



August 30, 2018

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 & Finance Department
 (TEL +81-3-5657-1000(from overseas))

**Notice Regarding the Filing by Certain Creditors of a Petition for the
 Commencement of a Reorganization Proceeding Against a Second-tier Subsidiary Company**

USHIO INC. (hereinafter, the “Company”) hereby announces that certain creditors of American Green Technology, Inc. (Head Office: Indiana, U.S.A.; hereinafter, “AGT”), a second-tier subsidiary company of the Company, have filed a petition for the commencement of a reorganization proceeding under Chapter 11 of the U.S. Bankruptcy Code against AGT at the United States Bankruptcy Court, Southern District of Texas on August 28, 2018 (local time).

1. Outline of the Second-tier Subsidiary Company

(1) Name	American Green Technology, Inc.					
(2) Head office location	52129 State Route 933, South Bend, Indiana 46637					
(3) Date of establishment	February 2, 2012					
(4) Representative	Daniel T. Bogar (Director and CEO)					
(5) Business lines	Manufacture and sales of lighting fixtures for heavy industrial applications and lighting equipment with ultraviolet air purification features					
(6) Capital	US\$10,000 thousand					
(7) Shareholding ratios	Ushio America, Inc. (wholly owned subsidiary company, etc. of the Company) 50.6% Others 49.4%					
(8) Relationships between the listed company and the second-tier subsidiary company	Capital relationship		As described in (7) above			
	Personnel relationship		None			
	Business relationship		None			
	Status as related party		Second-tier subsidiary company of the Company			
(9) Results of operations and financial condition of the relevant company for the most recent three years						
	Year ended March 31, 2016		Year ended March 31, 2017		Year ended March 31, 2018	
	Thousands of U.S. dollar	Millions of Japanese Yen	Thousands of U.S. dollar	Millions of Japanese Yen	Thousands of U.S. dollar	Millions of Japanese Yen
Net assets	13,881	1,534	8,299	917	(7,814)	(863)

Total assets	18,045	1,994	15,906	1,758	3,237	357
Net sales	3,114	344	1,908	211	1,768	195
Operating income	(3,690)	(407)	(5,366)	(593)	(5,071)	(560)
Ordinary income	(3,962)	(437)	(5,580)	(616)	(5,505)	(608)
Net income	(3,962)	(437)	(5,582)	(617)	(16,113)	(1,781)

The amounts in U.S. dollars have been presented in Japanese Yen by translating all U.S. dollar amounts at ¥110.54 = U.S. \$1.00, the exchange rate prevailing on June 30, 2018.

2. Background of the Filing of the Petition

AGT is engaged in the manufacture and sale of lighting fixtures for heavy industrial applications and lighting equipment with ultraviolet air purification features. In 2016, Ushio America, Inc. (hereinafter, “UAI”), a wholly owned subsidiary company, etc. of the Company, acquired an equity interest of 50.6% in AGT.

AGT has worked to develop a new generation of products in conjunction with implementing cost-cutting initiatives and other measures. Notwithstanding these efforts, AGT has been unable to turn around its business performance and has continued to post losses. At this time, AGT is no longer able to meet its financial obligations.

Because of the continued losses, the Company was conducting reevaluation of the financial and other support it has been providing AGT through UAI to rebuild its business. Then, certain creditors of AGT filed a petition for the commencement of a reorganization proceeding.

3. Outline of the Petitioners

The petition has been jointly filed by the following petitioners:

Petitioner 1

(1) Name	AirGuide Mfg MS, LLC
(2) Address of Head Office	795 West 20th Street Hialeah, Florida 33010, United States
(3) Representative	Douglas C. Marty, Member

Petitioner 2

(1) Name	Lai Family Investments, Inc.
(2) Address of Head Office	2406 Del Monte Drive, Houston, Texas 77019, United States
(3) Representative	Rocky Lai, President

Petitioner 3

(1) Name	David H. Peterson
(2) Address	Austin, Texas 78732, United States

4. Total Liabilities

US\$9,955 thousand (¥1,100 million) (June 30, 2018)

5. Expected Losses and the Impact on the Company’s Financial Results

The Company expects the subject filing to have only a negligible impact on its consolidated financial results.

There have been no changes to the Company’s consolidated financial forecasts at this time.