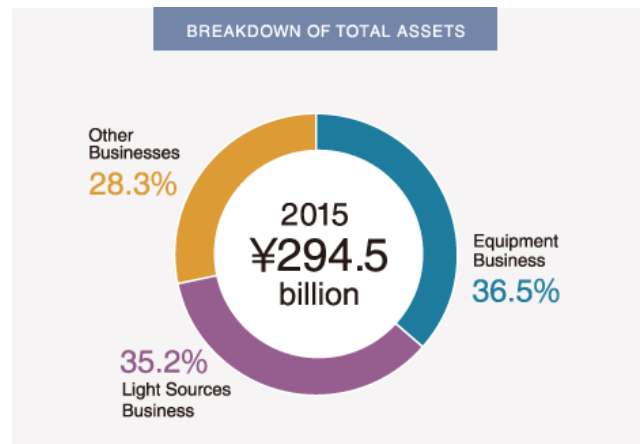
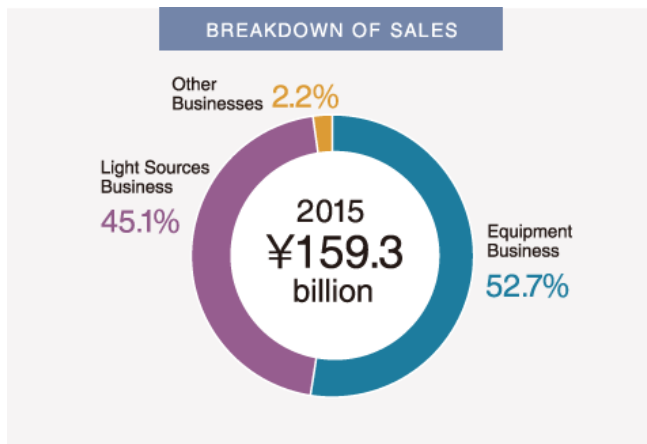




**BUSINESS OVERVIEW** [ AT A GLANCE ]



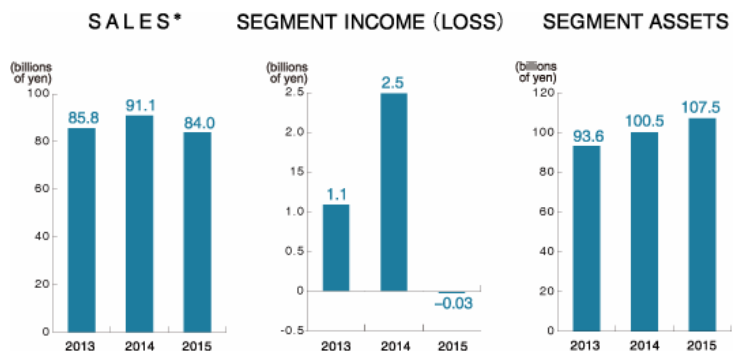
**EQUIPMENT BUSINESS**

**Imaging equipment**

- Digital projectors for cinemas
- Digital projectors for general imaging, control rooms, simulators, digital signage and virtual reality systems

**Optical equipment**

- Optical equipment for manufacturing semiconductors, flat panel displays and electronic components (lithography equipment, photo-cleaning units, photocuring equipment, and others)
- UV phototherapy devices for skin disease and other medical devices
- EUV light sources equipment for semiconductor inspection and development applications



\*Sales indicates sales to unaffiliated customers



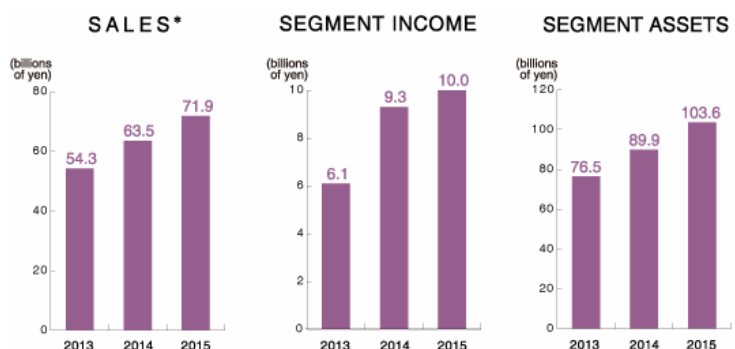
**LIGHT SOURCES BUSINESS**

**Discharge lamps/LED · LD**

- UV lamps for manufacturing semiconductors, flat panel displays and electronic components
- Light sources for use in cinema projectors, data projectors, office automation equipment, illumination, and industry

