

Fiscal Year 2010 Financial Review

USHIO

Lighting—Edge Technologies

Consolidated Financial Highlights, 2011 / 3

(Billions of yen)

	FY2009	FY2010			FY2011		
	Actual 2010 / 3	Actual 2011 / 3	Y / Y Changes	Changes from the prior period results	Projected 2012 / 3	Y / Y Changes	Changes from the prior period results
Net Sales	119.0	145.1	26.0	21.9%	175.0	+29.8	+20.6%
Operating Income	7.2	14.0	6.7	93.2%	16.5	+2.4	+17.6%
Ordinary Income	9.2	17.3	8.0	86.9%	19.0	+1.6	+9.4%
Net Income	7.0	9.5	2.5	35.4%	12.0	+2.4	+25.3%
Operating Income Ratio	6.1%	9.7%		3.6P	9.4%		0.2P
Ordinary Income Ratio	7.8%	12.0%		4.2P	10.9%		1.1P
Net Income Ratio	5.9%	6.6%		0.7P	6.9%		+0.3P
EPS	¥ 52.95	¥ 71.72			¥ 89.86		
ROE	4.7%	6.2%			7.4%		
Dividend	¥ 20	¥ 22			¥ 24		
Payout Ratio	37.8%	30.7%			26.7%		

Exchange rate (average)

U.S. Dollar	¥ 92.61	¥ 85.22	¥ 85
EURO	¥ 130.68	¥ 112.61	¥ 110

* Currency fluctuation for full year (U.S. Dollar / ¥)

1.3BIL Yen/Sales、0.2BIL Yen/Operating Income、0.3BIL Yen/Ordinary Income

Quarterly Transition of Sales and Incomes Statements, 2011 / 3

(Billions of yen)

2011 / 3

1Q

2Q

3Q

4Q

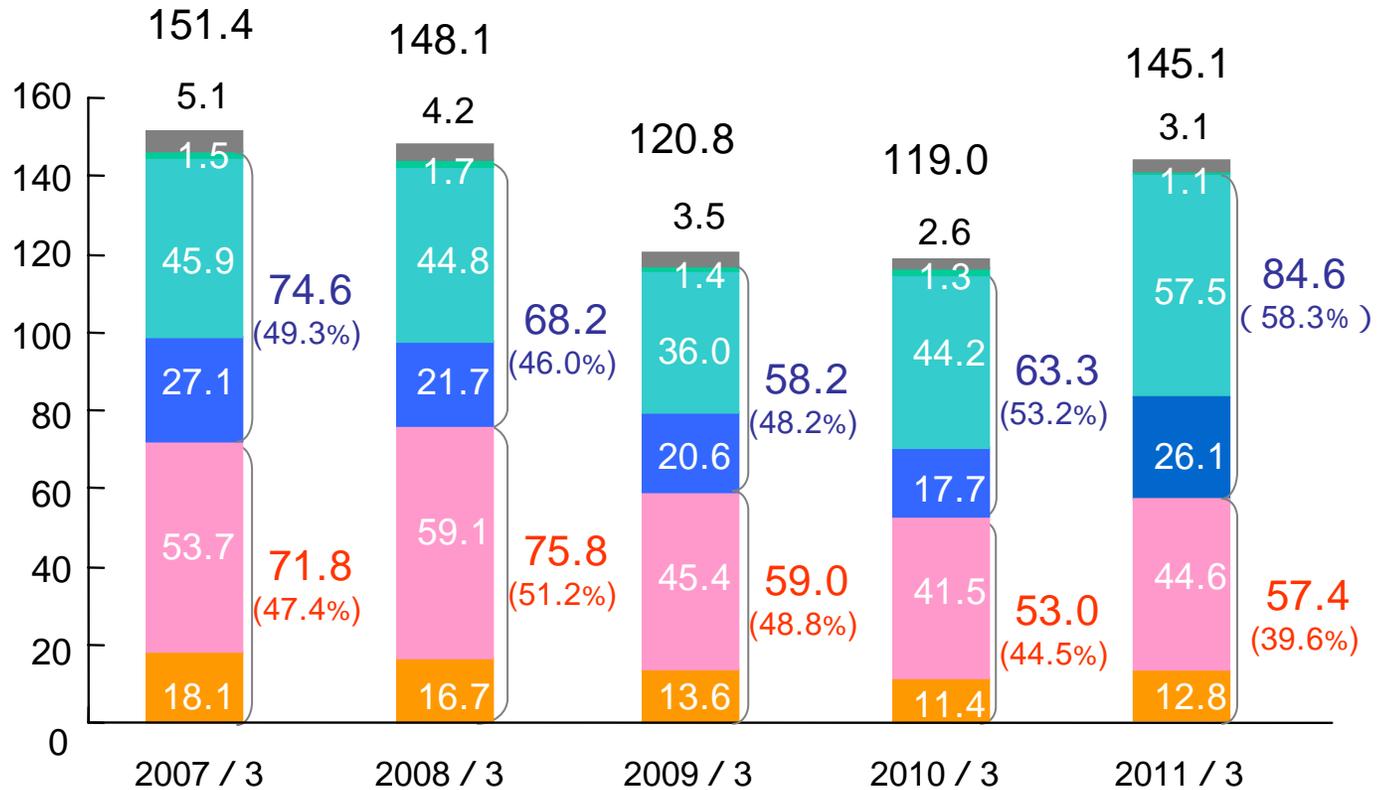
	1Q	2Q	3Q	4Q
Net Sales	341	363	367	379
Operating Income	39	38	30	31
Ordinary Income	37	46	42	46
Net Income	26	30	27	10
Operating Income Ratio	11.6%	10.7%	8.2%	8.4%
Ordinary Income Ratio	10.9%	12.9%	11.6%	12.4%
Net Income Ratio	7.9%	8.5%	7.5%	2.7%

