

Translation



July 29, 2016

Company Name: USHIO INC.
 Name and Title of Representative:
 Kenji Hamashima, President and Chief Executive Officer
 (Code Number: 6925, the first section of the Tokyo Stock Exchange)
 Name and Title of Contact Person:
 Hideaki Takizawa, General Manager, Accounting Department
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Notice Concerning Revision of Half-Year and Full-Year Forecast

USHIO INC. announced today that at a meeting of the Board of Directors held on July 29, 2016, it was decided to revise the earnings forecast announced on May 11, 2016 as follows, based on recent performance trends and other factors. The dividend forecast will not be affected by this earnings forecast revision, and the Company plans to leave it unchanged at an annual dividend of ¥26 per share.

1. Revised Half-Year Forecast for Fiscal Year Ending March 31, 2017 (April 1- September. 30, 2016)

(millions of yen)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Net income per share (yen)
Previously announced forecast (A)	90,000	6,000	6,500	4,700	36.53
Forecast announced today (B)	80,000	2,500	2,500	1,500	11.72
Difference (B - A)	△10,000	△3,500	△4,000	△3,200	-
Difference (%)	△11.1	△58.3	△61.5	△68.1	-
(Reference) Half-year result for the fiscal year ended March 31, 2016	88,616	6,540	7,572	5,466	42.14

2. Revised Full-Year Forecast for Fiscal Year Ending March 31, 2017 (April 1, 2016- March 31, 2017)

(millions of yen)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Net income per share (yen)
Previously announced forecast (A)	190,000	13,500	14,500	11,500	89.37
Forecast announced today (B)	170,000	9,000	10,000	7,000	54.72
Difference (B - A)	Δ20,000	Δ4,500	Δ4,500	Δ4,500	-
Difference (%)	Δ10.5	Δ33.3	Δ31.0	Δ39.1	-
(Reference) Full-year result for the fiscal year ended March 31, 2016	179,121	13,130	14,633	11,105	85.83

3. Reason for revision

The forecast has been revised as above because earnings are now projected to be lower than the previously announced forecasts, with business performance expected to be even lower than initially anticipated. In particular, the yen is now expected to appreciate even further than initially anticipated during the first half of the fiscal year and the full year; the profitability of imaging equipment in the equipment business is now expected to deteriorate further due to price competition for cinema projectors in the Chinese market; and demand for business projectors, particularly small- and medium-sized units, is waning due to the growth of alternative products such as flat panel displays. The USHIO Group is assuming foreign exchange rates of ¥105 to the U.S. dollar and ¥115 to the euro from the second quarter of the fiscal year ending March 31, 2017.

*Please be advised that these earnings forecasts represent forward-looking statements based on information currently available to the Company and certain assumptions deemed to be reasonable. Actual business results may differ substantially due to various factors.