

# 1st Quarter FY2015 Financial Results

The logo for USHIO, consisting of the word "USHIO" in a bold, white, sans-serif font, positioned on a solid green background.

USHIO INC.

**July 31, 2015**

This report contains forward-looking statements, including earnings forecasts, which are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Please be advised that actual results may differ substantially from those forward-looking statements due to various factors.

\* All figures in the material have been rounded down to the nearest billion yen.

- 
- I. Financial Results for 1Q FY2015**
  - II. Future Prospects
  - III. Supplementary Information

# Highlights of Financial Results for 1Q FY2015

The results for 1Q/FY15 showed an increase in revenue and profits with a 19.4% increase in net sales to 41.1 billion yen, and a 61.9% increase in operating income to 2.3 billion yen from the previous year.  
-FY15 started in line with 1H plan-

Increase effect of yen's depreciation on 1Q sales and operating income: Net sales 4.7 billion yen, operating income 0.4 billion yen

Equipment	Imaging	Sales increased 36.1% YoY driven by slowing decline in digital cinema projector (DCP) shipments, increase in cinema complex construction in Japan, and start of new cinema business to follow DCP.
	Optical	Sales declined 3.8% YoY as all 1Q shipments of optical alignment equipment were shifted to 2Q.
	Operating Income	Loss was improved due to higher 1Q sales for imaging equipment.
Light Sources	Discharge	Sales increased 16.3% YoY due to growth in solid-state light sources and cinema lamps.
	Halogen	Sales increase remained at 2.7% YoY as growth in application for office automation slowed.
	Operating Income	Operating income increased 24.1% YoY due to volume effect of solid-state light sources.

➤ No change from projected results for 2Q (total) or the full fiscal year.

# Forecast for FY2015

(Billions of Yen)	1Q	% of Target (1H FY15)	1H (Forecast)	FY15 (Forecast)
Net Sales	41.1	48.3	85.0	180.0
Operating Income	2.3	38.3	6.0	13.0
Operating Income (%)	5.7	-	7.1	7.2
Ordinary Income	3.3	47.1	7.0	15.0
Profit Attributable to Owners of Parent	2.6	43.3	6.0	12.0
EPS (Yen)	20.18	-	45.96	91.91
ROE (%)	1.21	-	-	5.7
Dividend (Yen)	-	-	-	26
Payout Ratio (%)	-	-	-	28.3
Capital Expenditures	1.9	20.8*	-	9.6
Depreciation and Amortization	1.5	21.7*	-	7.2
R&D Expenses	2.5	23.5*	-	11.0
Forex (Yen)	USD	121	-	120
	EUR	133	-	138

\*: % of target (FY15 forecast)

# Summary of Financial Results 1Q FY2015

(Billions of yen)	FY14	FY15	YoY		FY14	FY15	YoY	
	1Q	1Q	Changes	%	4Q	1Q	Changes	%
Net Sales	34.4	41.1	+6.6	+19.4	44.5	41.1	▲3.4	▲7.7
Operating Income	1.4	2.3	+0.8	+61.9	3.9	2.3	▲1.6	▲41.2
Operating Income Ratio (%)	4.2	5.7	+1.5P	-	8.9	5.7	▲3.2P	-
Ordinary Income	1.7	3.3	+1.5	+86.4	4.5	3.3	▲1.2	▲26.6
Profit Attributable to Owners of Parent	1.3	2.6	+1.2	+89.1	3.1	2.6	▲0.4	▲15.9
EPS (Yen)	10.66	20.18			23.92	20.18		
Forex (Yen)								
USD	102	121			119	121		
EUR	141	133			138	133		

Annual Forex Sensitivity (Billions of Yen)	Net Sales	Operating Income	Ordinary Income
USD	1.0	0.1	0.1

