

March 10, 2017

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, Accounting General Manager,

Corporate Planning Department

(TEL +81-3-5657-1000 (from overseas))

Notice Regarding Establishment of a Subsidiary through Company Split (Simple Incorporation-Type Company Split)

USHIO INC. (the “Company”) announced today that, it has decided to succeed to a company to be established, named Ushio Entertainment Holdings, Inc. (the “New Company”), a part of rights and obligations held by the Company in connection with the business of controlling its entertainment-related group companies in Japan, through a simple incorporation-type company split (the “Company Split”).

1. Objective of the Company Split

The Company has a subsidiary called USHIO LIGHTING, INC. (“USHIO LIGHTING”) and a sub-subsidiary called MAXRAY INC. conducting entertainment business centered on illumination, and a subsidiary called XEBEX INC. (“XEBEX”) conducting entertainment business centered on visual and audio solutions.

This time, with an aim to build an effective business operation structure, the Company decided to establish a holding company that controls those entertainment-related group companies located in Japan and to succeed to the New Company all of the issued shares of USHIO LIGHTING and XEBEX held by the Company.

2. Outline of the Company Split

(1) Company Split Schedule

Date of approval of the incorporation-type company split plan	March 10, 2017
Date of the Company Split (effective date)	April 3, 2017 (planned)

(2) Method of the Company Split

This is an incorporation-type company split, with the Company as the splitting company and the New Company as the newly established company.

3. Outline of Companies Involved in the Company Split

	Splitting company	Newly established company
(1) Company name	USHIO INC.	Ushio Entertainment Holdings, Inc.
(2) Location	1-6-5 Marunouchi, Chiyoda-ku, Tokyo	2-9-1 Hatchobori, Chuo-ku, Tokyo
(3) Name and title of Representative	Kenji Hamashima, President and Chief Executive Officer	Shiro Ushio, Representative Director
(4) Business	Light sources business, equipment business, and other businesses	Business of controlling entertainment-related group companies in Japan
(5) Paid-in capital	19,556 million yen	10 million yen
(6) Date of establishment	March 23, 1964	April 3, 2017 (planned)
(7) Number of issued shares	139,628,721 shares (common stock)	1,000 shares (common stock)
(8) Fiscal year end	March 31	March 31

4. Outline of Business Division to be Split

(1) Business of Division to be Split

Business of controlling entertainment-related group companies in Japan

(2) Items and Book Values of Asset and Liability to be Split

(Millions of yen)

Asset		Liability	
Item	Book value	Item	Book value
Current assets	-	Current liabilities	-
Non-current assets	2,885	Non-current liabilities	-
Total	2,885	Total	-

5. Situation after the Company Split

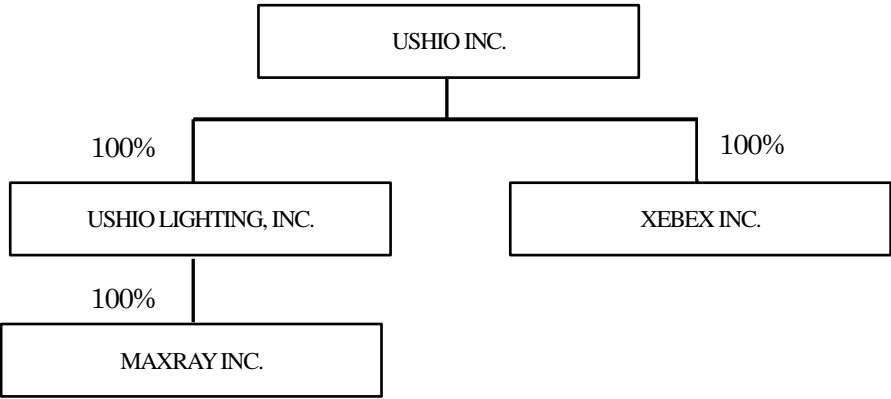
There will be no changes to the Company's name, location, name and title of representative, business, capital and fiscal year end as a result of the Company Split.

6. Future Outlook

The Company Split will have an immaterial impact on consolidated business performance of the Company.

Attachment

(Before the Company Split)



(After the Company Split)