Operating Income by Business Segments

	1Q	2Q	3Q	4Q
Light Sources	15.8%	18.0%	11.5%	13.1%
Equipment	8.3%	5.9%	6.1%	5.5%

Sales by Product Groups

(Billions of yen)



Light Sources Business

Equipment Business

Discharge Lamps

Imaging Equipment

Machinery for Industrial use and Other Business

Halogen Lamps

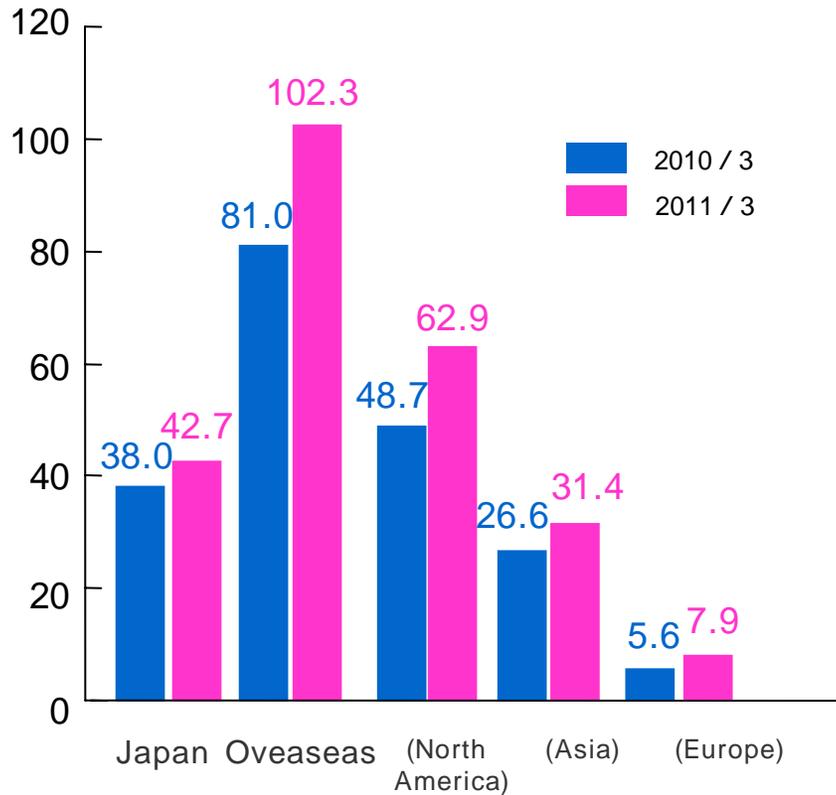
Optical Equipment

Illumination and Related Facilities

Geographical Segment Information

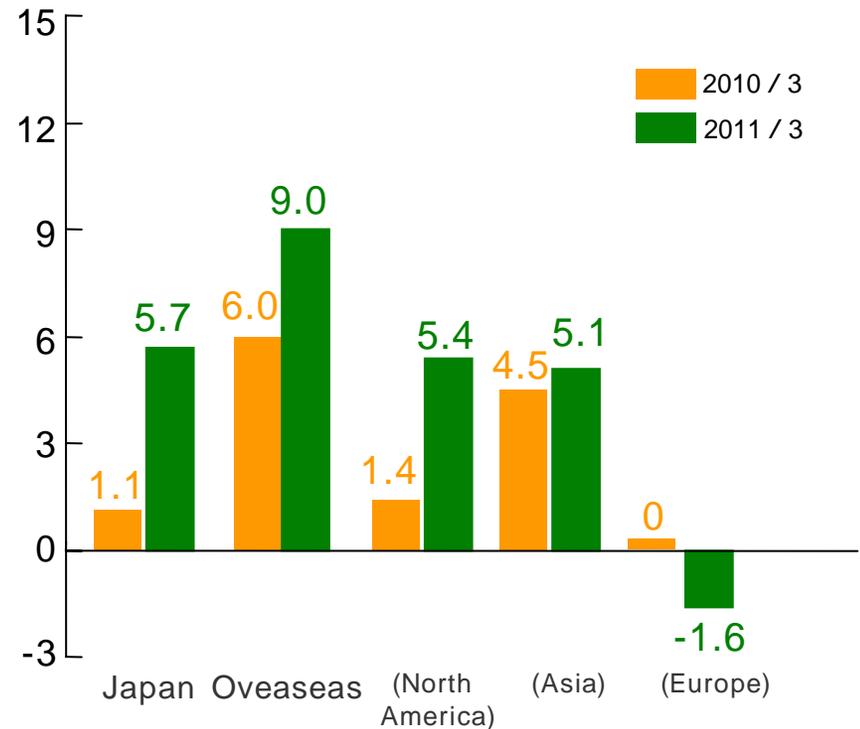
Net Sales by Region

(Billions of yen)



Operating Income by Region

(Billions of yen)



