UBE Corporation

FY2023 Consolidated Results
FY2024 Consolidated Forecasts

Explanatory material

May 13, 2024

FY2023 Consolidated Result

UBE / UBE Corporation

Scope of Consolidation

Item	End of FY2022 (A)	End of FY2023 (B)	Difference (B) - (A)	Notes
Number of consolidated subsidiaries	36	36	0	+ UBE C1 CHEMICALS AMERICA, INC. – UBE Scientific Analysis Laboratory, Inc.
Number of equity method affiliates	15	16	1	+ UBE Scientific Analysis Laboratory, Inc.
Total	51	52	1	

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Environmental Factors

Item				FY2022 (A)	FY2023 (B)	Difference (B) - (A)
Exchange Rate			Yen/$	135.5	144.6	9.1
Material Price	Naphtha	CIF	$/ t	793	671	(122)
		Domestic	Yen/KL	76,400	69,000	(7,400)
	Benzene (ACP)		$/ t	1,038	939	(99)
	Australian Coal (CIF)		$/ t	393.8	194.8	(199.1)
			Yen/t	53,337	28,165	(25,172)

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Major P/L Items

(Billions of yen)

Item	FY2022 (A)	FY2023 (B)	Difference (B) - (A)	Percentage change
Net sales	494.7	468.2	(26.5)	(5.4)%
Operating profit	16.2	22.5	6.2	38.5%
Ordinary profit (loss)	(8.7)	36.3	45.1	–
Profit (loss) attributable to owners of parent	(7.0)	29.0	36.0	–

Note: The Company Group determined the provisional accounting treatment related to the business combination of a contract drag development and manufacturing organization in FY2023. The finalized accounting treatment is being applied in each reported figure for FY2022.

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Net Sales and Operating Profit by Segment

(Billions of yen)

	Segment	FY2022 (A)	FY2023 (B)	Difference (B) - (A)	Percentage change
Net sales	Specialty Products	62.2	63.8	1.6	2.6%
	Polymers & Chemicals	293.4	257.2	(36.2)	(12.3)%
	Machinery	96.9	96.9	(0.0)	(0.0)%
	Others	73.1	80.5	7.4	10.1%
	Adjustment	(30.8)	(30.1)	0.8	-
	Total	494.7	468.2	(26.5)	(5.4)%
Operating profit	Specialty Products	10.2	12.1	1.9	18.2%
	Polymers & Chemicals	2.6	2.4	(0.2)	(6.4)%
	Machinery	5.2	7.2	1.9	36.9%
	Others	2.6	4.5	2.0	75.2%
	Adjustment	(4.5)	(3.8)	0.7	-
	Total	16.2	22.5	6.2	38.5%

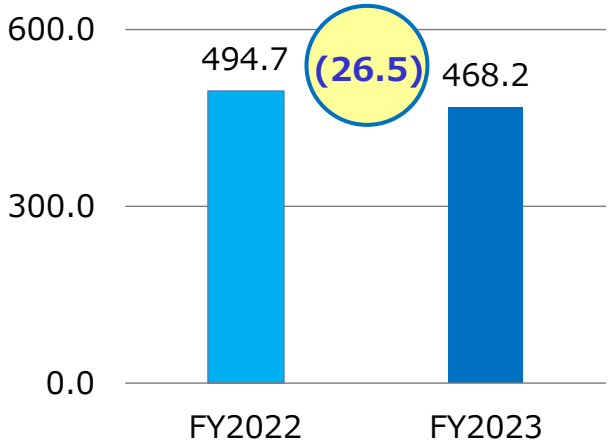
Note: The Company Group determined the provisional accounting treatment related to the business combination of a contract drag development and manufacturing organization in FY2023. The finalized accounting treatment is being applied in each reported figure for FY2022.

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Analysis – Total

(Billions of yen)

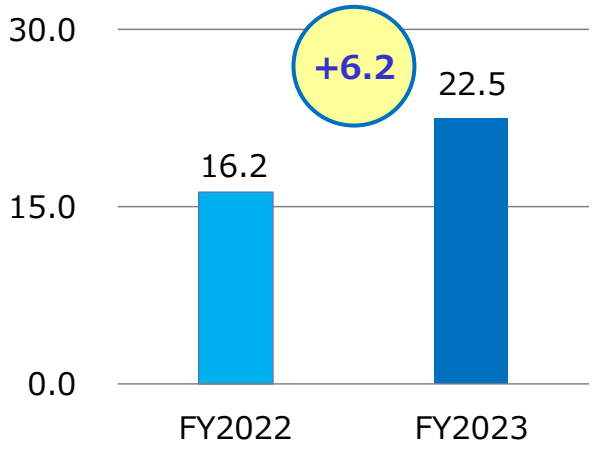
Net Sales



Specialty Products	1.6
Polymers & Chemical	(36.2)
Machinery	(0.0)
Others	7.4
Adjustment	0.8

(5.4)% Decreased

Operating profit



Specialty Products	1.9
Polymers & Chemical	(0.2)
Machinery	1.9
Others	2.0
Adjustment	0.7

38.5% Increased

Qualitative Information

Net sales: Down

- Polymers & Chemicals: Weak sales of nylon polymers, caprolactam, and other products
- Others: Consolidation of API Corporation

Operating profit: Up

- Specialty Products: Strong sales of separation membranes
- Machinery: Stable performance of after-sales services
- Others: Increase in royalty revenues in the pharmaceutical business

Difference of operating profit

Price *1	3.6
Volume	(3.5)
Fixed Cost and Others *2	6.2
Total	**6.2**

*1: Including both selling and purchase change

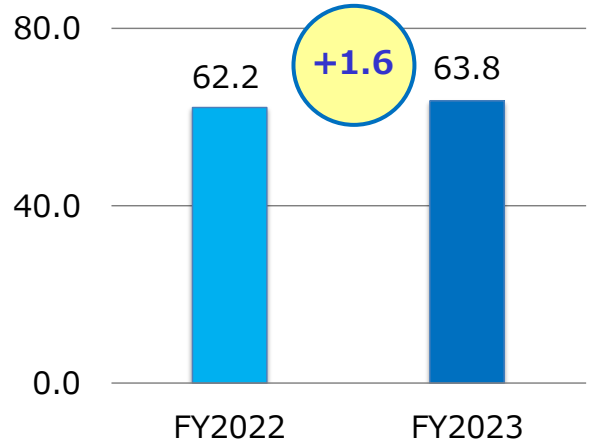
*2: Including inventory valuation changes and lowest cost accounting

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Analysis – Specialty Products