# Financial Results by Business Segments

(Billions of Yen)		FY14	FY15	YoY		FY14	FY15	YoY	
Business Segments		1Q	1Q	Changes	%	4Q	1Q	Changes	%
Equipment	Net Sales	16.8	21.2	+4.4	+26.3	24.0	21.2	▲2.8	▲11.9
	Operating Income	▲0.5	▲0.1	+0.4	-	0.3	▲0.1	▲0.5	-
	Operating Income(%)	▲3.5	▲0.9	+2.7P	-	1.4	▲0.9	▲2.3P	-
Light Sources	Net Sales	16.9	19.2	+2.3	+13.6	19.4	19.2	▲0.1	▲0.8
	Operating Income	2.0	2.5	+0.4	+24.1	3.4	2.5	▲0.8	▲26.0
	Operating Income(%)	12.1	13.2	+1.1P	-	17.7	13.2	▲4.5P	-
Others	Net Sales	0.6	0.6	▲0.0	▲6.8	1.0	0.6	▲0.4	▲38.4
	Operating Income	0.0	▲0.0	▲0.0	-	0.1	▲0.0	▲0.1	-
	Operating Income(%)	0.0	▲3.8	▲3.8P	-	9.6	▲3.8	▲13.4P	-

Note : Net sales indicates sales to unaffiliated customers.

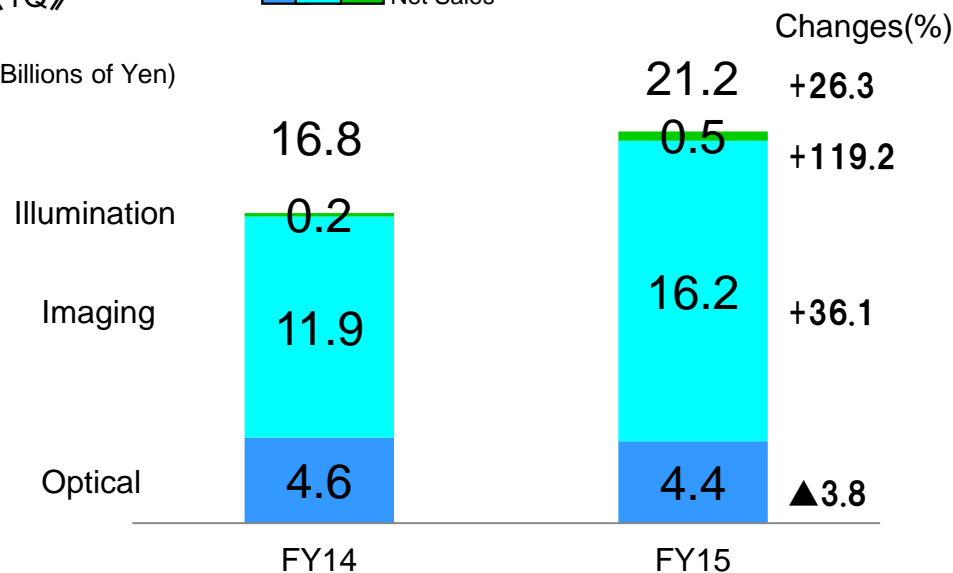
Operating income ratio indicates the ratio of operating income against sales to unaffiliated customers.

# Equipment Business Segment 《Net Sales》

《1Q》

Net Sales

(Billions of Yen)



## Imaging

Sales increased both YoY and QoQ in the cinema field. Sales increased YoY but declined QoQ in the general imaging field.

## Optical

Both UV equipment and cure equipment sales declined QoQ. UV equipment sales increased YoY, but cure equipment sales declined YoY as optical alignment equipment shipments were concentrated into 2Q.

《YoY》		FY14	FY14	YoY	《QoQ》		FY14	FY15	QoQ
(Billions of Yen)		1Q	1Q		(Billions of Yen)		4Q	1Q	
Net Sales	Imaging	11.9	16.2	+4.2	Net Sales	Imaging	16.9	16.2	▲0.6
	Optical	4.6	4.4	▲0.1	Optical	Optical	6.4	4.4	▲1.9
	Illumination	0.2	0.5	+0.2	Illumination	Illumination	0.7	0.5	▲0.1
Total		16.8	21.2	+4.4	Total	Total	24.0	21.2	▲2.8

Note : Net sales indicates sales to unaffiliated customers.