Other Income and Expenses

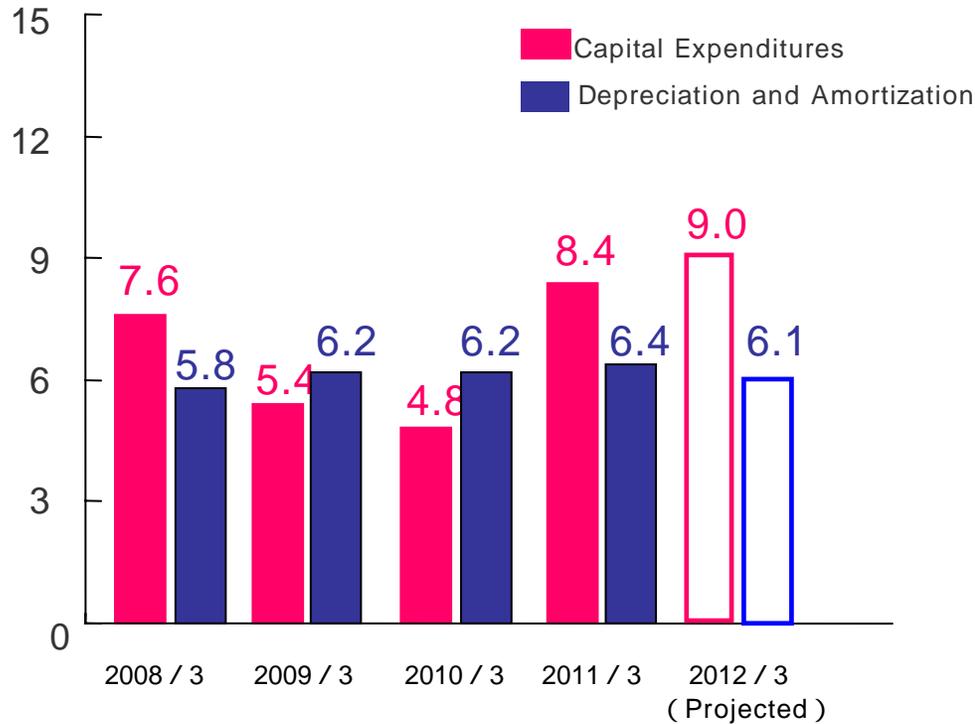
(Billions of yen)

	2010 / 3	2011 / 3	Change
Other Income	2.7	4.5	+1.7
Interest Income	0.4	0.2	0.1
Dividend	0.7	0.8	+0.0
Gain on sales of investment securities	0.0	1.2	+1.2
Equity in gains of affiliates	0.0	1.5	+1.5
Profit on sale/ revaluation of available-for-sale securities	0.6	-	0.6
Others	0.7	0.5	0.2
Other Expenses	0.7	1.1	+0.4
Interest expenses	0.2	0.2	0.0
Loss on investment partnerships	0.0	0.1	+0.0
Loss on specified money in trust	-	0.1	+0.1
Exchange loss	0.1	0.4	+0.2
Others	0.2	0.2	0.0
Other Income (Net of Other Expenses)	2.0	3.3	+1.3

Capital Expenditures, Depreciation and Amortization, R&D Expenses

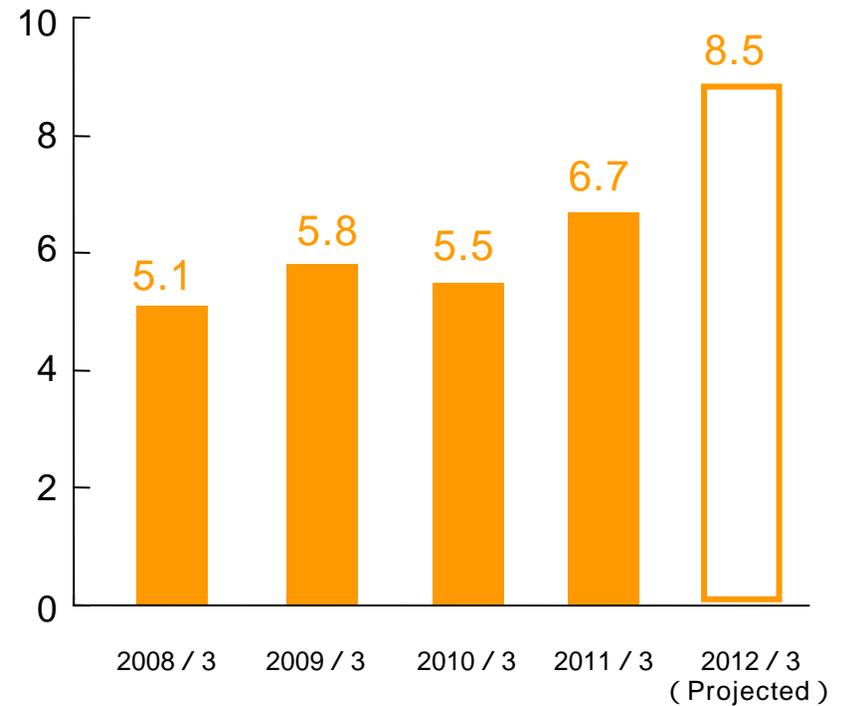
Capital Expenditures Depreciation and Amortization

(Billions of yen)