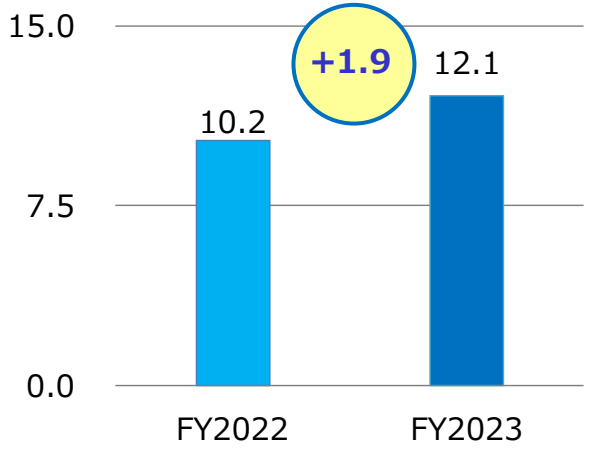
(Billions of yen)

Net Sales



2.6% Increased

Operating profit



18.2% Increased

Qualitative Information

Net sales: Up

- Polyimides: Weak demand for large displays and smartphones
- Separation membranes: Strong demand for CO_2 separation membranes for biomethane production
- Ceramics: Strong demand for bearings and substrate applications used for xEVs.
- Separators: Strong sales in the second half in line with the recovery of automobile production despite weak demand in the first half

Operating profit: Up

- Strong sales of separation membranes and ceramics

Difference of operating profit

Price *1	3.3
Volume	(1.0)
Fixed Cost and Others *2	(0.4)
Total	**1.9**

*1: Including both selling and purchase change

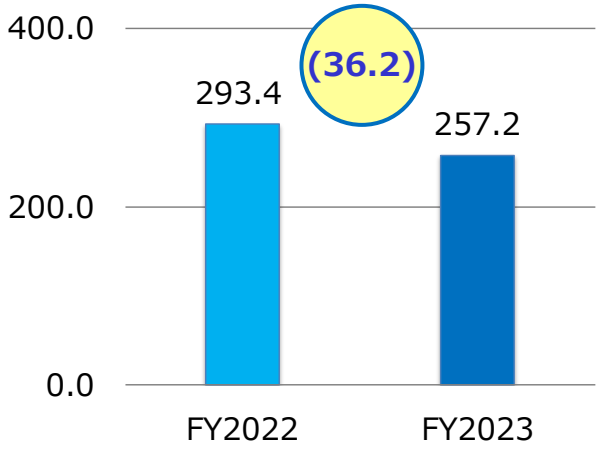
*2: Including inventory valuation changes and lowest cost accounting

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Analysis – Polymers & Chemicals

(Billions of yen)

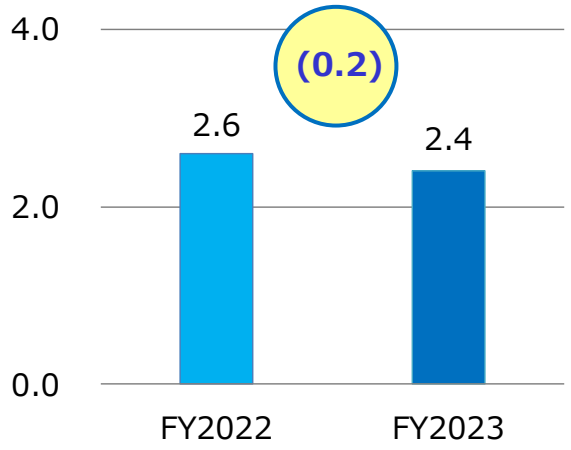
Net Sales



Performance Polymers & Chemicals	(36.6)
Elastmer	0.4

(12.3)% Decreased

Operating profit



Performance Polymers & Chemicals	(3.1)
Elastmer	2.9

(6.4)% Decreased

Qualitative Information

Net sales: Down

- Nylon polymers: Weak demand for nylon film for food packaging
- Caprolactam & ammonium sulfate: Decreased sales volume due to declining demand and lower sales prices due to decline in raw materials prices
- Industrial chemicals: Weak demand for ammonia in Japan and lower sales prices in line with declining international market prices.
- Fine chemicals: Lower sales price and decreased sales volume due to intensifying competition

Operating profit: Down

- Weak sales of fine chemicals and industrial chemicals

Difference of operating profit

Price *1	(0.9)
Volume	(2.0)
Fixed Cost and Others *2	2.8
Total	**(0.2)**

*1: Including both selling and purchase change

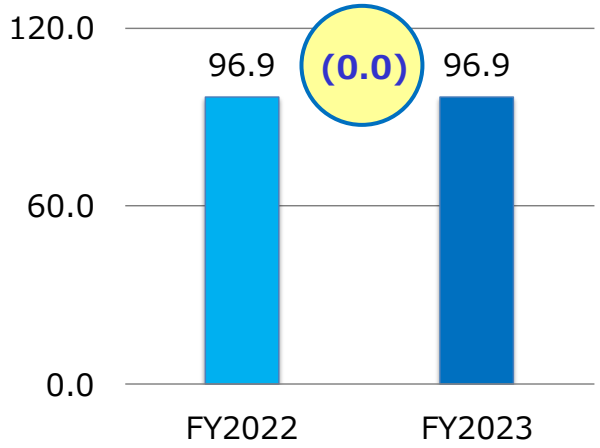
*2: Including inventory valuation changes and lowest cost accounting

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Analysis – Machinery

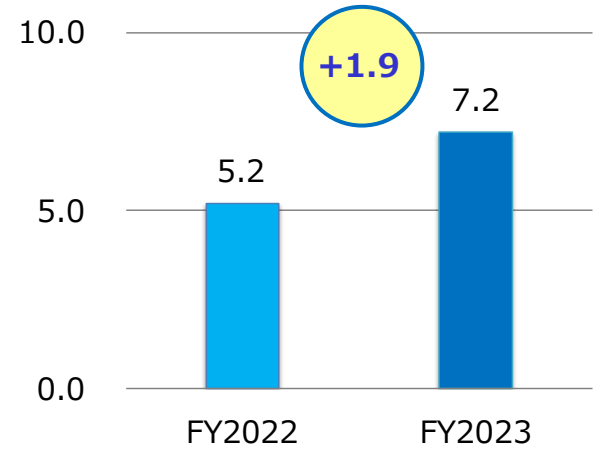
(Billions of yen)

Net Sales



(0.0)% Decreased

Operating profit



36.9% Increased

Qualitative Information

Net sales: Down

- Molding machine: Recovery in the second half and strong performance of after-sales services despite the impact of sluggish capital investment in the automobile industry in the first half
- Industrial machines: Strong sales of products and after-sales services
- Steel products: Decreased sales volume due to declining demand.

