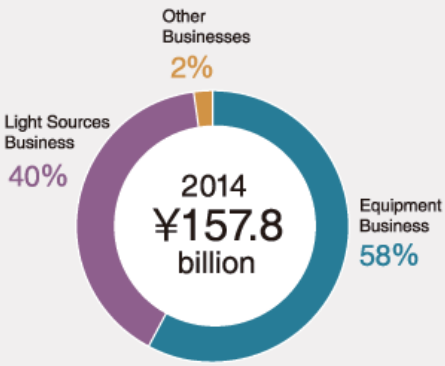
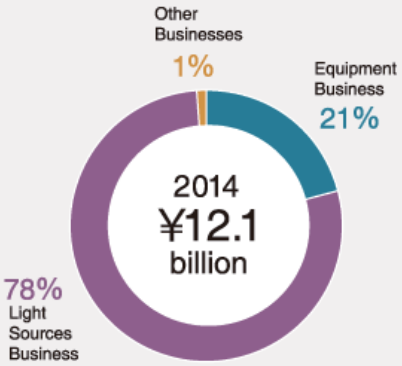
BUSINESS OVERVIEW [AT A GLANCE]

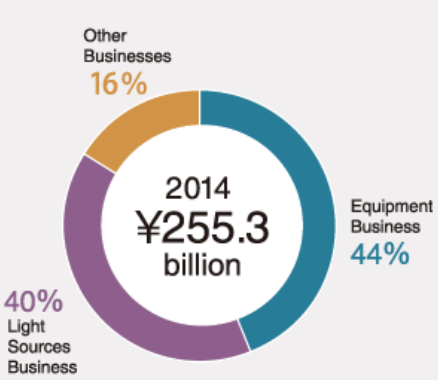
BREAKDOWN OF SALES



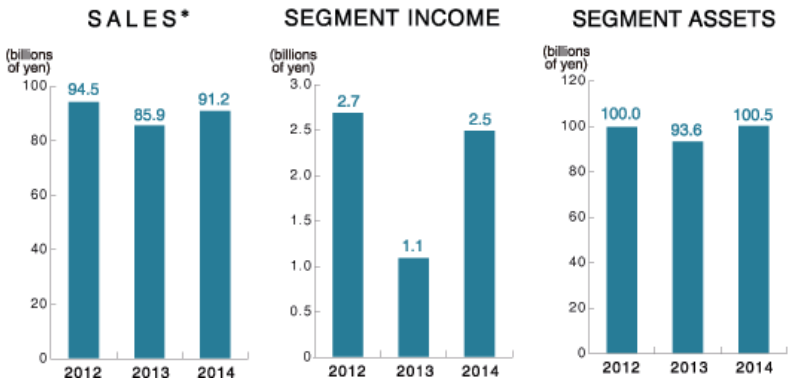
BREAKDOWN OF OPERATING INCOME



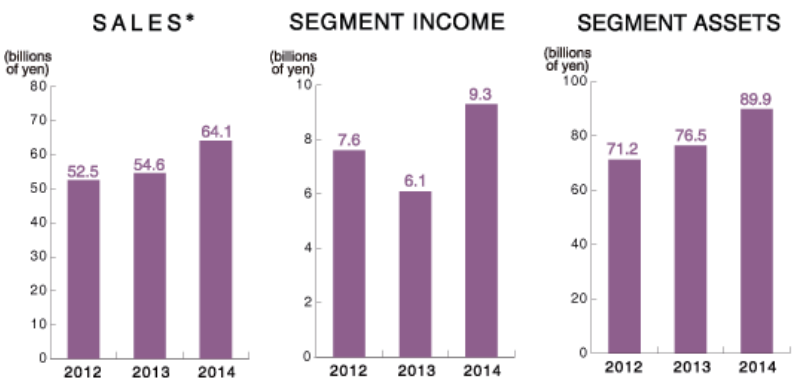
BREAKDOWN OF TOTAL ASSETS



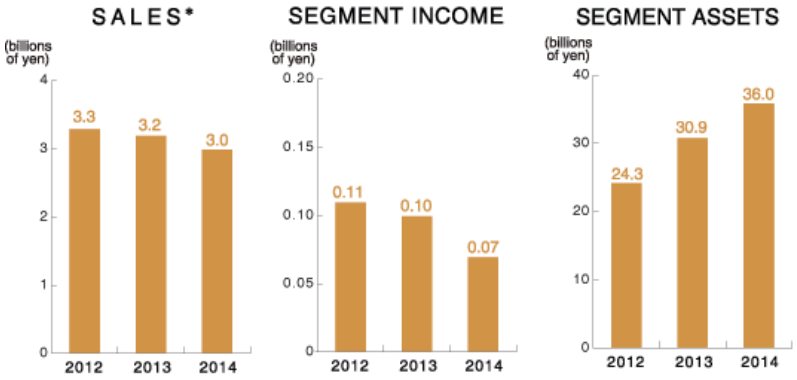
Optical equipment including exposure tools, photo-alignment systems, photocuring systems, and optical inspection equipment
Digital cinema projectors and imaging equipment for control rooms, simulators, digital signage, virtual reality systems, and others
UV phototherapy devices, blood analyzers and other medical equipment
EUV light sources for semiconductor inspection and development applications



UV lamps for equipment to manufacture semiconductors, flat panel displays, and PCBs
LEDs for a variety of surveillance, biometric identification, and optical sensor uses
Lamps for use in illumination, data projectors, cinema projectors, and office equipment, and solid-state light sources (LEDs/LDs)



Plastic forming applications, peripheral machinery
Factory automation systems
Others



*Sales figures include intersegment sales and transfers.

BUSINESS OVERVIEW

EQUIPMENT BUSINESS

Imaging equipment

- Digital projectors for cinemas
- Digital projectors for general imaging (control rooms, simulators, signage, virtual reality, and others)

Optical equipment

- Optical equipment for manufacturing semiconductors, flat panel displays and electronic components (exposure tools, photo-cleaning units, photocuring systems, and others)
- UV phototherapy devices, blood analyzers and other medical equipment
- EUV light sources for inspection and development applications