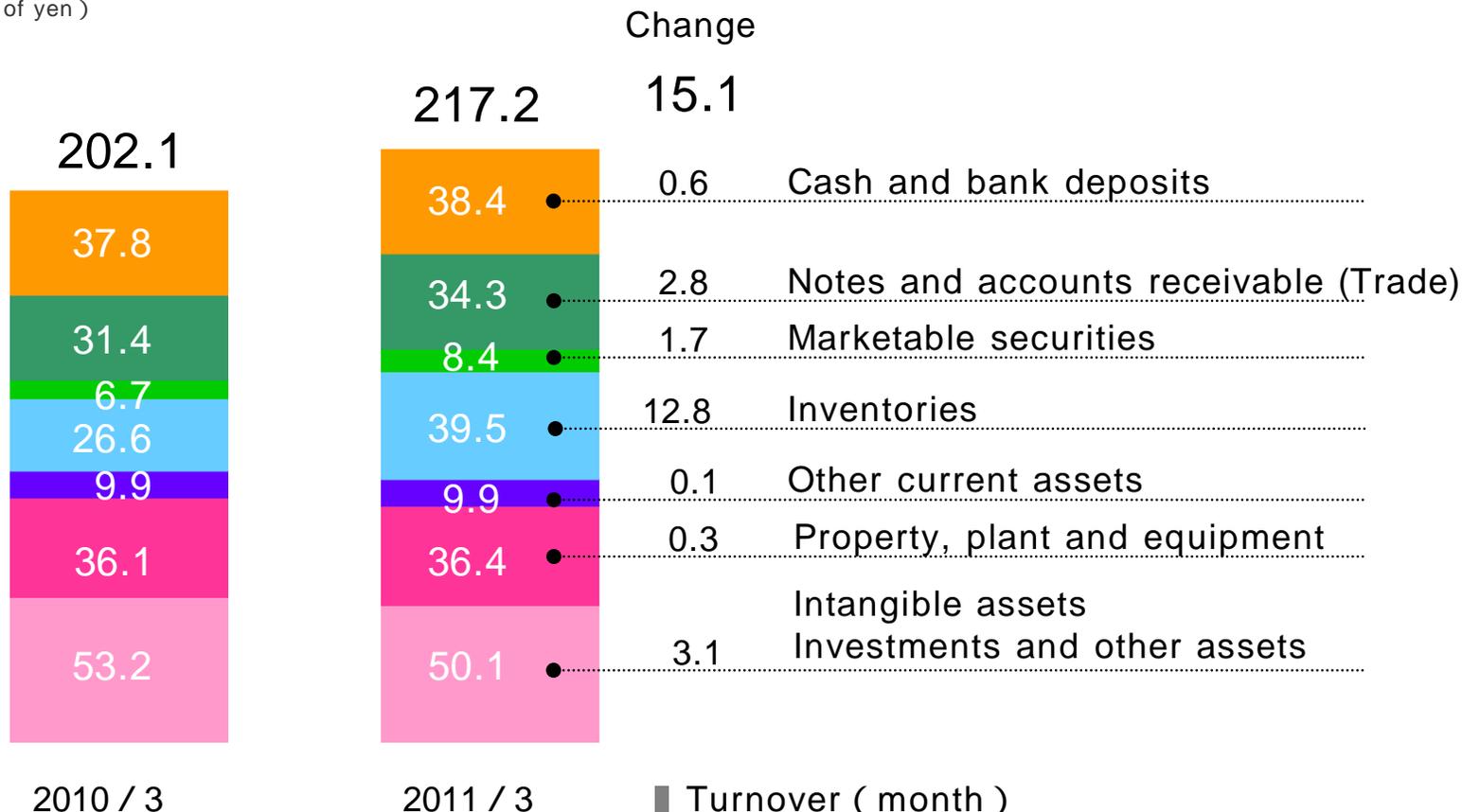
R&D Expenses

(Billions of yen)



Assets

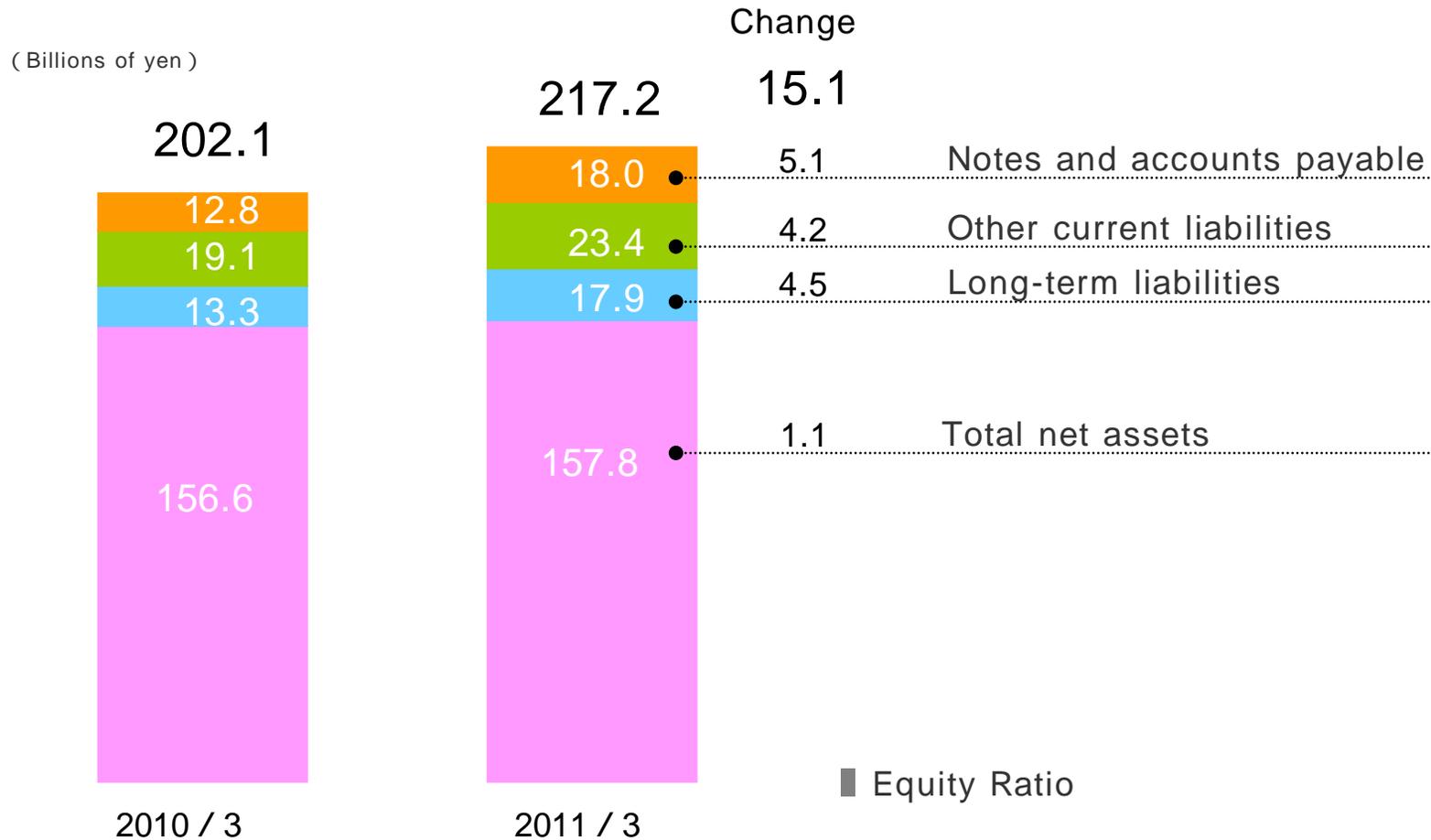
(Billions of yen)



