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Securities Code: 6925

June 5, 2014

To Our Shareholders:

2-6-1 Otemachi, Chiyoda-ku, Tokyo

USHIO INC.

Shiro Sugata, President and Chief Executive Officer

Notice of the 51st Annual General Meeting of Shareholders

The Company would hereby like to request shareholders to attend the Company's 51st Annual General Meeting of Shareholders as described below.

If you are unable to attend the meeting on the date, you may also exercise your voting rights in writing or by an electromagnetic method as indicated below. We kindly request you to read the following Reference Document for the Annual General Meeting of Shareholders and exercise your voting rights by no later than 5:00 p.m., June 25, 2014 (Wednesday).

[To exercise your voting rights in writing]

Please indicate "for" or "against" each agenda item on the voting rights exercise form enclosed herewith, and return the form to reach us by the above deadline.

[To exercise your voting rights by an electromagnetic method (via the Internet, etc.)]

Please access the Company's designated voting rights exercise website (<http://www.web54.net>). Enter the "voting rights exercise code" and the "password" indicated on the voting rights exercise form enclosed herewith and follow the instructions on the screen to enter "for" or "against" each agenda item.

If you exercise your voting rights both in writing and by an electromagnetic method, the rights exercised by an electromagnetic method shall be deemed valid.

Sincerely yours,

1. **Date:** 10:00 a.m., June 26, 2014 (Thursday)

2. **Venue:** 11F, *Kujaku* Hall, KKR Hotel Tokyo
1-4-1 Otemachi, Chiyoda-ku, Tokyo

3. **Purposes:**

Items to be reported:

The business report, the consolidated and non-consolidated financial statements and the results of consolidated financial statement audits by the Accounting Auditor and the Board of Corporate Auditors for the 51st business period (April 1, 2013 to March 31, 2014)

Items to be resolved:

Agenda No. 1: Appropriation of Surplus

Agenda No. 2: Partial Amendment to the Articles of Incorporation

Agenda No. 3: Election of One (1) Director

Agenda No. 4: Election of One (1) Corporate Auditor

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- When attending the meeting, we kindly request that you submit the enclosed voting form to the receptionist at the venue. If you are unable to attend the meeting in person and are having a proxy exercise the right on your behalf, please have the proxy submit documents evidencing the right of representation.
 - If there are any revisions to the Reference Document for the Annual General Meeting of Shareholders, business report, and/or the consolidated and the non-consolidated financial statements, such revision will be shown on the Company's website (<http://www.ushio.co.jp>).

Reference Document for the Annual General Meeting of Shareholders

Meeting Agenda and Referential Matters

Agenda No. 1: Appropriation of Surplus

The Company would like to appropriate surplus as follows.

Year-end Dividend

Striving to constantly remain cognizant of the fact that returning profits to shareholders is one of the top priorities of corporations, the USHIO Group's basic policy is to provide stable returns of profits to shareholders, while endeavoring to enhance its financial position and business foundations.

Based on this policy, taking the business environment as well as business results into consideration, the Company would like to distribute the year-end dividend as indicated below.

The Company celebrated the 50th anniversary of its incorporation on April 1, 2014. As a token of its gratitude to shareholders in commemoration of this anniversary, the Company would also like to disburse a commemorative dividend.

(1) Kind of the dividend property

Cash

(2) Matters regarding assignment of the dividend property and the total amount of the dividend property

The Company would like to assign an annual dividend of 26 yen per common share, consisting of a regular dividend of 22 yen per common share, the same amount as in the previous fiscal year, and a commemorative dividend of 4 yen.

In this case, the total amount of the dividend property shall be 3,388,345,168 yen.

(3) The day on which such distribution of dividend of surplus takes effect

The Company would like to effect such distribution of dividend on June 27, 2014.

Agenda No. 2: Partial Amendment to the Articles of Incorporation

1. Reasons to Amend Articles of Incorporation

The Company would like to add business purposes and refine Article 2 (Purpose) of the current Articles of Incorporation in order to clarify the business contents in line with the actual business activities in which the Company currently engages and to provide for business development going forward.

2. Details of Amendment

The details of the amendment are as follows.

(Parts to be amended are underlined.)

Current Articles of Incorporation	Proposed Amendments
Chapter 1 General Provisions Article 2 (Purpose) The purpose of the Company shall be to engage in the following businesses. (1) (Omitted) (2) Manufacture <u>and</u> sale of various light sources and equipment for medical use (3) (Omitted) (Newly established) (4) and (5) (Omitted) (6) Manufacture and sale of clothing and accessories, and other sundry goods (7) (Omitted) (Moved from Item (6)) (Newly established) (8) Purchase and sale of <u>trademarks</u> , designs, <u>marks and industrial property</u> rights related to the products in each of the preceding items (9) to (14) (Omitted)	Chapter 1 General Provisions Article 2 (Purpose) The purpose of the Company shall be to engage in the following businesses. (1) (Not amended) (2) Manufacture, <u>sale, repair, and lease of</u> various light sources and equipment for medical use (3) (Not amended) (4) <u>Manufacture and sale of pharmaceutical products, quasi-drugs, health foods, and cosmetics</u> (5) and (6) (Not amended) (Moved to Item (8)) (7) (Not amended) (8) Manufacture and sale of clothing and accessories, and other sundry goods (9) <u>Purchase and sale of secondhand goods and consignment sale of such goods</u> (10) Purchase and sale of <u>patents, utility models</u> , designs, <u>trademarks and other industrial property</u> rights related to the products in each of the preceding items (11) to (16) (Not amended)

Agenda No. 3: Election of One (1) Director

Mr. Ryutaro Tada, Director, will resign as of the close of this Annual General Meeting of Shareholders. In order to strengthen the corporate supervision function and enhance the management system, the Company would like to request the election of one (1) new Director.

