

## Tokyo Ohka Kogyo Co., Ltd. Announces Increase in Production Capacity for Black Resist for Manufacturing LCD Color Filter

KAWASAKI, Kanagawa Prefecture, Japan, August 30, 2004 - Tokyo Ohka Kogyo Co., Ltd. (TOK) hereby announces the decision to increase its production capacity for pigment dispersed black resist for manufacturing liquid crystal displays (LCD) color filter to meet the great expansion of demand.

Pigment dispersed black resist is the photoresist which is colored black by pigment beforehand, and used for forming black matrix of LCD color filter. Black matrix is the black part in a lattice-shaped structure which surrounds the three colors of red (R), green (G) and blue (B) on a color filter as the attached figure shows, and it develops image contrast of LCD.

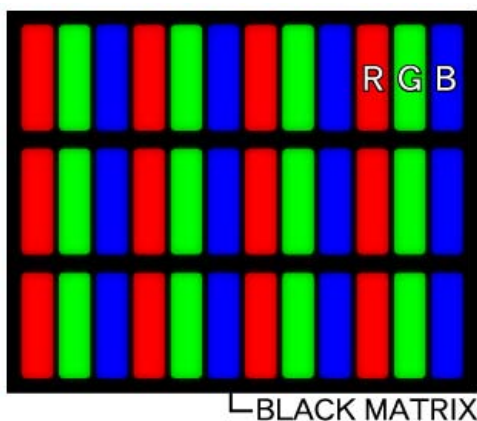
Metal has been mainly used for forming black matrix in a traditional process, however, black resist has been gradually applied in stead of metal to cope with the further growth in size of LCD glass substrate, and also to consider environmental conservation.

The black resist produced by our company is superior in light blocking effect and supersensitive, and excellent in the stability of its performance. Esteemed its high reliability in a comprehensive manner, customer demand for our products has been growing. As the application of the process using black resist will be increased in the future, the further expansion of customer demand for our products is promising. Thus we intend to establish a stable supply to meet customers' demand and expectation by expanding manufacturing facilities at our Utsunomiya plant and doubling our total production capacity.

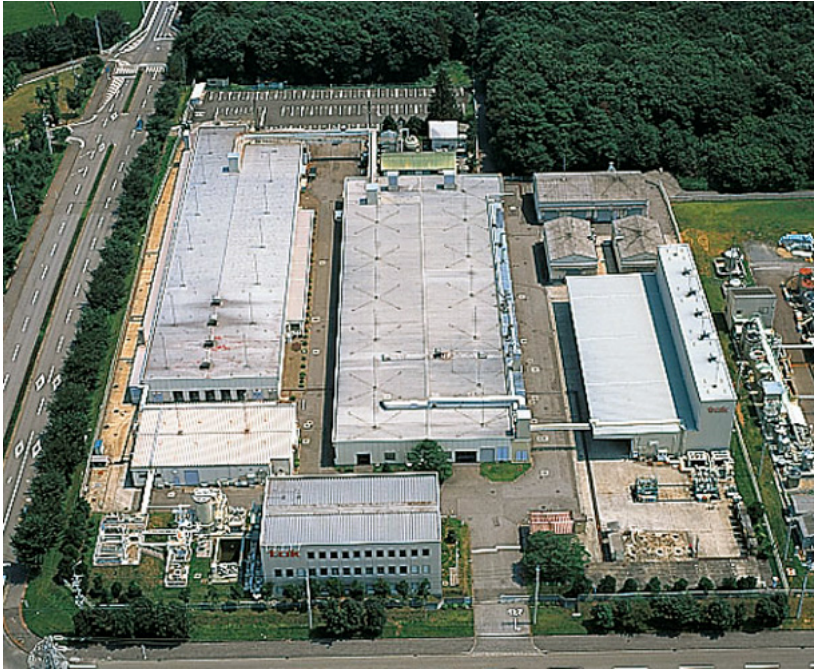
### Outline of the production capacity increase

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|--|---|
| (1) Plant name:                            | Tokyo Ohka Kogyo Co., Ltd. Utsunomiya Plant                                 |
| (2) Address:                               | 21-5, Kiyohara Industrial Park, Utsunomiya, Tochigi Prefecture, Japan       |
| (3) Items of production capacity increase: | Pigment dispersed black resist for forming black matrix of LCD color filter |
| (4) Scheduled investment:                  | Approximately JP¥600 million  |
| (5) Scheduled times of completion:         | January 2005  |

■ Figure: Image of color filter structure



■ Tokyo Ohka Kogyo Co., Ltd. Utsunomiya Plant



**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.

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