Operating profit: Up

- Strong sales of after-sales services in the molding machine and the industrial machines
- Lower prices of raw materials and fuel in steel products

Difference of operating profit

Marginal profit on machinery product: 2.7

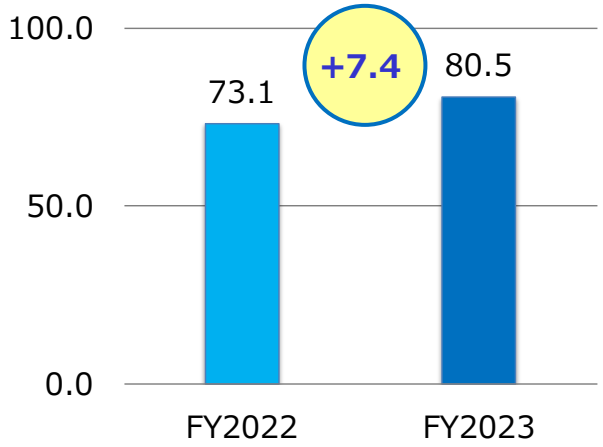
(Since machinery products are manufactured on an individual order basis, differences in price and volume are not analyzed.)

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Analysis – Others

(Billions of yen)

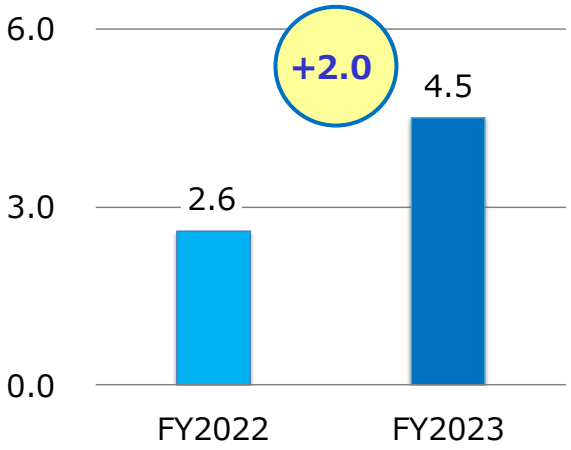
Net Sales



Pharmaceutical	16.0
Power	(3.5)
etc	

10.1% Increased

Operating profit



Pharmaceutical	2.5
Power	0.3
etc	

75.2% Increased

Qualitative Information

Net sales: Up

- Pharmaceutical: Consolidation of API Corporation and strong sales of both drugs developed by UBE and those manufactured under contract
- Power: Lower sales price of electricity due to a decline in coal prices

Operating profit: Up

- Increase in royalty revenues in the pharmaceutical business

Difference of operating profit

Price *1	0.5
Volume	(0.4)
Fixed Cost and Others *2	1.9
Total	**2.0**

*1: Including both selling and purchase change

*2: Including inventory valuation changes

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Operating Profit – Profit attributable to owners of parent

(Billions of yen)

Item	FY2022 (A)	FY2023 (B)	Difference (B) - (A)
Operating profit	16.2	22.5	6.2
Non-operating income (expenses)	(25.0)	13.9	38.8
Net interests expenses	0.7	2.9	2.3
Share of profit (loss) of entities accounted for using equtiy method	(23.1)	12.3	35.5
Share of loss of entities accounted for using equtiy method related to Mitsubishi UBE Cement Corporation	(24.6)	13.0	37.7
Foreign exchange gains	0.5	1.5	1.0
Others	(3.0)	(2.9)	0.1
Ordinary profit (loss)	(8.7)	36.3	45.1
Extraordinary income (losses)	6.1	(1.3)	(7.4)
Profit (loss) before income taxes	(2.7)	35.1	37.7
Income taxes and profit (loss) attributable to non-controlling interests	(4.4)	(6.1)	(1.7)
Profit (loss) attributable to owners of parent	(7.0)	29.0	36.0
Net income per share	(72.54) yen	298.59 yen	371.13 yen

Note: The Company Group determined the provisional accounting treatment related to the business combination of a contract drag development and manufacturing organization in FY2023. The finalized accounting treatment is being applied in each reported figure for FY2022.

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Consolidated Balance Sheet

(Billions of yen)

Item	End of FY2022 (A)	End of FY2023 (B)	Difference (B) - (A)
Current assets	283.1	295.7	12.6
Fixed assets	449.4	493.2	43.8
Total assets	732.7	789.0	56.4
Interest-bearing debt	218.1	213.4	(4.7)
Other liabilities	132.9	146.2	13.3
Total liabilities	351.1	359.7	8.6
Shareholders' equity *1	361.6	408.7	47.1
Non-controlling interests and others	20.0	20.7	0.6
Total net assets	381.6	429.4	47.7
Total liabilities and net assets	732.7	789.0	56.4

***1: Shareholders' equity = Net assets – Share acquisition rights – Non-controlling interests**

Note: The Company Group determined the provisional accounting treatment related to the business combination of a contract drag development and manufacturing organization in FY2023. The finalized accounting treatment is being applied in each reported figure for FY2022.

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Consolidated Statements of Cash Flows

(Billions of yen)

Item	FY2022	FY2023	
A.Cash flows from operating activities	18.1	53.0	Profit before income taxes 35.1 Depreciation and amortization 26.6 Increase in working capital (9.2) etc.
B.Cash flows from investing activities	(26.0)	(33.3)	Acquisition of PP&E and intangible asset (31.0) Increase in short-term loans receivable (2.7) etc.
Free cash flows (A+B)	(7.9)	19.6	
C.Cash flows from financing activities	2.4	(15.7)	Decrease in interest-bearing debts (6.1) Dividends paid (9.6) etc.
D.Net increase (decrease) in cash and cash equivalents	(48.1)	5.2	
E.Cash and cash equivalents at end of the fiscal year	30.7	35.9	

FY2024 Consolidated Forecasts

Scope of Consolidation

Item	End of FY2023 (A)	End of FY2024 (B)	Difference (B) - (A)	Notes
Number of consolidated subsidiaries	36	34	(2)	– API Corporation – UBE EXSYMO ADVANCED MATERIALS (WUXI) CO., LTD.
Number of equity method affiliates	16	15	(1)	– UBE Hotels., Co., Ltd.
Total	52	49	(3)	

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Environmental Factors

Item				FY2023 (A)	FY2024 (B)	Difference (B) - (A)
Exchange Rate			Yen/$	144.6	150.0	5.4
Material Price	Naphtha	CIF	$/ t	671	700	29
		Domestic	Yen/KL	69,000	70,100	1,100
	Benzene (ACP)		$/ t	939	905	(34)
	Australian Coal (CIF)		$/ t	194.8	168.0	(26.8)
			Yen/t	28,165	25,200	(2,965)