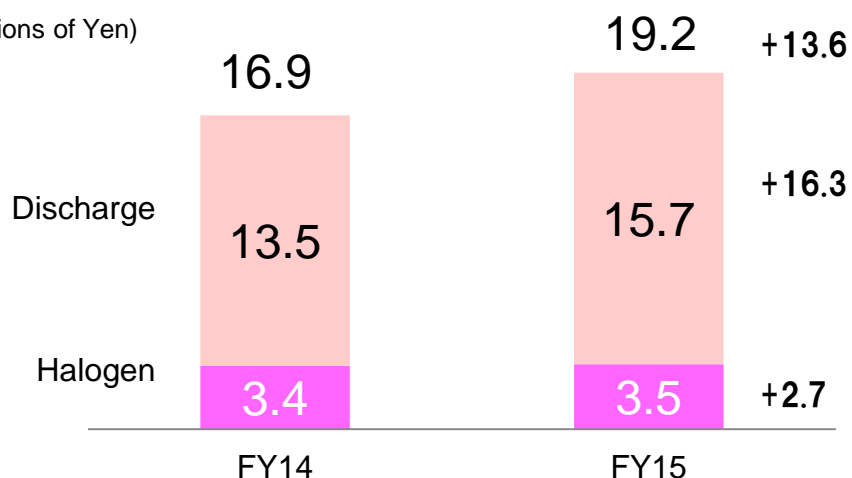
# Light Sources Business Segment 《Net Sales》

《1Q》

Net Sales

(Billions of Yen)

Changes(%)



## Discharge

YoY sales increased upon consolidation of MAXRAY and UOS. QoQ sales were flat due to the consolidation of MAXRAY.

## Halogen

QoQ office automation applications saw sales falling slightly, but YoY sales increased slightly due to the effect of the yen's depreciation.

《YoY》		FY14	FY15	YoY	《QoQ》		FY14	FY15	QoQ
(Billions of Yen)		1Q	1Q		(Billions of Yen)		4Q	1Q	
Net Sales	Discharge	13.5	15.7	+2.2	Net Sales	Discharge	15.7	15.7	+0.0
	Halogen	3.4	3.5	+0.0	Halogen	Halogen	3.6	3.5	▲0.1
Total		16.9	19.2	+2.3	Total	Total	19.4	19.2	▲0.1

Note : Net sales indicates sales to unaffiliated customers.



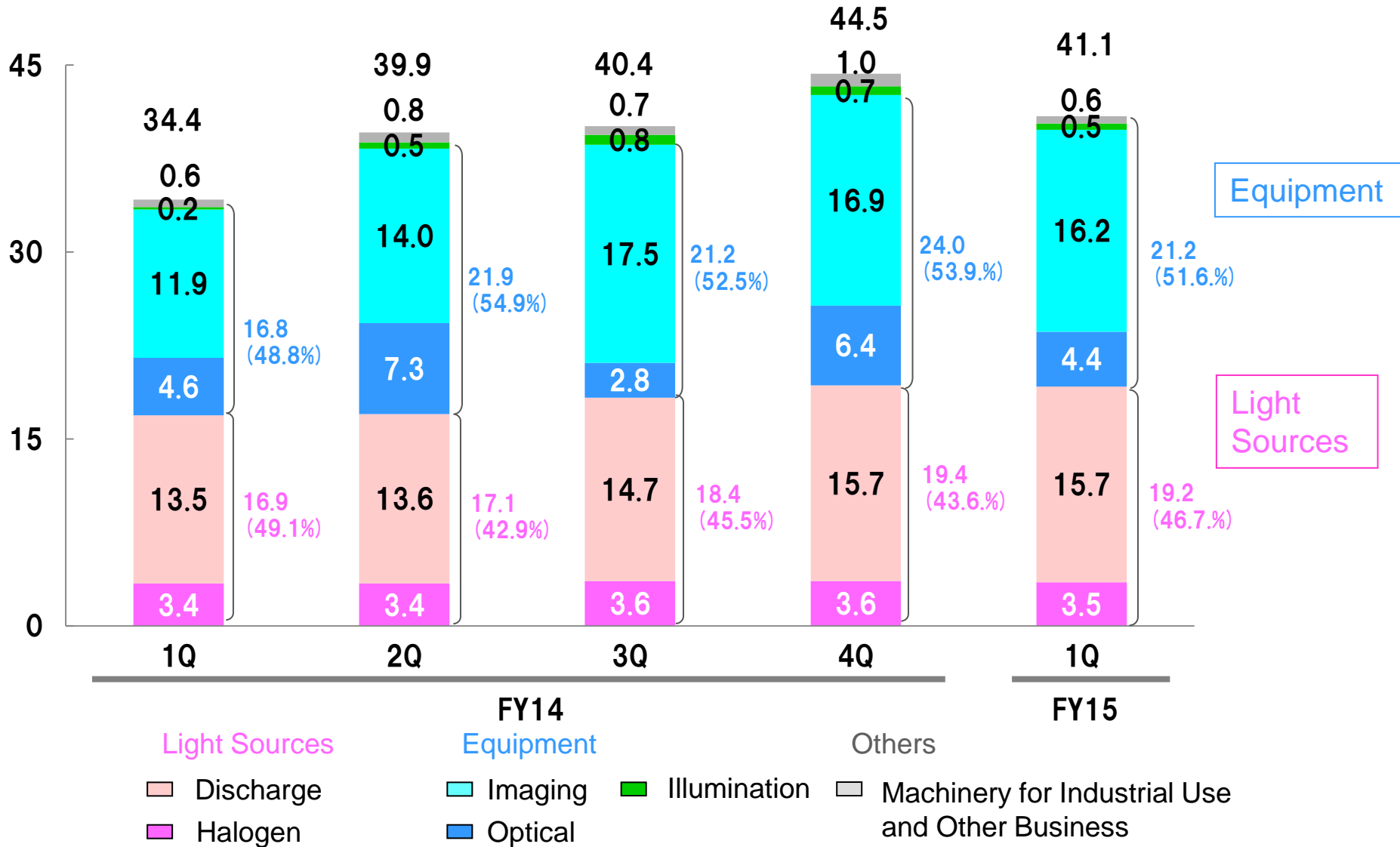
- 
- I. Financial Results for 1Q FY2015
  - II. Future Prospects**
  - III. Supplementary Information