Turnover (month)

	2010 / 3	2011 / 3
Receivable-trade	3.0	2.7
Inventories	2.8	2.7

Liabilities • Total Net Assets

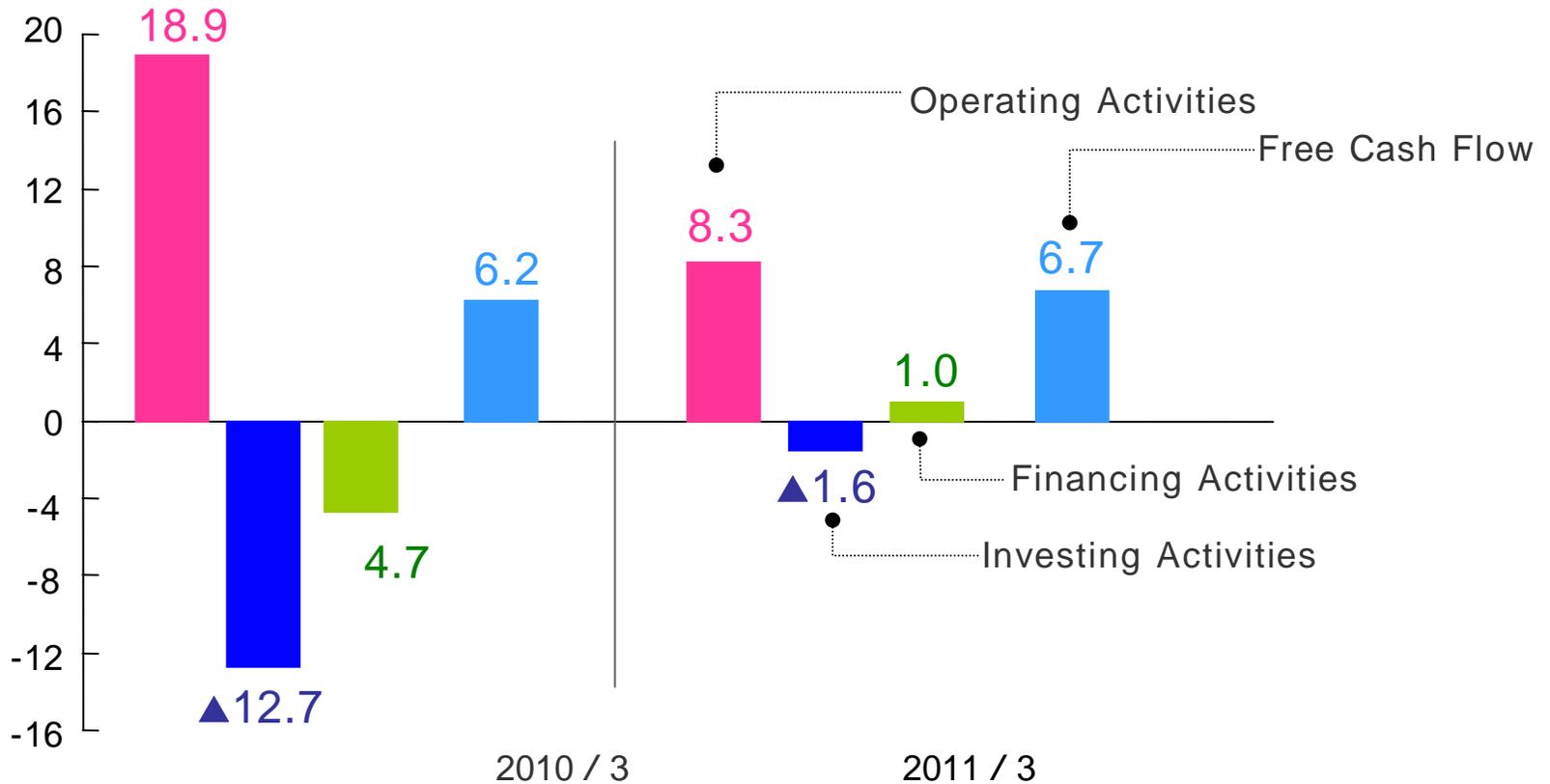


Equity Ratio

	2010 / 3	2011 / 3
Equity Ratio	76.8%	71.9%

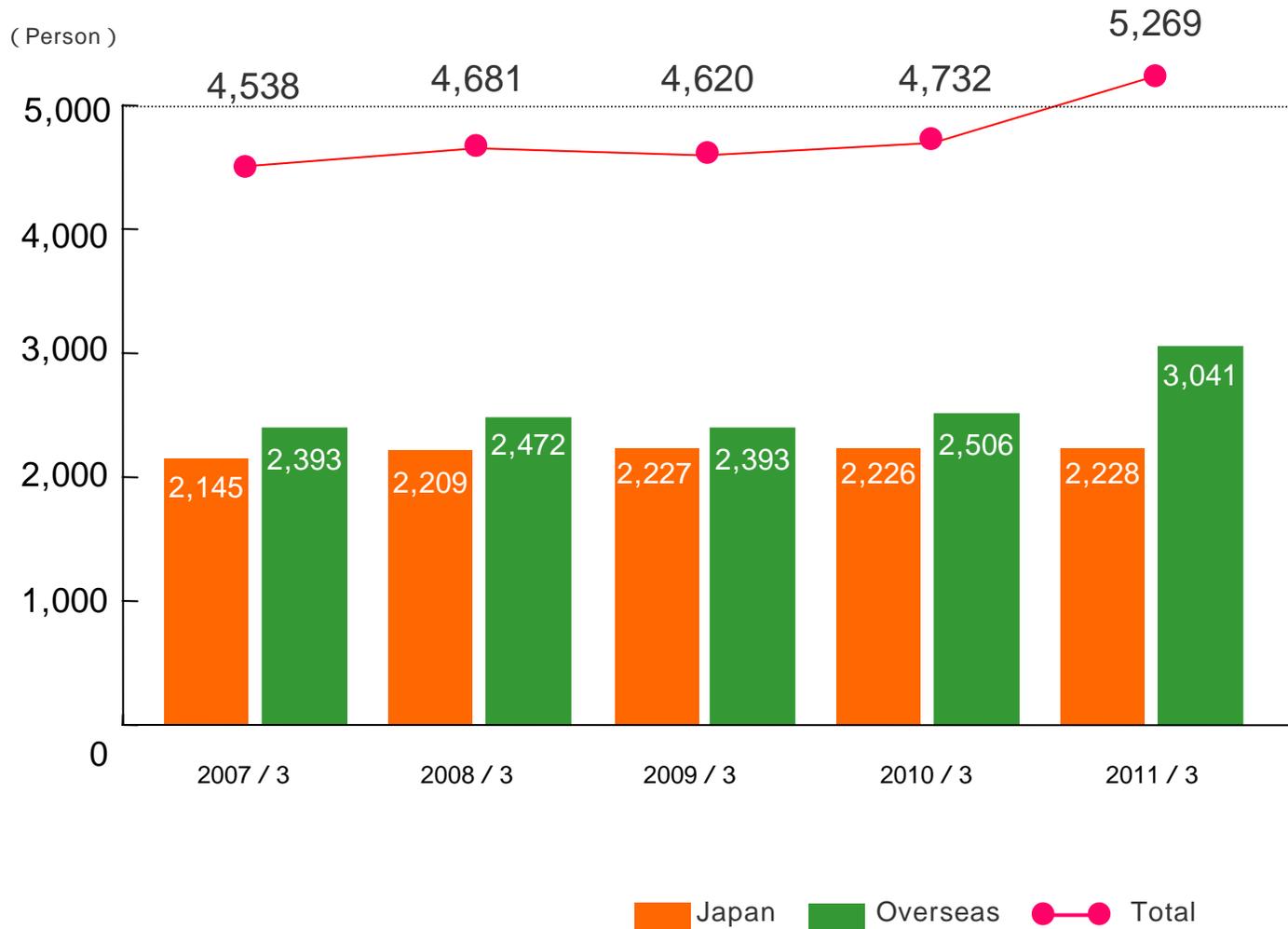
Cash Flows

(Billions of yen)



Cash and cash equivalents at beginning of the year	27.3	28.5
Cash and cash equivalents at end of the year	28.5	34.9