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Major P/L & B/S Items

(Billions of yen)

Item	FY2023 (A)	FY2024 (B)	Difference (B) - (A)	Percentage change
Net sales	468.2	510.0	41.8	8.9%
Operating profit	22.5	27.0	4.5	20.2%
Ordinary profit	36.3	37.0	0.7	1.8%
Profit attributable to owners of parent	29.0	29.5	0.5	1.8%

Item	End of FY2023 (A)	End of FY2024 (B)	Difference (B) - (A)
Total assets	789.0	850.0	61.0
Interest-bearing debt	213.4	269.0	55.6
Equity capital *1	408.7	424.0	15.3
Dividend(Yen /Share)	*2 105.00	*3 110.00	5.00

*1: Equity capital = Net assets - Subscription rights to shares - Non-controlling interests
*2: Dividend: Interim/50yen, Fiscal year-end/55yen
*3: Dividend: Interim/55yen, Fiscal year-end/55yen

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Net Sales and Operating profit by Segment

(Billions of yen)

	Segment	FY2023 (A)	FY2024 (B)	Difference (B) - (A)	Percentage change
Net sales	Specialty Products	63.8	70.0	6.3	9.8%
	Polymers & Chemicals	258.6	288.0	29.4	11.4%
	Machinery	96.9	104.0	7.1	7.3%
	Others	74.5	72.0	(2.5)	(3.3)%
	Adjustment	(25.4)	(24.0)	1.4	–
	Total	468.2	510.0	41.8	8.9%
Operating profit	Specialty Products	12.1	12.5	0.4	3.2%
	Polymers & Chemicals	2.5	9.5	7.0	273.9%
	Machinery	7.2	7.0	(0.2)	(2.3)%
	Others	4.5	2.0	(2.5)	(55.2)%
	Adjustment	(3.8)	(4.0)	(0.2)	–
	Total	22.5	27.0	4.5	20.2%

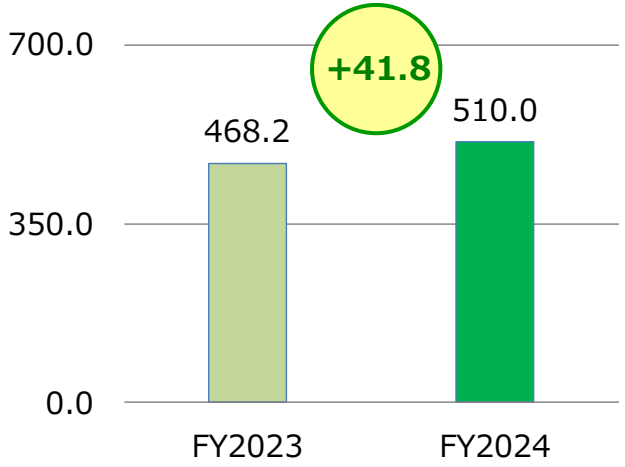
Note: UBE America Inc. and UBE CORPORATION AMERICA INC. will be reclassified from the “Others” segment to the “Polymers & Chemicals” segment from FY2024. The results for FY2023 are reference figures after the segment reclassification.

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Analysis – Total

(Billions of yen)

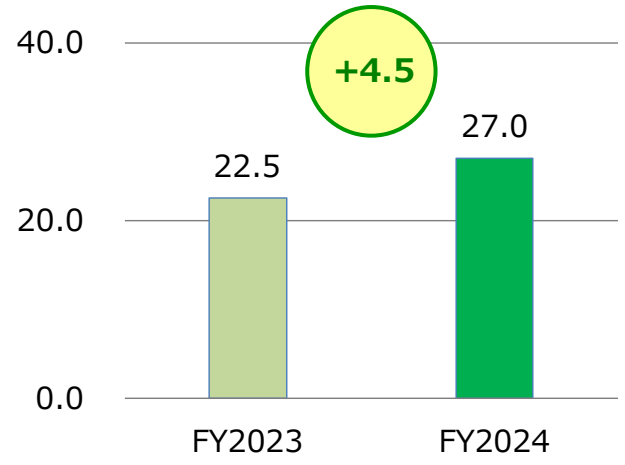
Net Sales



Specialty Products	6.3
Polymers & Chemicals	29.4
Machinery	7.1
Others	(2.5)
Adjustment	1.4

8.9% Increased

Operating profit



Specialty Products	0.4
Polymers & Chemicals	7.0
Machinery	(0.2)
Others	(2.5)
Adjustment	(0.2)

20.2% Increased

Qualitative Information

Net sales: Up

- Specialty Products: Increase in sales of separation membranes, separators and other products
- Polymers & Chemicals: Increase in sales of nylon polymers, composites and other products
- Machinery: Increase in sales of molding machines

Operating profit: Up

- Polymers & Chemicals: Increase in sales of the products.

Difference of operating profit

Price *1	3.4
Volume	9.3
Fixed Cost and Others *2	(8.1)
Total	**4.5**

*1: Including both selling and purchase change

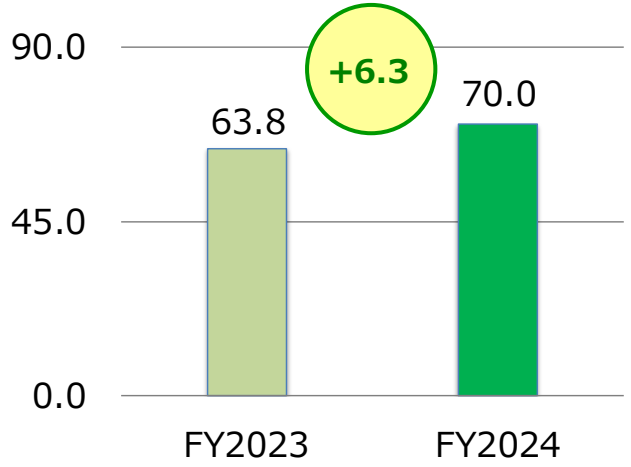
*2: Including inventory valuation changes and lowest cost accounting

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Analysis – Specialty Products

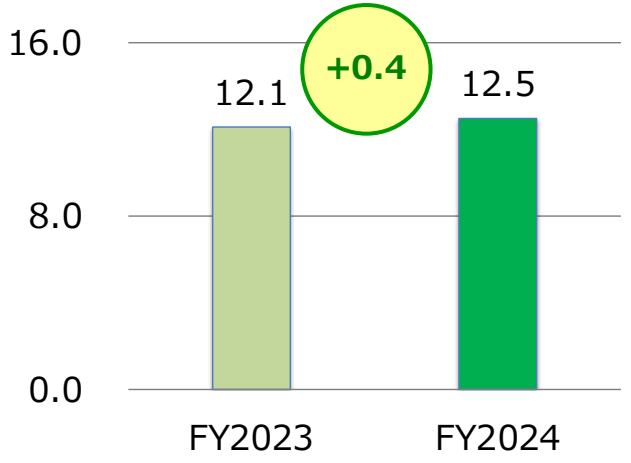
(Billions of yen)

