



MEMBERSHIP

August 4, 2022

Company name: UBE Corporation
 Security code: 4208 (shares listed on Prime Section of Tokyo Stock Exchange and Fukuoka Stock Exchange)
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UBE Corporation Announces Revised Earnings Forecasts and Gain on Change in Equity

UBE Corporation has revised its earnings forecasts for the fiscal year ending March 31, 2023, previously announced on May 12, 2022. The changes are described below.

1 Revised Earnings Forecast for the First Half of the Fiscal Year ending March 31, 2023 (April 1, 2022 to September 30, 2022)

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)	247.0	12.5	6.5	3.5	36.15
Revised forecast (B)	261.0	10.0	(1.0)	1.5	15.49
Change (B-A)	14.0	(2.5)	(7.5)	(2.0)	
Percentage change	5.7%	(20.0)%	-	(57.1)%	
Previous fiscal year	306.7	19.1	17.9	9.5	95.89

2 Revised Earnings Forecast for the Full Year of the Fiscal Year ending March 31, 2023 (April 1, 2022 to March 31, 2023)

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)	510.0	34.5	31.0	21.0	216.93
Revised forecast (B)	557.0	32.0	17.0	15.0	154.88
Change (B-A)	47.0	(2.5)	(14.0)	(6.0)	
Percentage change	9.2%	(7.2)%	(45.2)%	(28.6)%	
Previous fiscal year	655.3	44.0	41.5	24.5	249.31

3 Reasons for the Revision

(First half of the fiscal year ending March 31, 2023)

Net sales are projected to exceed the previous forecast as a result of higher selling prices for nylon, elastomers, etc., in the Polymers & Chemicals segment and electricity in the Others segment, affected by soaring raw material and fuel prices. Operating profit is expected to be lower than the previous forecast due to a decrease in demand in the Polymers & Chemicals segment resulting from automobile production cutbacks and other factors, as well as higher costs driven by surging raw material prices. Ordinary profit is expected to fall far short of the previous forecast due to deterioration in the performance of the cement-related business, which was transferred to an equity-method affiliate in April 2022, as it has been affected by a sharp rise in coal prices. Profit attributable to owners of parent is also expected to be lower than the previous forecast, but the rate of decrease is expected to be smaller than that of ordinary profit due to a gain on change in equity resulting from the integration of the cement-related business.

(Full year of the fiscal year ending March 31, 2023)

In the second half of the fiscal year, the Company expects the business environment to recover to the level of the previous forecast. However, the full-year results are expected to fall below the previous forecast due to the significant impact of soaring coal prices on the cement-related business, despite efforts to pass on raw material prices to sales prices.

(Gain on change in equity)

In April 2022, the cement-related business was transferred to an equity-method affiliate, a 50-50 joint venture between the Company and Mitsubishi Materials Corporation, resulting in a gain on change in equity of 8,265 million yen recorded as an extraordinary gain.

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, 2023						The Previous Fiscal Year ended March 31, 2022	
		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	Specialty Products	33.0	69.0	33.0	69.0	0.0	0.0	29.0	60.8
	Polymers & Chemicals	148.0	302.0	160.0	344.0	12.0	42.0	119.4	260.0
	Machinery	50.0	106.0	49.0	104.0	(1.0)	(2.0)	45.4	97.0
	Others	28.5	60.0	36.0	75.0	7.5	15.0	24.4	54.2
	Adjustment	(12.5)	(27.0)	(17.0)	(35.0)	(4.5)	(8.0)	88.5	183.2
	Total	247.0	510.0	261.0	557.0	14.0	47.0	306.7	655.3
Operating profit	Specialty Products	5.5	13.0	5.5	13.0	0.0	0.0	5.2	11.6
	Polymers & Chemicals	6.5	18.5	3.5	15.5	(3.0)	(3.0)	9.6	23.5
	Machinery	1.5	5.0	2.0	5.0	0.5	0.0	2.4	5.1
	Others	1.0	2.5	1.0	2.5	(0.0)	(0.0)	1.2	3.5
	Adjustment	(2.0)	(4.5)	(2.0)	(4.0)	0.0	0.5	0.8	0.2
	Total	12.5	34.5	10.0	32.0	(2.5)	(2.5)	19.1	44.0

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.