# Future Prospects

(Billions of Yen)		FY15 (Forecast)	1Q	% of Target (FY15 Forecast)	Forecast
Equipment	Imaging equipment	75.0	16.2	21.6	Downtrend in cinema field expected to slow down, sales of Boxer are expected to expand
	Optical equipment	24.5	4.4	18.2	Expected to expand from 2Q onward
	Illumination and related facilities	2.0	0.5	27.1	
	Sub-total	101.5	21.2	20.9	
Light Sources	Discharge lamps	62.0	15.7	25.4	Expected to continue to be flat, maintaining momentum of solid-state light sources
	Halogen lamps	14.0	3.5	25.0	Expected to maintain stable trajectory
	Sub-total	76.0	19.2	25.4	
Other	Machinery for industrial use and other	2.5	0.6	26.0	
Total		180.0	41.1	22.9	

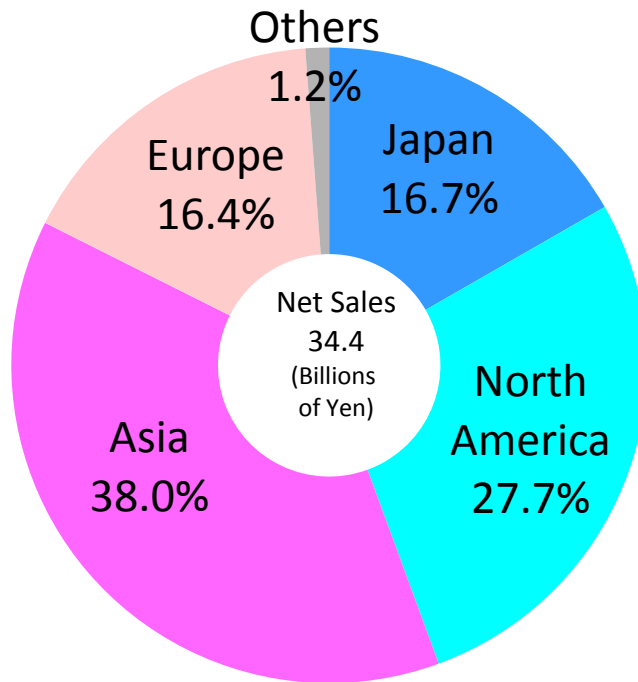
- 
- I. Financial Results for 1Q FY2015
  - II. Future Prospects
  - III. Supplementary Information**