Number of Employees



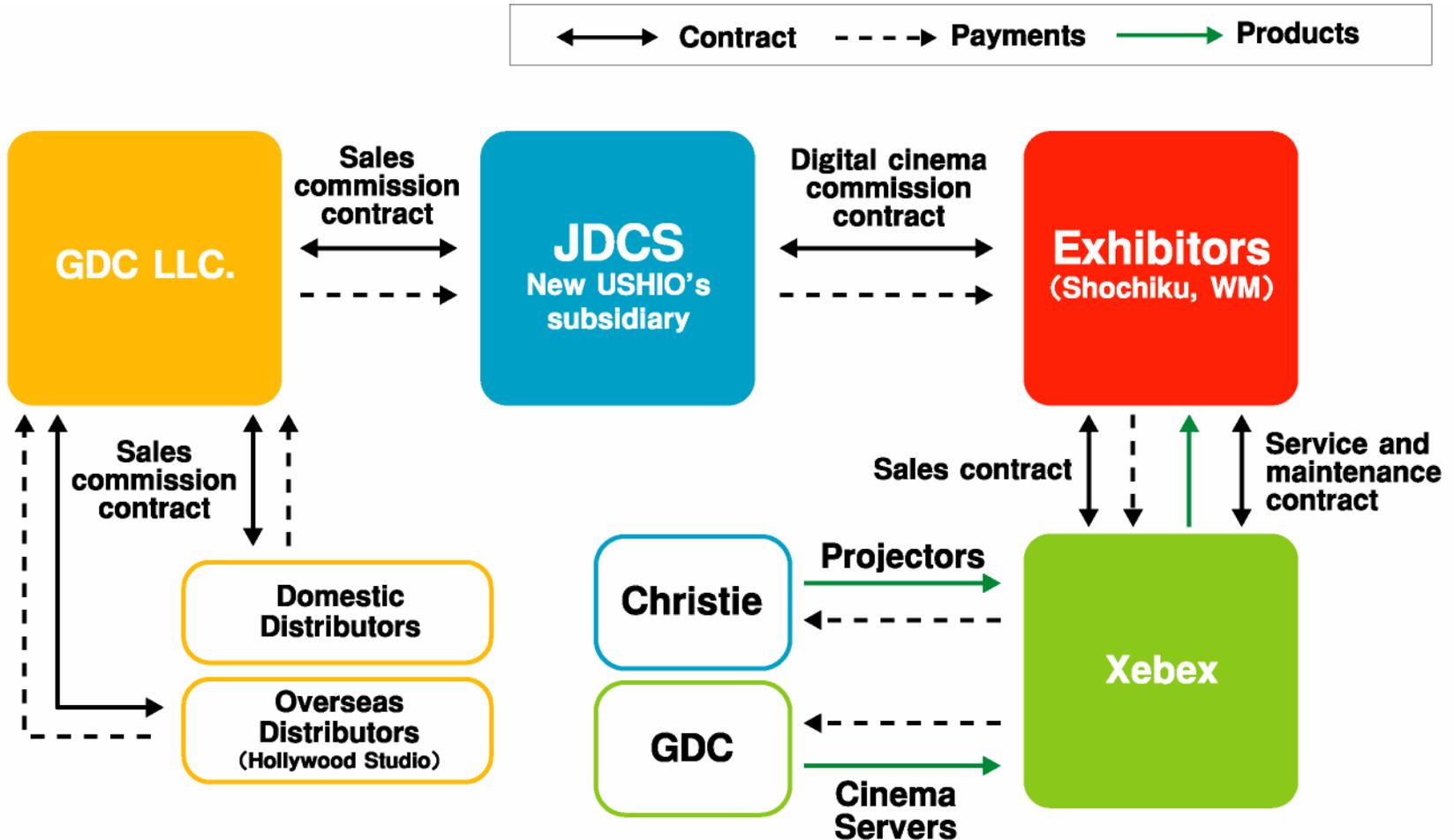
T O P I C S

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F e b - A p r

Ushio Inc. Reaches Agreement with Shochiku and Warner Mycal, to Introduce Promotion Program of Screen Digitalization – Feb. 2011

Christie will supply 600 units of DCP to Shochiku and Warner Mycal (WM) by the end of 2012.
 USHIO will seek to acquire a share of 60% or more in cinema complex digitalization in Japan.



Ushio's EUV Light Source Adapted by IMEC is Being Brought In

- March 2011



IMEC adapted EUVL of XTREME

It has been verified that XTREME's DPP EUV light source for pre-production has achieved a performance of 60% uptime just one month after being connected to the exposure tool, and so the light source will be brought into IMEC on schedule, with work for the installation at the same time. This demonstrates the reliability and stability of the EUV light sources manufactured by XTREME, and in the future the product is expected to contribute to process development as a light source for pre-production at IMEC.

