



January 31, 2019

Company Name: USHIO INC.

Name and Title of Representative:

Kenji Hamashima, President and Chief Executive Officer

(Code Number: 6925,

the First Section of the Tokyo Stock Exchange)

Name and Title of Contact Person:

Hideaki Takizawa, General Manager,

Accounting and Finance Department

(TEL +81-3-5657-1000 (from overseas))

### **Notice Concerning Intensification of Shareholder Returns to Enhance Shareholder Value**

#### 1. Background

On May 11, 2017, USHIO INC. (hereinafter the “Company”) announced “Medium-Term Management Plan (FY17~FY19.)” In its Medium-Term Management Plan, The Company set the key initiatives to maintain and improve profitability in existing businesses and to pursue new growth opportunities in order to solidify the foundation for the next leap forward. The Company also set a capital allocation policy to purchase own treasury shares, taking flexible approach while considering share price levels, in order to return profits to shareholders in a stable and consistent manner.

On December 20, 2018, the Company announced the treasury shares purchase of maximum amount of 10 billion yen worth (maximum 8 million shares) to improve capital efficiency and to enable to conduct flexible capital measure. This time, the Company announces, as the additional shareholder return measurement, to increase annual dividends from 30 yen per share to 50 yen per share in order to enhance shareholder value through intensifying shareholder returns and improving capital efficiency. In addition to that, for the purpose to erase concerns on dilution of shares in the future, the Company resolves to retain its treasury shares of approximately 5% of the total number of issued shares at maximum and cancels the excess portion of the treasury shares in each year.

The Company will continuously conduct shareholder returns and improve capital efficiency.

## 2. Detail Contents on Additional Shareholder Return Measurement

	Current state	Additional Shareholder Return Measurement ( as of January 31, 2019)
Annual Dividend	30 yen	50 yen
Share Buyback	Maximum JPY 10 billion yen (8 million shares) From Dec. 21, 2018 to Dec. 20, 2019	In Action: Please refer “Notice Concerning the Status of Purchase of Treasury Shares” announced on January 31, 2019
Share Cancellation	No Plan	The excess portion of approximately 5% will be cancelled in each year (The Company cancels 6 million shares as of February 8, 2019).

## 3. Shareholder Return Policy (After the Changes)

The Company always recognizes that profit return to shareholders is one of the most important duties as a listed company. The Company’s basic policy is to return profits to shareholders in a stable and consistent manner, as well as strengthening the financial structure and the foundation of the businesses. The Company purchases own treasury shares, taking flexible approach. The Company retains its treasury shares of approximately 5% of the total number of issued shares at maximum and cancels the excess portion of the treasury shares in each year.