October 28, 2019

Company name: Ube Industries, Ltd.
Security code: 4208 (shares listed on First Section of Tokyo Stock Exchange and Fukuoka Stock Exchange)
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Ube Industries Announces Revised Earnings Forecasts

Ube Industries has revised its earnings forecasts for the fiscal year ending March 31, 2020, previously announced on May 14, 2019. The changes are described below.

1 Revised Earnings Forecast for the First Half of the Fiscal Year ending March 31, 2020 (April 1, 2019 to September 30, 2019)

Consolidated (Unit: Billions of yen except per share data)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Net income per share (Yen)
Previous forecast (A)	370.0	19.0	19.0	12.0	118.76
Revised forecast (B)	335.0	16.7	16.6	10.7	105.88
Change (B-A)	(35.0)	(2.3)	(2.4)	(1.3)	
Percentage change	(9.5)%	(12.1)%	(12.6)%	(10.8)%	
Previous fiscal year	348.2	15.0	18.6	12.3	117.60

2 Revised Earnings Forecast for the Full Year of the Fiscal Year ending March 31, 2020 (April 1, 2019 to March 31, 2020)

Consolidated (Unit: Billions of yen except per share data)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Net income per share (Yen)
Previous forecast (A)	760.0	47.0	47.0	31.0	306.80
Revised forecast (B)	705.0	42.0	41.0	27.5	272.10
Change (B-A)	(55.0)	(5.0)	(6.0)	(3.5)	
Percentage change	(7.2)%	(10.6)%	(12.8)%	(11.3)%	
Previous fiscal year	730.1	44.5	47.8	32.4	312.36

3 Reasons for the Revision

(First half of the fiscal year ending March 31, 2020)

Net sales are projected to fall short of the previous forecast. Contributing factors include the slowdown of the Chinese economy having broad spillover effects centering on Asia, causing a decline in sales volumes for nylon and a decline in selling prices for caprolactam. Operating profits, ordinary profits, and profit attributable to owners of parent are projected to fall short of the previous forecast, due to the significant impact of lower sales volumes for nylon despite the benefits of declines in raw material prices including for coal.

(Fiscal year ending March 31, 2020)

The full-year earnings are projected to fall short of the previous forecast, due to continued uncertainty surrounding the global economy moving forward, and the absence of signs indicating an upturn in business conditions.

The dividend forecast remains unchanged.

(Reference) Consolidated Net Sales and Operating Profit by Segment (Unit: Billions of yen)

Item	Segment	Fiscal Year Ending March 31, 2020						The Previous Fiscal Year ended March 31, 2019	
		Previous Forecast		Revised Forecast		Change		Result	
		First Half (A)	Full Year (B)	First Half (C)	Full Year (D)	First Half (C)-(A)	Full Year (D)-(B)	First Half	Full Year
Net sales	Chemicals	167.5	345.0	146.5	305.0	(21.0)	(40.0)	154.6	324.2
	Construction Materials	162.5	330.0	153.0	320.0	(9.5)	(10.0)	155.8	321.0
	Machinery	47.5	100.0	42.0	93.0	(5.5)	(7.0)	43.2	97.2
	Others	2.5	5.0	2.0	4.5	(0.5)	(0.5)	2.2	4.9
	Adjustment	(10.0)	(20.0)	(8.5)	(17.5)	1.5	2.5	(7.5)	(17.3)
	Total	370.0	760.0	335.0	705.0	(35.0)	(55.0)	348.2	730.1
Operating profit	Chemicals	10.5	26.5	8.3	20.5	(2.2)	(6.0)	8.2	24.6
	Construction Materials	6.5	15.0	6.7	16.5	0.2	1.5	5.5	14.4
	Machinery	2.0	6.0	1.7	5.0	(0.3)	(1.0)	1.3	5.4
	Others	0.5	0.7	0.2	0.7	(0.3)	0.0	0.2	0.8
	Adjustment	(0.5)	(1.2)	(0.2)	(0.7)	0.3	0.5	(0.3)	(0.7)
	Total	19.0	47.0	16.7	42.0	(2.3)	(5.0)	15.0	44.5

Note: The above earnings forecasts are based on certain assumptions judged to be reasonable by the Company when preparing this document. Actual results can vary significantly from forecasts, due to changes in a wide variety of conditions.