



April 25, 2011

FOR IMMEDIATE RELEASE

Company name USHIO Inc.
Representative Shiro Sugata, President and CEO
(Securities code: 6925, 1st section of Tokyo Stock Exchange)
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Notice of Transfer of Equity Method Affiliate (Share Transfer) and Generation of Extraordinary Profit

USHIO Inc. announces that it expects to post an extraordinary profit in its financial results for the fiscal year ending March 2012. Details are as follows:

1. Outline of the share transfer

At a meeting of the Board of Directors meeting held on April 25, 2011, USHIO Inc. resolved to transfer all of its shares of Gigaphoton Inc. (“Gigaphoton”), an equity-method affiliate based on a joint-venture agreement with Komatsu Ltd. (“Komatsu”), to Komatsu.

2. Background of the share transfer

Gigaphoton was founded in August 2000 as a joint venture of USHIO and Komatsu (with 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 manufacturing.

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

However, 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 in Gigaphoton to Komatsu.

3. Profile of the affiliate the shares of which will be transferred

(1)	Name	Gigaphoton Inc.
(2)	Address	400 Yokokurashinden, Oyama-shi, Tochigi, Japan
(3)	Name and title of the representative	Yuji Watanabe, President & CEO
(4)	Scope of business	Businesses related to excimer lasers used for lithography

		tools in semiconductor manufacturing and EUV light sources
(5)	Capital	¥5,000,000,000
(6)	Established	August 1, 2000
(7)	Major shareholders (Ratio of shareholding)	USHIO Inc. (50%) and Komatsu Ltd. (50%)

4. Future prospects

Because of the share transfer, we will post an extraordinary profit at ¥5,000,000,000 in the stand-alone financial statements for the fiscal year ending March 2012 (April 1, 2011 – March 31, 2012).