Net Sales



9.8% Increased

Operating profit



3.2% Increased

Qualitative Information

Net sales: Up

- Separation membranes: Increase in sales mainly of CO_2 separation membranes for biomethane production
- Separators: Sales increase due to recovery in automobile production

Operating profit: Up

- Increase in sales of separation membranes, ceramics, separators and other products

Difference of operating profit

Price *1	(0.3)
Volume	3.1
Fixed Cost and Others *2	(2.4)
Total	**0.4**

*1: Including both selling and purchase change

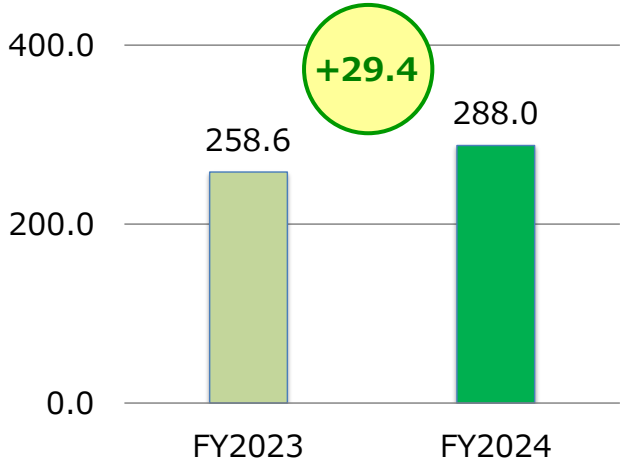
*2: Including inventory valuation changes and lowest cost accounting

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Analysis – Polymers & Chemicals

(Billions of yen)

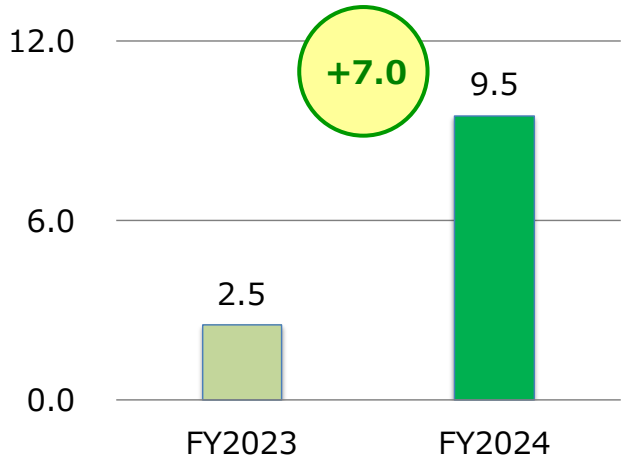
Net Sales



Performance Polymers & Chemicals	26.9
Elastomer	3.4

11.4% Increased

Operating profit



Performance Polymers & Chemicals	8.9
Elastomer	(2.0)

273.9% Increased

Qualitative Information

Net sales: Up

- Nylon polymers: Recovery in demand for products such as nylon film for food packaging
- Composites: Sales increase due to recovery in automobile production

Operating profit: Up

- Recovery in sales of the products
- Increase in licensing revenues in the C1 chemicals

Difference of operating profit

Price *1	2.3
Volume	6.1
Fixed Cost and Others *2	(1.4)
Total	**7.0**

*1: Including both selling and purchase change

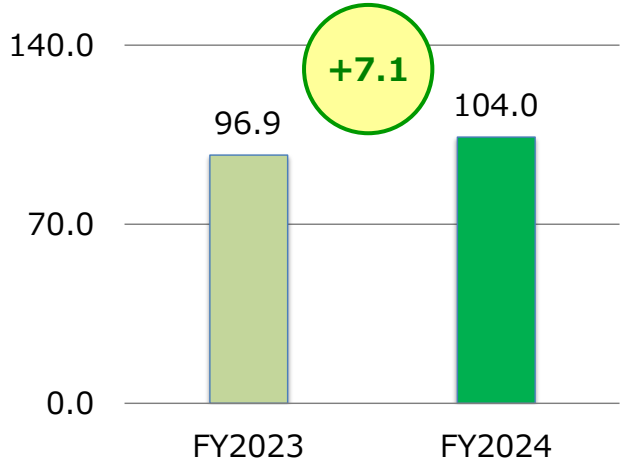
*2: Including inventory valuation changes and lowest cost accounting

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Analysis – Machinery

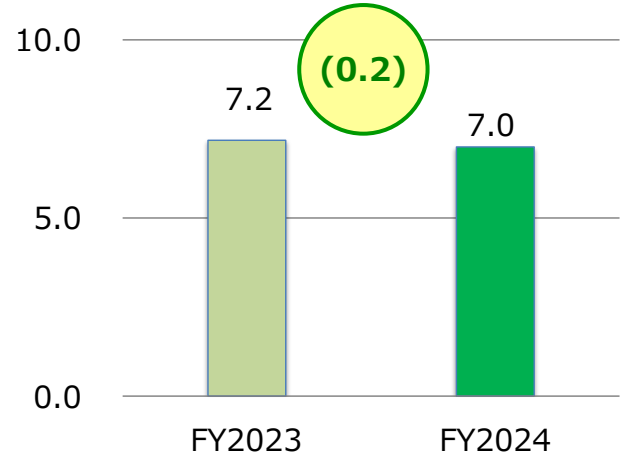
(Billions of yen)

Net Sales



7.3% Increased

Operating profit



(2.3)% Decreased

Qualitative Information

Net sales: Up

- Molding machine: Increase in sales for automotive industry

Operating profit: Down

- Decrease in sales of industrial machines despite increase in sales of molding machines

Difference of operating profit

Marginal profit on machinery product: 1.1

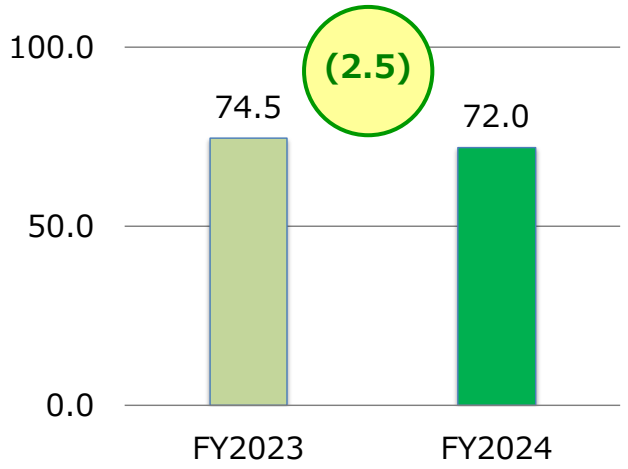
(Since machinery products are manufactured on an individual order basis, differences in price and volume are not analyzed.)