Ushio is to transfer all of its shares of Gigaphoton Inc. , to Komatsu.



Gigaphoton was founded in August 2000 as a joint venture of USHIO and Komatsu (50% equity contributions) and has evolved as a manufacturer and distributor of excimer laser light source, a light source used for lithography tools in semiconductor.

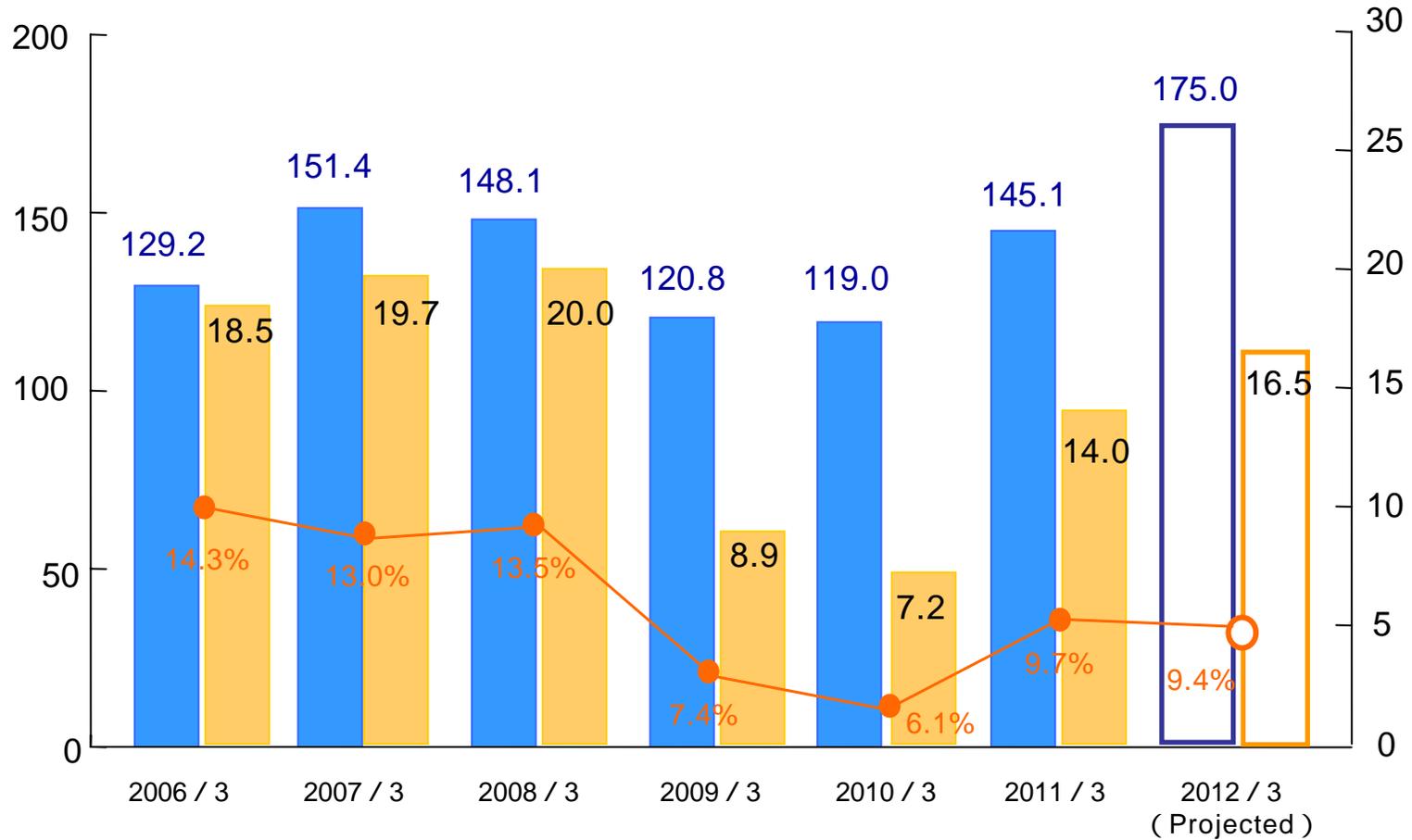
Currently, in the most advanced realm of light sources used for lithography tools in semiconductor manufacturing, the extreme ultraviolet (EUV) light source is considered to be the frontrunner. To develop an EUV light source, USHIO and XTREME technologies GmbH (XTREME 100% subsidiary of Ushio) have been using the Discharge-Produced Plasma (DPP) method, while Komatsu and Gigaphoton have been using the Laser-Produced Plasma (LPP) method.

