

**Tokyo Ohka Kogyo Co., Ltd. Announces
the Establishment of a Subsidiary in Korea**

KAWASAKI, Kanagawa Prefecture, Japan, August 10, 2004 – Tokyo Ohka Kogyo Co., Ltd. (TOK) hereby announces the establishment of a subsidiary in the Republic of Korea for user support and sales.

Korea has been considered one of our key strategic markets, thus we opened Seoul Marketing Office in October 2003 and we have been closely attuned to requirements of customers. The new subsidiary will enable us to strengthen customer relationship which we have thus far established in Korea and offer expanded services with firm roots there, and it will deepen the trust in our capabilities.

The subsidiary is scheduled to start its operations on October 1, 2004 through procedures to establish a company. With the establishment, our Seoul Marketing Office will be closed and its operations, assets, employees and others related to the office will be taken over by the new subsidiary.

The Asian region is a huge center of production for semiconductors, flat panel displays, and package modules, and constitutes a promising market for high growth in a medium- and long-term. To accurately address the trends in this market, we are moving to reinforce our presence there as a pillar of the basic policy of our business, and are steadily establishing locations in the region.

We are determined to continue improving our arrangements for global support which we have developed heretofore in each major region (Asia, North America, and Europe) and earn the trust of customers in further so as to expand our business in them all.

Profile of the New Subsidiary in Korea

- (1) Name: TOK KOREA CO., LTD.
- (2) Address: 15F, DukHeung Bldg., 1328-10, Seocho-dong, Seocho-gu, Seoul 137-858, Korea
- (3) Capital: 500 million Korean won (equivalent to approximately 48 million Japanese yen / at August 9, 2004)
- (4) Ownership: TOK: 100%
- (5) Representative: Kobun Iwasaki, Representative Director
(currently Officer / Deputy Department Manager, Marketing Dept. and General Manager, Electronic Material Marketing Div. 2 at TOK)
- (6) Number of staff: Eight
- (7) Business: User support and sales for products of TOK group
- (8) Start of operations: Scheduled for October 1, 2004

Forward-Looking Statement: This news release contains forward-looking statements based on management's current expectations, estimates and projections. All statements that address expectations or projections about the future, including statements about the company's strategy for growth, product development, market position, expected

expenditures and financial results are forward-looking statements. Some of the forward-looking statements may be identified by words like "expects", "anticipates", "plans", "intends", "projects", "indicates", "believes", and similar expressions. These statements are not guarantees of future performance and involve a number of risks, uncertainties and assumptions. Many factors, including those discussed more fully elsewhere in this release and in TOK's filings with the Ministry of Finance of Japan and Tokyo Stock Exchange, Inc., particularly its latest annual report and semiannual report, as well as others, could cause results to differ materially from those stated. These factors include, but are not limited to changes in the laws, regulations, policies and economic conditions, including inflation, deflation, interest and foreign currency exchange rates, of countries in which the company does business; competitive pressures; successful integration of structural changes, including restructuring plans, acquisitions, divestitures and alliances; cost of raw materials, research and development of new products, including regulatory approval and market acceptance.

###

August 10, 2004

Contact: H. Akama (Mr.), Manager, Public Relations Section
TEL. +81-44-435-3000 FAX. +81-44-435-3020
h-akama@tok.co.jp
<http://www.tok.co.jp/>