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Analysis – Others

(Billions of yen)

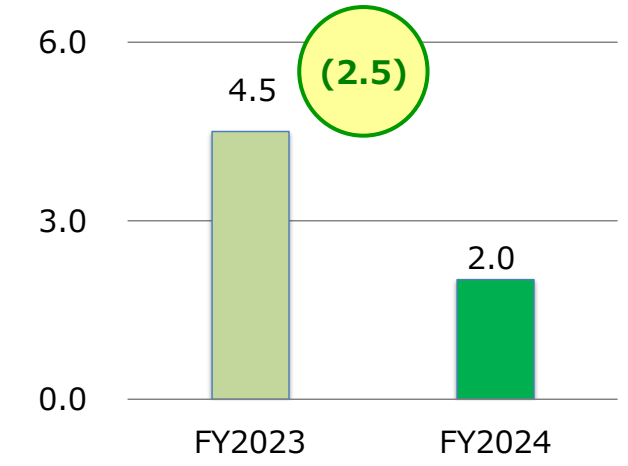
Net Sales



Pharmaceutical	(0.1)
Power	(1.9)
etc	

(3.3)% Decreased

Operating profit



Pharmaceutical	(2.1)
Power	(0.1)
etc	

(55.2)% Decreased

Qualitative Information

Net sales: Down

- Power: Lower sales price of electricity due to a decline in coal prices

Operating profit: Down

- Decrease in royalty revenues in the pharmaceutical business

Difference of operating profit

Price *1	1.2
Volume	0.1
Fixed Cost and Others *2	(3.8)
Total	**(2.5)**

*1: Including both selling and purchase change

*2: Including inventory valuation changes and lowest cost accounting

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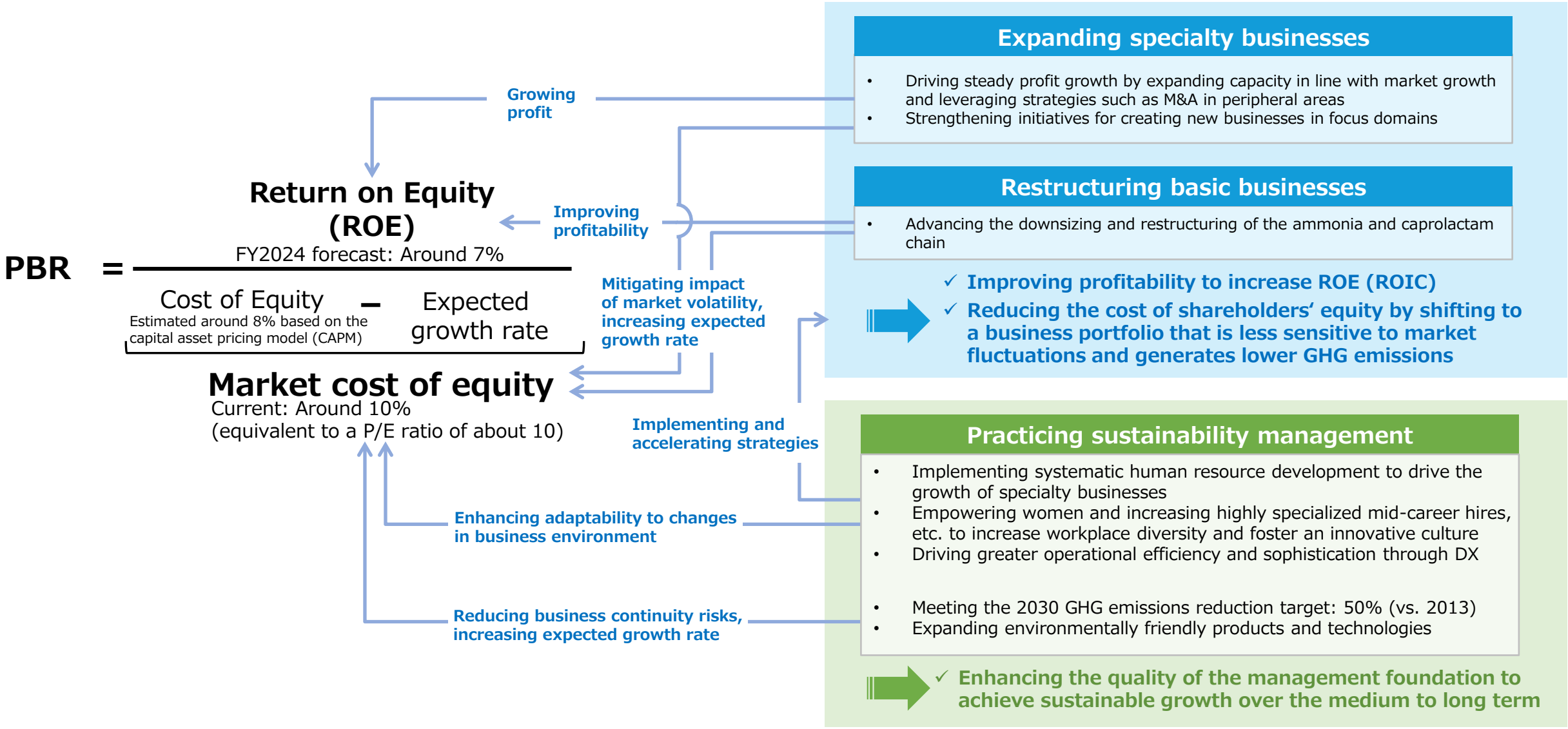
Operating Profit – Profit attributable to owners of parent

(Billions of yen)

Item	FY2023 (A)	FY2024 (B)	Difference (B) - (A)
Operating profit	22.5	27.0	4.5
Non-operating income (expenses)	13.9	10.0	(3.9)
Share of profit (loss) of entities accounted for using equtiy method related to Mitsubishi UBE Cement Corporation	13.0	11.0	(2.0)
Ordinaly profit	36.3	37.0	0.7
Extraordinary income (losses)	(1.3)	1.0	2.3
Profit before income taxes	35.1	38.0	2.9
Income taxes and profit (loss) attributable to non-controlling interests	(6.1)	(8.5)	(2.4)
Profit attributable to owners of parent	29.0	29.5	0.5
Net income per share	298.59 yen	303.89 yen	5.30 yen