**Halogen lamps**

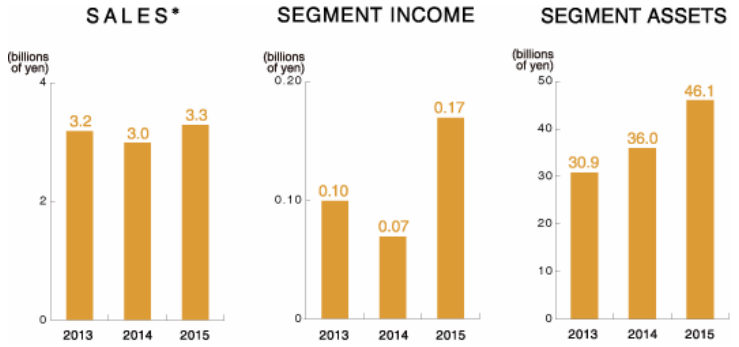
- For use in office automation equipment
- For illumination applications (commercial facilities, stage and studio lighting, specialized lighting and others)
- Industrial halogen heaters



\*Sales indicates sales to unaffiliated customers

# Machinery for Industrial Use and Other

- Plastic forming applications, peripheral machinery
- Machinery and systems for industrial use
- Others



\*Sales indicates sales to unaffiliated customers

## BUSINESS OVERVIEW [ EQUIPMENT BUSINESS ]



### EQUIPMENT BUSINESS



#### MAIN PRODUCTS

##### Imaging equipment

- Digital projectors for cinemas
- Digital projectors for general imaging, control rooms, simulators, digital signage and virtual reality systems

##### Optical equipment

- Optical equipment for manufacturing semiconductors, flat panel displays and electronic components (lithography equipment, photo-cleaning units, photocuring equipment, and others)
- UV phototherapy devices for skin disease and other medical devices
- EUV light sources equipment for semiconductor inspection and development applications

#### KEY STRENGTHS

##### Imaging equipment

- Global market share for digital cinema projectors: 40 %

##### Optical equipment

- Global market share for ODF UV Curing equipment for bonding LCD panels: 70 %
- Global market share for step & repeat projection lithography tool for high resolution printed circuit boards: 95 %
- Global market share for surface cleaning equipment for LCD panels: 90 %

\*Share is based on USHIO data as of March 31, 2015

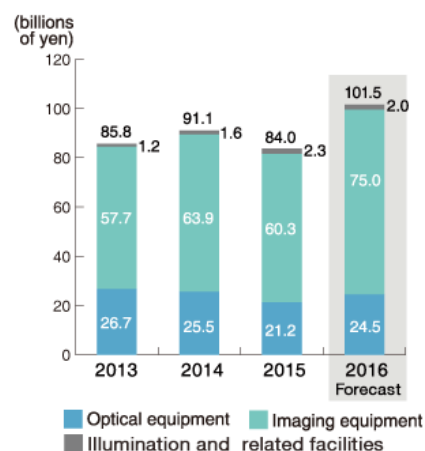
## Financial Results

In the cinema sub-segment of the imaging equipment business, digital cinema projectors have achieved a high rate of penetration centered on developed markets, resulting in a decrease in shipments year on year. In general imaging equipment, performance was steady for various types of imaging equipment for entertainment, including various events, large halls and amusement parks, as well as for industrial uses with simulation, virtual reality systems, and control rooms.

In optical equipment, supported by brisk demand for smartphones and tablets, demand was firm for lithography equipment, optical alignment equipment for high-definition LCD panels and some lithography equipment for PCBs. However, demand for PCB lithography equipment for PC packaging was sluggish and the effects of an acceptance inspection caused delays longer than envisaged and resulted in a reduction of equipment sold.