# Sales Trend by Product Groups

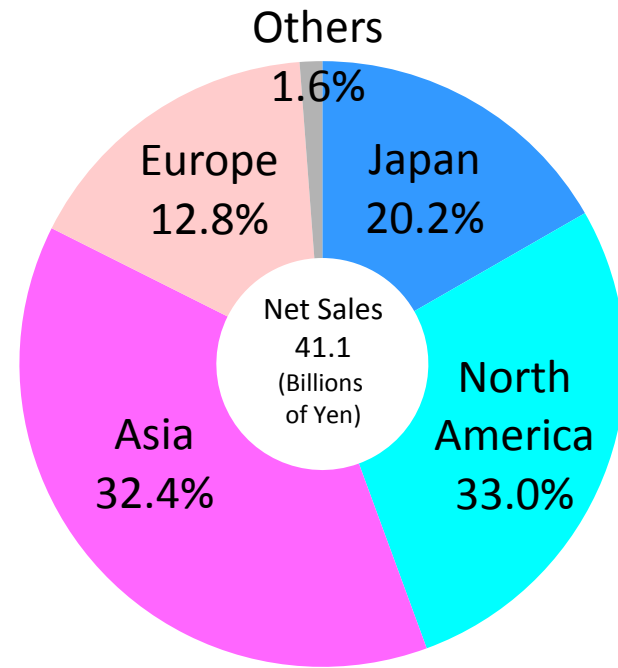


# Foreign Sales Ratio 《1Q》

◆FY14



◆FY15



## Other Income and Expenses 《1Q》

(Billions of Yen)	FY14	FY15	YoY
Other Income	0.9	1.0	+0.1
Dividend	0.4	0.5	+0.0
Exchange Gain	-	0.1	+0.1
Others	0.4	0.4	▲0.0
Other Expenses	0.5	0.1	▲0.4
Exchange Loss	0.4	-	▲0.4
Others	0.1	0.1	▲0.0
Other Income and Expenses	0.3	0.9	+0.6

# Balance Sheet

## ◆ Assets

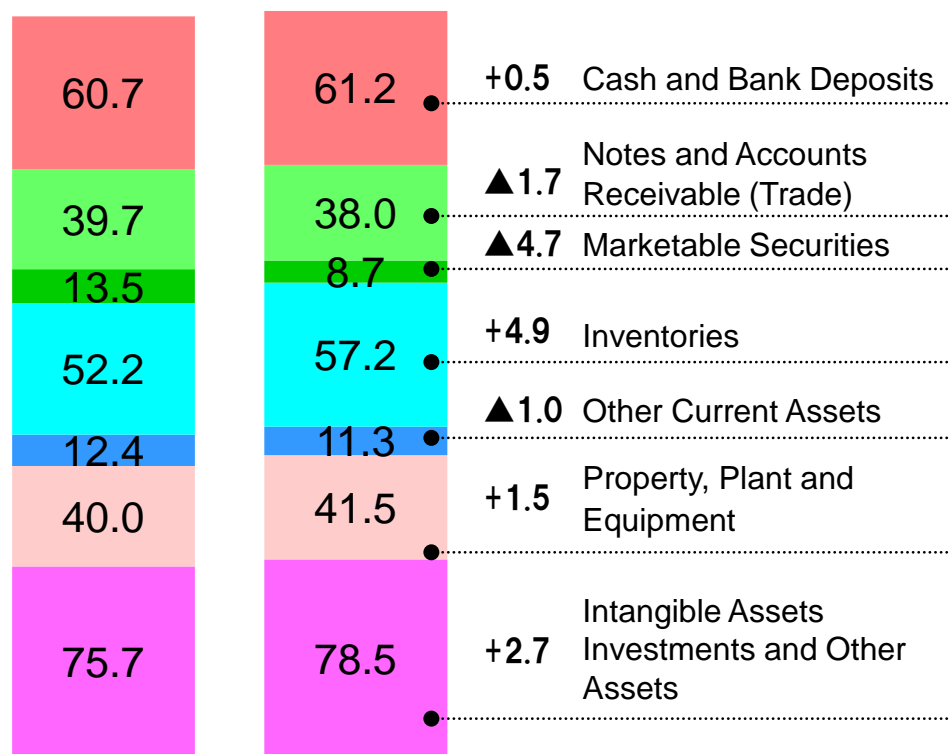
(Billions of Yen)