Response to Tokyo Stock Exchange's Request for "Action to Implement Management that is Conscious of Cost of Capital and Stock Price"

UBE Corporation



Reference

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Net Sales

(Billions of yen)

Segment	FY2023				
	1Q	2Q	3Q	4Q	Total
Specialty Products	15.8	15.5	15.5	17.0	63.8
Polymers & Chemicals	60.3	59.8	63.6	73.4	257.2
Machinery	20.6	22.1	23.0	31.2	96.9
Others	18.9	19.0	20.3	22.2	80.5
Adjustment	(6.4)	(7.6)	(7.5)	(8.6)	(30.1)
Total	109.2	108.9	114.9	135.3	468.2

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Operating Profit

(Billions of yen)

Segment	FY2023				
	1Q	2Q	3Q	4Q	Total
Specialty Products	3.0	2.6	2.7	3.8	12.1
Polymers & Chemicals	(1.6)	(0.8)	1.8	3.0	2.4
Machinery	0.9	1.3	2.2	2.8	7.2
Others	0.9	0.5	1.1	2.0	4.5
Adjustment	(0.6)	(1.0)	(0.8)	(1.4)	(3.8)
Total	2.6	2.6	7.1	10.1	22.5

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4Q on 3Q – Net Sales

(Billions of yen)

Segment	FY2023 3Q (A)	FY2023 4Q (B)	Difference (B) - (A)	Major factors
Specialty Products	15.5	17.0	1.5	
Polymers & Chemicals	63.6	73.4	9.9	Performance Polymers & Chemicals 7.8 Elastmer 2.0
Machinery	23.0	31.2	8.3	
Others	20.3	22.2	1.9	Pharmaceutical 0.4 Elastmer 0.5 etc.
Adjustment	(7.5)	(8.6)	(1.1)	
Total	114.9	135.3	20.4	

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4Q on 3Q – Operating Profit

(Billions of yen)

Segment	FY2023 3Q (A)	FY2023 4Q (B)	Difference (B) - (A)	Major factors
Specialty Products	2.7	3.8	1.1	
Polymers & Chemicals	1.8	3.0	1.2	Performance Polymers & Chemicals 1.9 Elastmer (0.7)
Machinery	2.2	2.8	0.6	
Others	1.1	2.0	0.8	Pharmaceutical 0.4 Elastmer 0.3 etc.
Adjustment	(0.8)	(1.4)	(0.7)	
Total	7.1	10.1	(3.1)	

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Net Sales and Operating Profit by Business Portfolio

(Billions of yen)

	Business portfolio	FY2022 Result	FY2023 Result	FY2024 forecast
Net sales	Specialty business	138.2	152.9	172.5
	Basic business	236.9	201.0	217.5
	Machinery business	96.9	96.9	104.0
	Other businesses (incl. adjustment)	22.8	17.4	16.0
	Total	494.7	468.2	510.0
Operating profit (loss)	Specialty business	18.3	18.6	24.0
	Basic business	(3.4)	0.1	1.0
	Machinery business	5.2	7.2	7.0
	Other businesses (incl. adjustment)	(4.0)	(3.4)	(5.0)
	Total	16.2	22.5	27.0

Mitsubishi UBE Cement

(Billions of yen)

■Major P/L Items
Mitsubishi UBE Cement Corporation and Consolidated Subsidiaries

Item	FY2022	FY2023	FY2024 (forecast)
Net sales	576.3	585.3	605.0
Overseas business	140.1	178.1	195.0
Operating profit (loss)	(28.4)	45.7	43.0
Overseas business	8.0	30.7	28.0
Ordinary profit (loss)	(25.8)	47.7	42.0
Profit (loss) attributable to owners of parent	(47.3)	24.6	21.0

■Share of profit (loss) of entities accounted for using equity method in UBE's Consolidated Statements of Income

Share of profit (loss) of entities accounted for using equity method	(24.6)	13.0	11.0

■Environmental Factors

Item		FY2022	FY2023	FY2024 (forecast)
Total demand for cement in Japan	(million tons)	37.24	34.58	35.00
Cement sales volumes in Japan	(million tons)	9.09	8.20	8.50
Cement sales volumes in the U.S.	(million tons)	1.63	1.73	1.79
Ready-mixed concrete sales volumes in the U.S.	(million cy)	6.74	6.74	7.04
Coal Price	($/t)	356	142	180
Exchange Rate	(Yen/$)	135	144	145

* The above thermal coal prices are reference indices and differ from actual procurement prices.

(Reference) Consolidated Balance Sheet as of March 31, 2024

Total assets	812.9	Interest-bearing debt	180.7	Shareholder's equity	364.9
Shareholder's equity ratio	44.9%	D/E ratio	0.49 Times		

- Businesses in Japan:
  In FY2023, the company achieved profitability through efforts such as a 5,000-yen price increase in the cement business and increased use of low-cost thermal energy.
  In FY2024, the company anticipates some factors that will reduce profits during the fiscal year, including higher costs due to higher distribution and material prices in the cement business and a decrease in electricity sales in the environmental energy business. However, overall operating profit from Japanese business is expected to remain at the fiscal 2023 level due to the contribution of cement price increases throughout the year and further expansion of the use of low-cost thermal energy.
- Businesses outside Japan:
  In FY2023, operating profit significantly increased year on year, mainly due to the smooth implementation of price increases in the U.S. ready-mixed concrete business.
  In FY2024, despite higher material prices and labor costs, the U.S. cement and ready-mixed concrete business expects operating profit at the same level as the previous year due to higher sales resulting from a recovery in demand in the Southern California region and further price increases. On the other hand, the profit of the Australian coal business is expected to decrease. As a result, overall operating profit from overseas business is expected to decline from FY2023.

