

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

KAWASAKI, Kanagawa Prefecture, Japan, October 5, 2005 - Tokyo Ohka Kogyo Co., Ltd. (TOK) hereby announces that the Company has decided in the board meeting held today to establish a subsidiary in Holland and to transfer the operation of Ohka Europe Ltd. (OEL), its wholly-owned subsidiary in the United Kingdom, to the new entity by January 2006. Upon the transfer of the operation, OEL will start to make a process for its dissolution and liquidation.

The Dutch Subsidiary will enable us to closely comprehend the customer needs and to establish a better support system across Europe to respond such diversified requirements. It intends to expand our business in the future by earning deeper trust from the customers.

1. Profile of the New Subsidiary in Holland

- (1) Name: TOK EUROPE B.V. (to be determined)
- (2) Address: Databankweg 12, 3821AL Amersfoort, HOLLAND
- (3) Establishment date: October 2005 (scheduled)
- (4) Capital: EUR800 thousand
- (5) Ownership: TOK: 100%
- (6) Representative: Kenji Tazawa, Managing Director
(Officer of TOK / currently Managing Director of OEL)
- (7) Business: - User support and sales of photolithography materials used in
manufacture of semiconductors and package modules
- User support and sales of printing / plate-making materials, mainly
photopolymer plates for flexographic and letterpress printing
- (8) Number of staff: Seventeen (scheduled)
- (9) Start of operations: Scheduled for January 2006
- (10) Expected sales: JPY5 billion (in 2006)

2. Profile of OHKA EUROPE LTD. in the United Kingdom to be liquidated

- (1) Name: OHKA EUROPE LTD.
- (2) Address: Nettlehill Road, Houstoun Industrial Estate, Livingston EH54 5DL, U.K.
- (3) Established: September 1987
- (4) Capital: GBP400 thousand
- (5) Ownership: TOK: 100%
- (6) Fiscal term: December
- (7) Net sales: GBP22,596 thousand (for the fiscal term ended December 2004)
- (8) Representative: Kenji Tazawa, Managing Director (Officer of TOK)
- (9) Business: - User support and sales of photolithography materials used in
manufacture of semiconductors and package modules
- User support and sales of printing / plate-making materials, mainly
photopolymer plates for flexographic and letterpress printing
- (10) Number of staff: Nineteen (as of the end of March, 2005)
- (11) Liquidation date: Scheduled during the fiscal year ending March 2007 of TOK

3. Impact on the business forecasts

Little impact is expected on the consolidated business forecasts of TOK for the fiscal years ending March 2006 and March 2007.

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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October 5, 2005

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