Results of Operations

Although a substantial proportion of cinema screens worldwide had already been digitalized, the launch of compact projectors meant that unit sales of digital cinema projectors remained at much the same level year on year. In general imaging, meanwhile, sales expanded in Europe as well as in the U.S., with strong sales of imaging equipment for control rooms and other uses.

In the optical equipment sector, sales of USHIO's photo-alignment system for LCD panel manufacturing gained momentum, but sluggish sales of exposure tools for electronic component manufacturing combined with other factors to reduce sales slightly.

Equipment business sales were ¥91,243 million, an increase of 6.2% year on year. Segment profit jumped 119.1% year on year to ¥2,537 million.

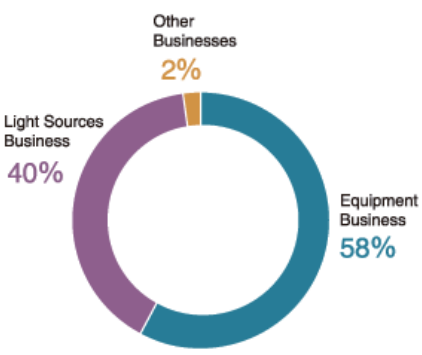
Outlook for the Fiscal Year Ending March 31, 2015

In cinema-related operations USHIO will target growth in its solutions business, including the new audio business it intends to launch. Meanwhile, the general imaging market has been expanding continuously by 10-15% annually and offers ongoing potential for new applications, primarily in virtual reality and simulation systems. We therefore expect increased sales across the market as a whole.

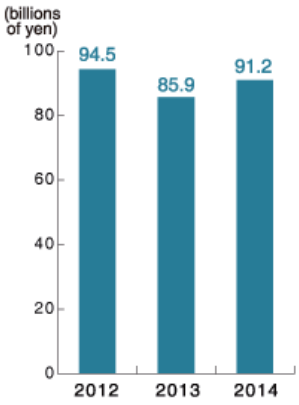
In the electronics market, photo-alignment systems for small and medium-sized high-definition LCD panels should continue to perform well, while growth in demand can be expected for exposure tools for power device and MEMS manufacturing, among other uses. New demand can also be expected for such products as exposure tools for 2.5D interposers and direct imaging equipment for PCBs.