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Consolidated Key Indicators

(Billions of yen)

Item	FY2022	FY2023	FY2024 (forecast)
Capital investment	29.3	36.1	81.0
Depreciation and amortization	25.5	26.6	27.0
Research and development expenses	10.4	10.3	10.0
Adjusted operating profit (loss)	(5.5)	38.8	39.7
Interest-bearing debt	218.1	213.4	269.0
Shareholders' equity	361.6	408.7	424.0
Total assets	732.7	789.0	850.0
D/E ratio (times)	0.60	0.52	0.63
Shareholders' equity ratio (%)	49.4	51.8	49.9
Return on sales - ROS (%)	3.3	4.8	5.3
Return on assets - ROA (%)	(0.7)	5.1	4.8
Return on equity – ROE (%)	(1.9)	7.5	7.1
Return on invested capital - ROIC (%)	(2.0)	4.7	4.8

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Consolidated Major Subsidiaries

(Billions of yen)

Subsidiaries and Affiliates	Business	Net Sales FY2023	Difference of operating profit from FY2022
UBE CORPORATION EUROPE S.A.U.	Manufacture and sales of composites, nylon polymers, caprolactam, ammonium sulfate, fine chemical, high-performance coatings and other products	57.0	↑
UBE Chemicals (Asia) Public Company Limited	Manufacture and sales of composites, nylon polymers, caprolactam and ammonium sulfate	43.0	↑
THAI SYNTHETIC RUBBERS COMPANY LIMITED	Manufacture and sales of polybutadiene rubber	20.5	↑
UBE FILM ,LTD.	Manufacture and sales of plastic film products	11.1	↑
UBE EXSYMO CO., LTD.	Manufacture and sales of polypropylene molded products, fibers, fiber-reinforced plastics and electronic and information materials	11.7	↓
UBE MACHINERY CORPORATION, Ltd.	Manufacture and sales of molding machines, industrial machinery and bridge, etc.	54.0	↑
UBE STEEL CO., LTD.	Manufacture and sales of cast iron and steel products and rolled steel billets	27.8	↑

Note: ↑↓Represent an increase or decrease of over 0.1 billion JPY

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Net Sales and Operating Profit in Half Years by Segment

(Billions of yen)

Segment	Net Sales			Operating profit		
	First half	Second half	Total	First half	Second half	Total
Specialty Products	33.0	37.0	70.0	5.5	7.0	12.5
Polymers & Chemicals	140.5	147.5	288.0	1.0	8.5	9.5
Machinery	42.5	61.5	104.0	1.5	5.5	7.0
Others	34.0	38.0	72.0	1.0	1.0	2.0
Adjustment	(12.0)	(12.0)	(24.0)	(1.5)	(2.5)	(4.0)
Total	238.0	272.0	510.0	7.5	19.5	27.0

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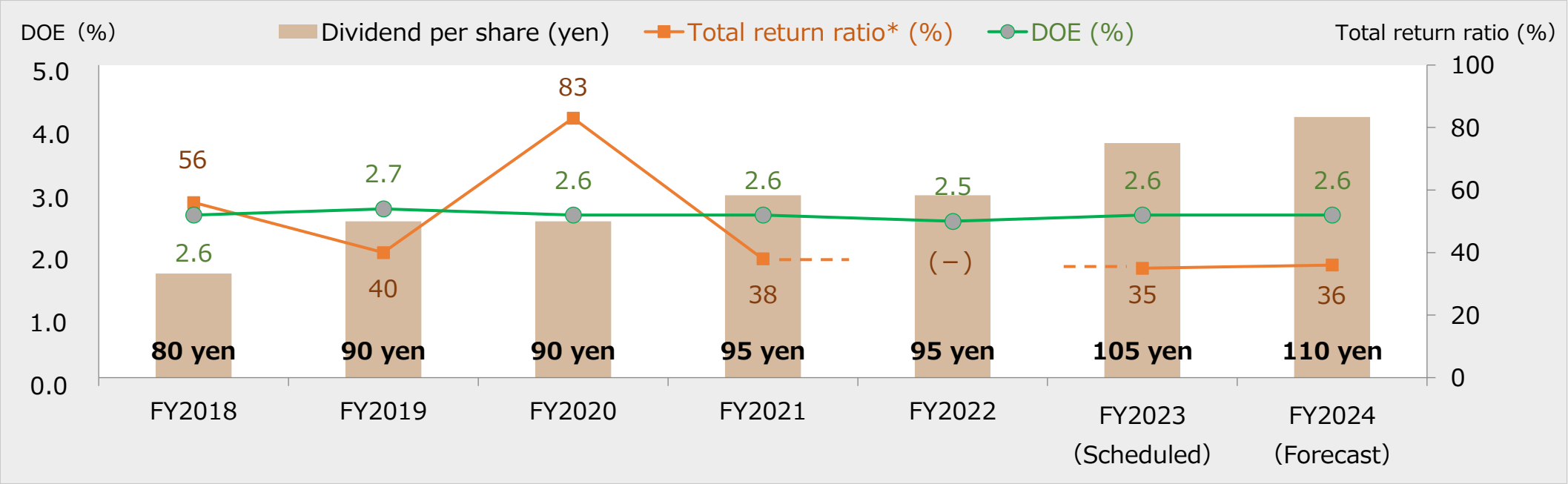
Major Items for Capital Expenditure

Segment	Subject	Place	Estimated completion date
Specialty Products	Expand plant of raw material of polyimide (BPDA)	Ube, Japan	FY2024
	Expand production facilities for polyimide film	Ube, Japan	FY2024
	Expand production facilities for gas separation membranes	Ube, Japan Sakai, Japan	FY2025
	Expand production facilities for ceramics (silicon nitride)	Ube, Japan	FY2025
Polymers & Chemicals	Construct DMC/EMC Plant	USA	FY2026

Shareholder Returns

- UBE's basic policy is to continue to pay consistent dividends.
- UBE strives to further enhance shareholder returns in the future, while growing profits and shareholders' equity through aggressive capital investment.

Dividend on equity (DOE)	**2.5% or above**
Consolidated total return ratio	**30% or higher (average over three years)**



*Total return ratio: Includes share repurchases (¥10 billion in FY2018 and ¥10 billion in FY2020, (implemented in FY2021)).

Quarterly Factors Causing Fluctuation in Profits/Losses

Quarter	Segment	Factor
Q1	Polymers & Chemicals	Regular maintenance and repairs conducted at the ammonia plant (Ube area) in even-numbered years have a negative impact on operating profit of the industrial chemicals business.
	Company-wide	Regular maintenance and repairs conducted at the private power plant (Ube area) in even-numbered years have a negative impact on the company's operating profit.
Latter half of Q2 through Q3	Polymers & Chemicals	Sales volume of caprolactam, a raw material for nylon, increases due to demand for fall and winter apparel. This has a positive impact on the operating profit of the caprolactam business.
Q4	Polymers & Chemicals	Annual maintenance and repairs conducted at the synthetic rubber plant (Chiba area) have a negative impact on the operating profit of the elastomer business.
	Machinery	Sales and profits are recorded mainly in the fourth quarter. This has a positive impact on the operating profit of the molding and industrial machines businesses.

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FY2024 Management Overview Briefing and 1st Quarter FY2024 Business Results

- **FY2024 Management Overview Briefing**
  - **May 21, 2024　10:00 – 11:30**
- **Announcement of 1st Quarter FY2024 Business Results**
  - **August 5, 2024　15:00**
- **1st Quarter FY2024 Financial Results Briefing**
  - **August 5, 2024　18:00 – 18:45**

(Note) This schedule is subject to change without notice due to circumstances

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