294.5

296.7

Changes

+ 2.2



2015/3

2015/6

● Turnover (month)

2015/3

2015/6

Receivable-trade

3.0

2.8

Inventories

3.5

4.0

## ◆ Liabilities • Total Net Assets

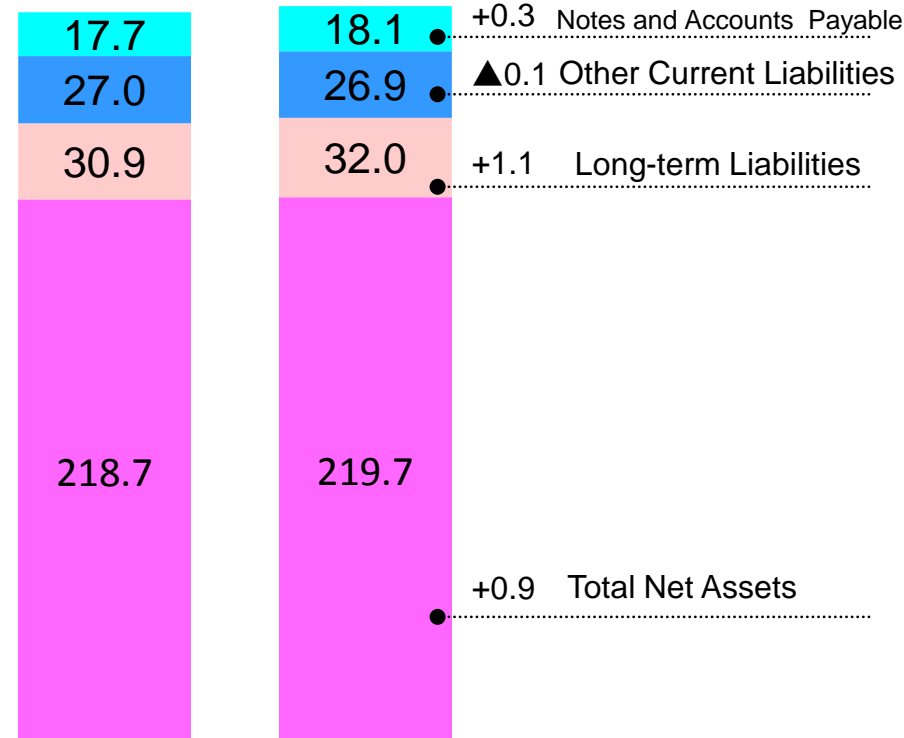
(Billions of Yen)

294.5

296.7

Changes

+2.2



2015/3

2015/6

● Equity Ratio (%)