Key Data

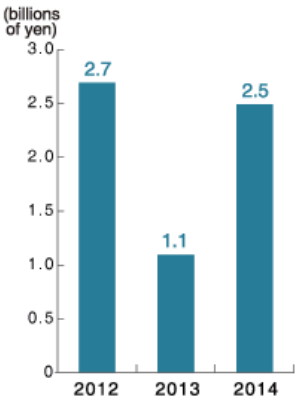
BREAKDOWN OF SALES (2014)



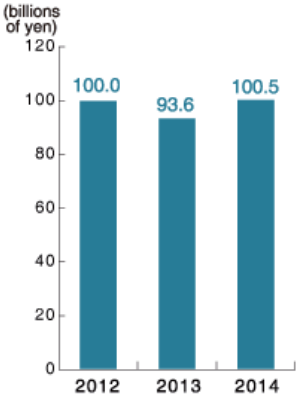
SALES*



SEGMENT INCOME



SEGMENT ASSETS



*Sales figures include intersegment sales and transfers.

BUSINESS OVERVIEW | LIGHT SOURCES BUSINESS

Discharge lamps

- UV lamps for manufacturing semiconductors, flat panel displays, and electronic components
- A range of lamps and industrial LEDs for use in cinema projectors, data projectors, office equipment, illumination, and other optical equipment

Halogen lamps

- For use in office equipment
- For illumination applications (commercial facilities, stage and studio lighting, specialized lighting, and others)
- Halogen heaters

Results of Operations

The light sources business performed well across the board, partly due to the effects of the weakening yen. Sales of xenon lamps for cinema projectors continued to grow most notably in developing markets, thanks to more digital cinema screens and increased replacement demand.

UV lamps used in photolithography benefited from robust replacement demand as a result of LCD panel and semiconductor manufacturers maintaining high capacity utilization rates, particularly for smartphones and tablet PCs. Sales of halogen lamps were also brisk, largely because inventory adjustment at the manufacturers that assemble office equipment had run its course.

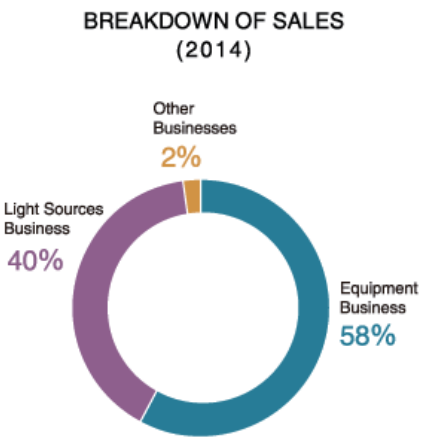
USHIO continues to conduct product development to enhance lamps' luminance and efficiency, among other aims, while actively pursuing R&D focusing particularly on solid-state light source products (light-emitting diodes [LEDs] and laser diodes [LDs]). Sales in the light sources business increased by 17.5% year on year to ¥64,192 million. Segment profit was up by 51.5% year on year to ¥9,389 million.

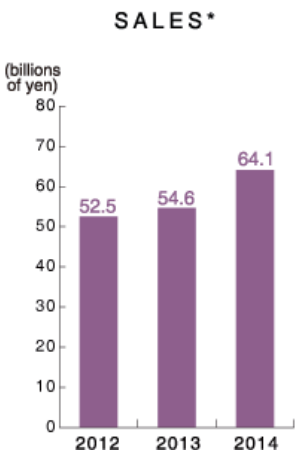
Outlook for the Fiscal Year Ending March 31, 2015

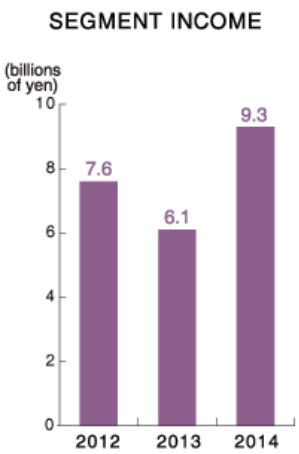
We anticipate continued steady growth in demand for replacement lamps as the number of cinema screens increases further in China and other developing markets.

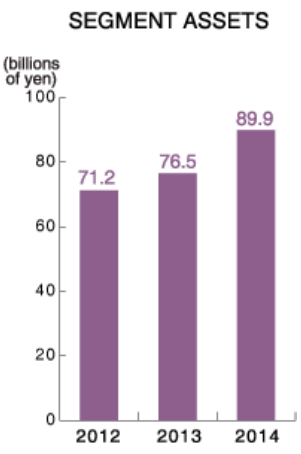
In the electronics market, capacity utilization rates are improving among manufacturers of high-definition LCD panels, and we therefore expect strong sales owing to increased replacement demand accompanying expansion in new capital expenditures.

Key Data









*Sales figures include intersegment sales and transfers.