steel wheels, at no cost to you, when you take your vehicle to your Kia dealership. If your dealership has previously replaced your steel wheels with alloy wheels, the alloy wheels will not be replaced.

Notice – Tire replacement due to tires being worn past their wear limit is the responsibility of the customer.

- If you have incurred expense for the cost of replacing steel wheels prior to the date of this notice, you may have the opportunity to obtain reimbursement for that expense, even if your warranty has expired. Remember, however, that since the wheels on your vehicle are covered by a 5-year, 60,000 mile warranty, wheel replacements during that coverage period should have been made under that warranty at no expense to you. Please contact the Kia Consumer Assistance number listed below for assistance in submitting any claim.

What should you do?

- Please call your Kia dealer to schedule a service appointment. Let the dealer know if you are experiencing any current unusual noise or vibrations which might be related to your wheels. The time required to repair your vehicle should be less than one hour. However, depending on the dealer's work schedule, it may be necessary to make your vehicle available for a longer period of time. Please present this notice when you arrive at the dealer.

Have you changed your address or sold your Kia?

- If you have changed your home address, sold your Kia vehicle, or no longer own your vehicle, please complete the attached prepaid "Change of Address/Ownership" card and mail it to us.

What if you are a vehicle lessor?

Federal regulation requires that any vehicle lessor receiving this recall notice must forward a copy of this notice to the lessee within ten days.

What if you have other questions?

- If your dealer does not respond to your service request in a timely manner, we suggest that you call Kia's Consumer Assistance Center at 1-800-333-4542. This number has TTY capability. If you still are not satisfied that we have remedied this situation, without charge and within a reasonable amount of time, you may wish to write to the Administrator, National Highway Traffic Safety Administration, 400 Seventh Street S.W., Washington, D.C. 20590, or call their toll-free Auto Safety Hotline at 1-888-327-4236.

This action has been taken in the interest of your safety, and we regret any inconvenience this situation may cause you.

Sincerely,

Consumer Affairs Department



KIA MOTORS

QUESTIONS AND ANSWERS FOR SAFETY CAMPAIGN (SC046)

2001 Rio Steel Wheels

June 17, 2005

Q1. What sort of campaign is Kia conducting?

A1. *Kia is conducting a voluntary safety campaign regarding the replacement of the steel wheels on certain 2001 Kia Rios in cooperation with the National Highway Traffic Safety Administration.*

Q2. What vehicles are affected by the recall?

A2. *All 2001 Kia Rios manufactured between May 12, 2000 and October 17, 2000.*

Q3. What is the problem with the Rio Steel Wheels?

A3. *Due to improper wheel tooling die maintenance at the wheel supplier, some wheels may have a forming die flaw that could result in a wheel crack by long term driving fatigue.*

Q5. Can you describe the recall campaign and fix?

A5. *All owners of 2001 model year Rios within the affected production range will be notified to bring their vehicle to a Kia dealer to have all four steel wheels replaced at no charge.*

Q6. Have there been any deaths, injuries or incidents as a result of this defect?

A6. *No*

Q7. Has Kia had any litigation regarding this defect?

A7. *No*

Q8. How many customer vehicles are affected by this campaign?

A8. *Approximately 24,371 Kia Rio vehicles produced between May 12, 2000 and October 17, 2000 are affected.*

Q9. How was this problem discovered?

A9. *Through the evaluation and analysis of this issue, Kia Motors, along with the National Highway Traffic Safety Administration, determined that the product condition described above existed and warranted a safety recall.*

Q10. Will this cost Rio owners any money?

A10. *No. All four steel wheels will be replaced at no cost. Please note that tire replacement due to tires being worn past their wear limit is the responsibility of the customer.*

Q11. What about customers who may have already paid to have the steel wheels replaced?

A11. *All of the recalled vehicles are covered by a 5-year/60,000 mile warranty, so no customers should have had to pay for this condition. However, if any dealership charged a customer for this repair or if any customers did have an emergency repair where they could not get to a Kia dealership, Kia will reimburse them for that expense.*

Q12. How long will the repair take?

A12. *The repair will take one to two hours.*

Q13. What should I do next?

A13. *Owners are being asked to contact the nearest Kia dealer to schedule an appointment.*

Q13. How will owners of the affected vehicles be notified?

A13. *Kia will be notifying owners of the affected vehicles by first-class mail beginning approximately June 22, 2005.*

Q14. Are there any restrictions on an owner's eligibility?

A14. *No*

Q16. Where were the vehicles produced?

A16. *The affected vehicles were produced at Kia's Hwasung plant in South Korea.*

Q17. If a customer has an immediate question, where can they get further information?

A17. *They can call Kia Consumer Affairs at 1-800-333-4542.*