The term of office of the newly elected Director shall expire at the close of the Annual General Meeting of Shareholders scheduled in June 2015.

The candidate for Director is as follows.

Candidate for Director

Name (Date of Birth)	Brief profile, position, responsibility at the Company and significant concurrent positions held	Number of the Company's shares owned
Yoshinari Hara (April 3, 1943)	<p>Apr. 1967 Joined Daiwa Securities Co., Ltd.</p> <p>Jun. 1991 Director, Daiwa Securities Co., Ltd.</p> <p>Sep. 1995 Managing Director, Daiwa Securities Co., Ltd.</p> <p>Oct. 1997 President and Representative Director, Daiwa Securities Co., Ltd.</p> <p>Apr. 1999 President and Representative Director and CEO, Daiwa Securities Group Inc.</p> <p> President and Representative Director, Daiwa Securities Co., Ltd.</p> <p>Jun. 2004 Chairman of the Board and Director, Daiwa Securities Group Inc.</p> <p>Jun. 2008 Chief Corporate Advisor, Daiwa Securities Group Inc.</p> <p>Jun. 2012 Honorary Advisor, Daiwa Securities Group Inc. (incumbent)</p> <p>(Significant concurrent position) Honorary Advisor, Daiwa Securities Group Inc.</p>	0

Notes:

1. There are no special conflicts of interest between the candidate and the Company.
2. Mr. Yoshinari Hara is a candidate for outside Director and a candidate for Independent Officer that must be secured for the purpose of protecting general shareholders as required by the Tokyo Stock Exchange, Inc.
3. The candidate has abundant experience in management of a securities company and has extensive insight into matters relating to the capital markets. The Company therefore has judged that the candidate is appropriate to be an outside Director of the Company.
4. If the candidate is elected, the Company plans to conclude an agreement with the candidate that limits the liability for damages provided in Article 423, Paragraph 1 of the Companies Act to the extent prescribed by law, pursuant to Article 427, Paragraph 1 of the said Act.

Agenda No. 4: Election of One (1) Corporate Auditor

The term of office of Mr. Yasusuke Miyazaki, Corporate Auditor, will expire at the close of this Annual General Meeting of Shareholders, and the Company would like to request the election of one (1) new Corporate Auditor.

The candidate for Corporate Auditor is as follows.

The Company has received concurrence from the Board of Corporate Auditors with regard to this agenda.

Candidate for Corporate Auditor

Name (Date of Birth)	Brief profile, position at the Company and significant concurrent positions held	Number of the Company's shares owned
Masanori Yoneda (July 24, 1950)	<p>Apr. 1974 Joined The Dowa Fire and Marine Insurance Co., Ltd. (currently, Aioi Nissay Dowa Insurance Co., Ltd.)</p> <p>Jun. 2003 Director, Nissay Dowa General Insurance Co., Ltd. (currently, Aioi Nissay Dowa Insurance Co., Ltd.)</p> <p>Apr. 2010 Director and Vice President Executive Officer, Nissay Dowa General Insurance Co., Ltd. Director and Executive Officer, MS&AD Insurance Group Holdings, Inc.</p> <p>Oct. 2010 Director and Vice President Executive Officer, Aioi Nissay Dowa Insurance Co., Ltd.</p> <p>Jun. 2012 Representative Director and Vice President Executive Officer, Aioi Nissay Dowa Insurance Co., Ltd. Representative Director and Executive Officer, MS&AD Insurance Group Holdings, Inc.</p> <p>Apr. 2014 Corporate Advisor, Aioi Nissay Dowa Insurance Co., Ltd. (incumbent) Representative Director, MS&AD Insurance Group Holdings, Inc. (incumbent)</p> <p>(Significant concurrent position) Corporate Advisor, Aioi Nissay Dowa Insurance Co., Ltd. Representative Director, MS&AD Insurance Group Holdings, Inc.</p>	0

Notes:

1. There are no special conflicts of interest between the candidate and the Company.
2. Mr. Masanori Yoneda is a candidate for outside Corporate Auditor and a candidate for Independent Officer that must be secured for the purpose of protecting general shareholders as required by the Tokyo Stock Exchange, Inc.
3. The candidate has extensive and highly professional knowledge and abundant experience as a manager of an insurance company. The Company therefore has judged that the candidate is appropriate to be an outside Corporate Auditor of the Company.
4. The candidate serves as Representative Director of MS&AD Insurance Group Holdings, Inc.,

but will retire from the position of Representative Director at the close of the firm's annual general meeting of shareholders scheduled on June 23, 2014.

5. If the candidate is elected, the Company plans to conclude an agreement with the candidate that limits the liability for damages provided in Article 423, Paragraph 1 of the Companies Act to the extent prescribed by law, pursuant to Article 427, Paragraph 1 of the said Act.