



Translation

December 12, 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)
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Notice Regarding Special Applications for Early Retirement

USHIO INC. hereby announces that at a meeting held today, the Board of Directors passed a resolution to seek special applications for early retirement, and submitted a proposal to the labor union.

1. Reason for seeking special applications for early retirement

While the light sources business, the USHIO Group's core business since foundation, has matured, the optical equipment business in the equipment business has continued to post low earnings due to fierce competition and high production costs. Also, in conjunction with the drastic changes in the operating environment, the Group has actively pursued growth strategies, including M&A, but more time is needed for these to contribute to earnings, and moving ahead powerfully on cost structure reform and establishing a lean management structure have become urgent issues to resolve. Meanwhile, in the imaging equipment business in the equipment business, drastic operational environment changes since the previous fiscal year caused a worsening of performance and led to undertaking a fundamental structural reform, including a reduction of personnel at an overseas subsidiary. Under these conditions, USHIO must optimize personnel to overcome global competition going forward and enhance corporate value in the future, and is offering early retirement packages as outlined below.

2. Overview of special applications for early retirement

Name of company offering:	USHIO INC.
Eligibility	Employees (including contract employees) Management level aged 45 and above, regular employees aged 42 and above
Number of people applicable	About 100
Offer period	February 13 to 24, 2017 (planned)
Separation date	March 31, 2017 (planned)
Benefits	1. Payment of additional special benefit in addition to the regular severance payment made upon retirement 2. Support for re-hiring on request through a personnel placement agency

3. Future outlook

In conjunction with the implementation of these special applications for early retirement, an extraordinary loss is forecast due to factors including the payment of a special benefit, but notification of amounts and the like will be notified after taking into account the results of the applications.