As a result, equipment business sales were ¥84,033 million, a decrease of 7.9% year on year. Segment loss was ¥36 million.

#### BREAKDOWN OF SALES



## Outlook for the Fiscal Year Ending March 31, 2016

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In the cinema sub-segment, a slight increase in sales of digital cinema projectors is expected due to the expansion of digital cinema screens in developing countries, centered on China. We also plan to expand sales in the total solution business including sound systems, lobby advertisements and service maintenance. In the general imaging sub-segment, we forecast continued expansion of demand for imaging equipment for uses such as entertainment, virtual reality, and simulation systems, and have planned for increased sales overall in this field.

In optical equipment, support from continued demand for smartphones and tablet PCs is expected to increase sales of optical alignment equipment for high-definition LCD panels, lithography equipment for various devices and MEMS, as well as direct imaging lithography equipment for PCBs, while we also forecast new demand to rise for lithography equipment for 3D stacked packing used as an organic substrate support.

As a result of these factors, we plan increased sales and profits in the equipment business in the year ending March 31, 2016.

## BUSINESS OVERVIEW [ LIGHT SOURCES BUSINESS ]



### LIGHT SOURCES BUSINESS

#### MAIN PRODUCTS

##### Discharge lamps/LED · LD

- UV lamps for manufacturing semiconductors, flat panel displays and electronic components
- Light sources for use in cinema projectors, data projectors, office automation equipment, illumination, and industry

##### Halogen lamps

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

#### KEY STRENGTHS/LED · LD

##### Discharge lamps

- Global market share for UV lamps for manufacturing semiconductors, electric components and lithography: 80%
- Global market share for lamps for digital cinema projectors: 65%
- Global market share for LED modules for reading manuscripts: 20%

##### Halogen lamps

- Global market share for halogen heaters for fixing toners: 80%

\*Share is based on USHIO data, as of March 31, 2015

## Financial Results

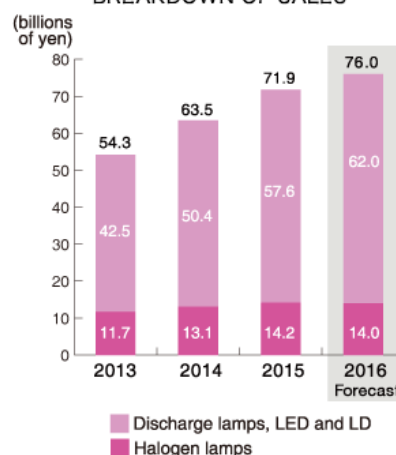
The light sources business overall recorded strong results, aided by the influence of a weak yen.

UV lamps for lithography had strong replacement demand mainly from the semiconductor field, which maintained high capacity utilization rates, but sales were basically flat due to the continued increased use of long-life types. Xenon lamps for cinema projectors face a downward trend in shipments of digital cinema projectors, but sales remained robust with an overall increase in units shipped, centered on developing markets. Lamps for data projectors were steady, both for high-end and halogen lamps. In solid-state light sources, sales expanded due to increased demand for laser light sources for projectors and the addition to the USHIO Group of USHIO OPTO SEMICONDUCTORS, INC. As a result, sales of discharge lamps were brisk.

Halogen lamps performed strongly due to brisk demand from office automation equipment set manufacturers.

As a result, sales in the light sources business increased by 13.2% year on year to ¥71,948 million. Segment profit was up by 7.3% year on year to ¥10,074 million.

#### BREAKDOWN OF SALES



## Outlook for the Fiscal Year Ending March 31, 2016

Among discharge lamps, UV lamps for both semiconductor and LCD equipment maintained high capacity utilization rates while use of long-life types is expected to continue. Sales of cinema lamps are projected to increase due to a rising number of digital cinema screens in newly developing markets, centered on China, but anxieties remain about the influence of reduced prices due to fierce competition. In solid-state light sources, demand is expected to continue expanding for laser light sources for projectors.

Halogen lamps are expected to move forward due to brisk demand from office automation equipment set manufacturers.

As a result, we are planning for increased sales and profits in the light sources business during the year ending March 31, 2016.