2015/3

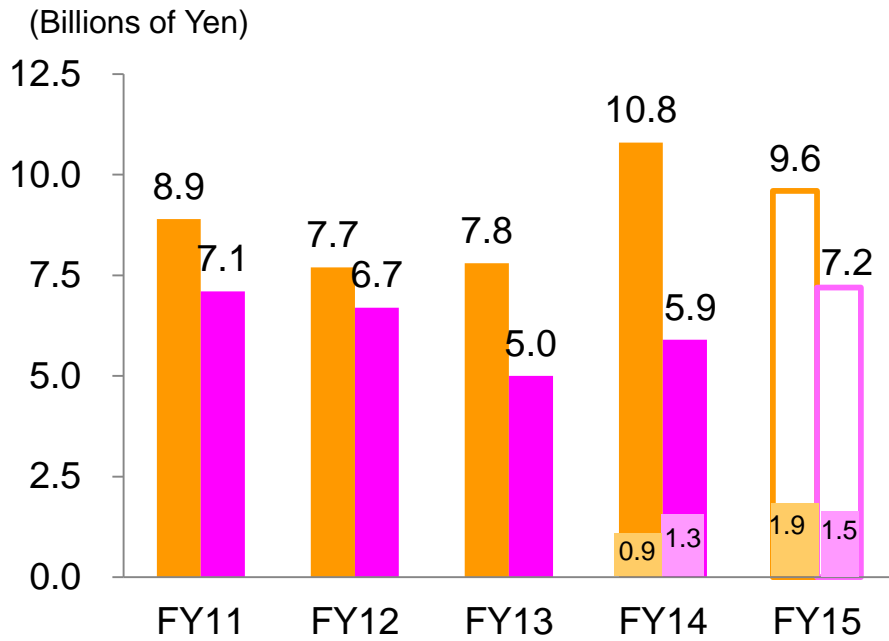
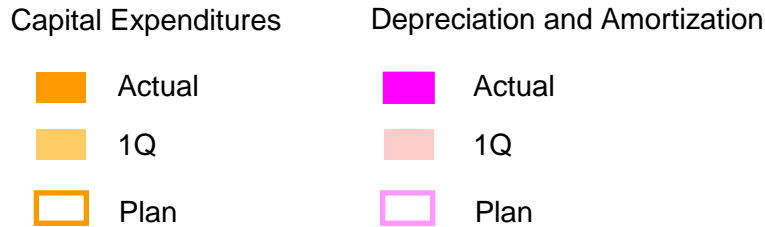
2015/6

73.3

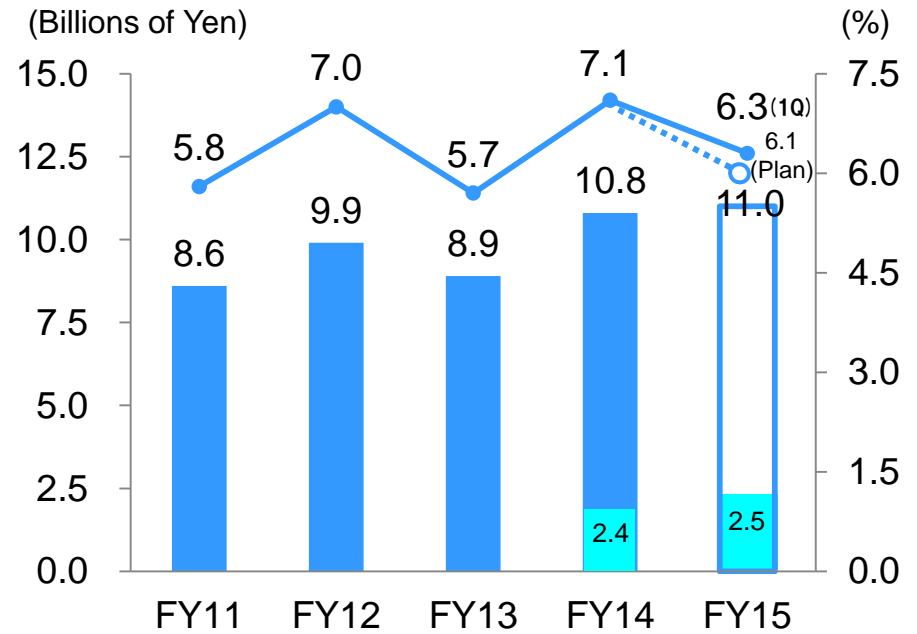
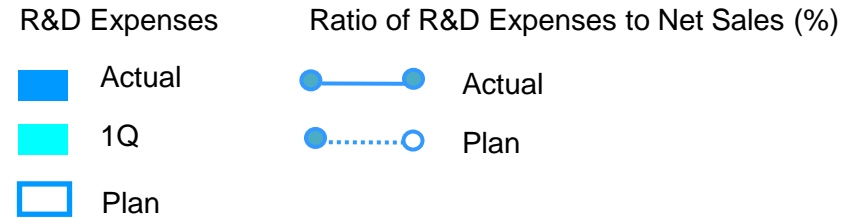
73.2

# Capital Expenditures, Depreciation and Amortization, R&D Expenses

## ◆ Capital Expenditures, Depreciation and Amortization



## ◆ R&D Expenses





# USHIO

Contact:

Corporate Communication Department, USHIO INC.

Email: [contact@ushio.co.jp](mailto:contact@ushio.co.jp)

<http://www.ushio.co.jp/global/>