While practical application of the EUV light source for lithography tools in semiconductor manufacturing is becoming more likely, XTREME and Gigaphoton are increasingly likely to compete with each other. To address this problem and encourage the sound development of the two companies, USHIO has decided to transfer all of its shares of Gigaphoton to Komatsu.

Transition of Sales and Operating Incomes

(Billions of yen)

(Billions of yen)



■ Net Sales
 ■ Operating Income
 ●—● Operating Income Ratio

Targets (For FY2013)

Announced on May 2011

OP: 27.5BIL YEN (14BIL YEN/FY2010)

ROE : More Than 10% (6.2% FY2010)

< reference > Net Sales 210BIL YEN (145BIL YEN FY2010)
OPM13.1% (9.7% FY2010)

Key business strategies

Aiming at a steady growth of digital cinema business and further development of non-cinema business

Reinforcing the development of leading edge photolithography and promotion of its business

Promotion of solid state lighting business

Developing the product lineup for LCDs, semi and fine PCB markets

Focusing on environment friendly business

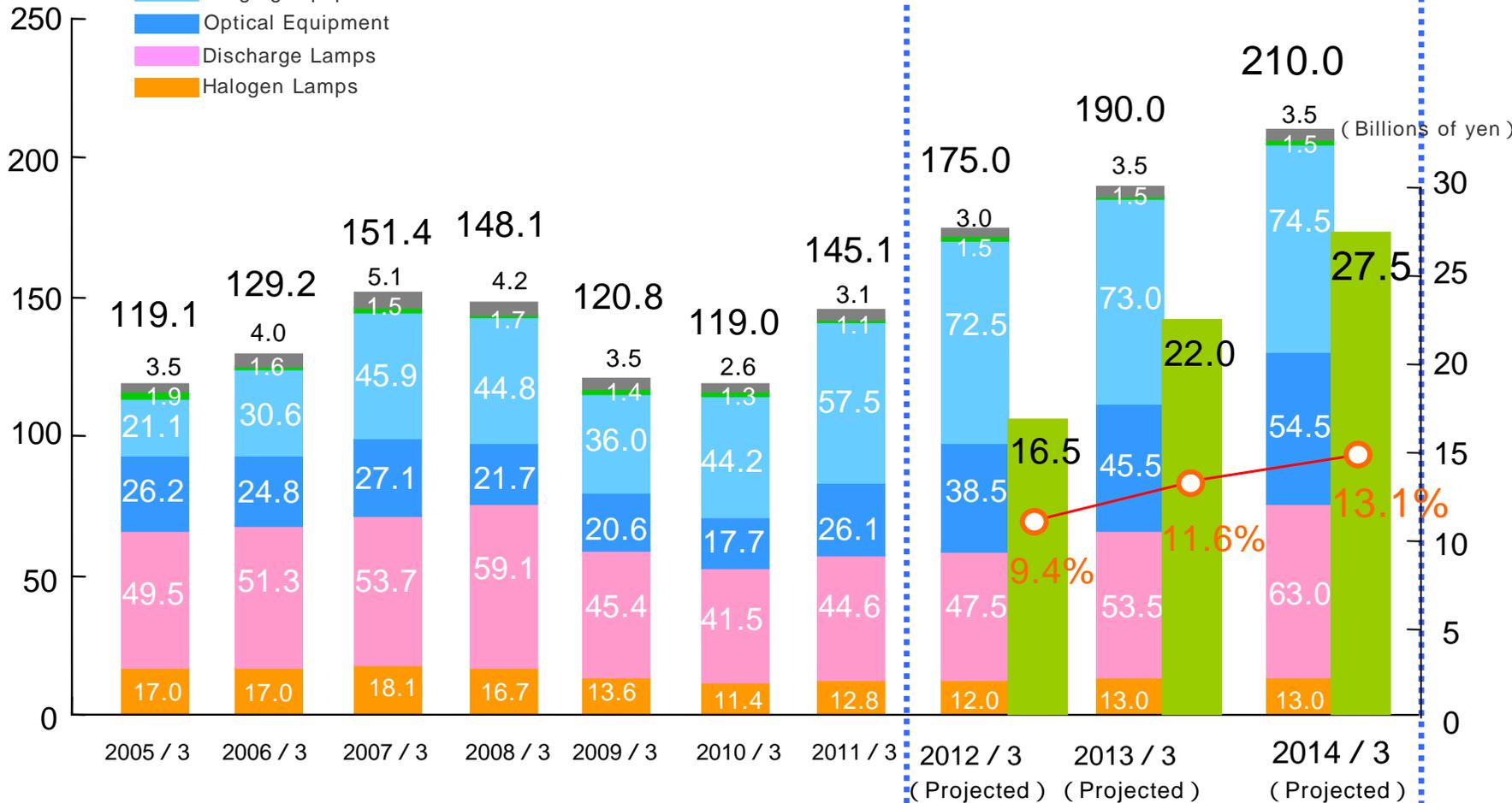
Promotion of business alliance, joint venture and M&A

2011 Medium-term Vision

Sales by Product Groups

Announced on May 2011

- (Billions of yen)
- Machinery for Industrial use and Other Business
 - Illumination and Related Facilities
 - Imaging Equipment
 - Optical Equipment
 - Discharge Lamps
 - Halogen Lamps



■ Operating Income ○—○ Operating Income Ratio

USHIO

Lighting—Edge Technologies

This report contains forward-looking statements which reflect management's views at the time of the announcement with respect to certain future events and financial performance .Actual results may differ materially from those forward-looking statements .