UBE Corporation

Financial Results for the 3rd Quarter FY2024

Explanatory material

February 5, 2025

3rd Quarter: April - December

FY2024 3rd Quarter Consolidated Result

UBE / UBE Corporation

Scope of Consolidation

Item	End of FY2023 (A)	End of FY2024 3Q (B)	Difference (B) - (A)	Notes
Number of consolidated subsidiaries	36	34	(2)	+ Manufacturas Paulowsky S.L.U. – UBE EXSYMO ADVANCED MATERIALS (WUXI) CO., LTD. – API Corporation – UBE Steel Co., Ltd.
Number of equity method affiliates	16	17	1	+ Sampo GmbH + UBS Holdings Ltd., – UBE Hotels., Co., Ltd.
Total	52	51	(1)	

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Environmental Factors

Item				FY2023 3Q (A)	FY2024 3Q (B)	Difference (B) - (A)
Exchange Rate			Yen/$	143.3	152.6	9.3
Material Price	Naphtha	CIF	$/t	666	703	37
		Domestic	Yen/KL	68,000	76,400	8,400
	Benzene (ACP)		$/t	920	1,020	100
	Australian Coal (CIF)		$/t	201.5	161.0	(40.5)
			Yen/t	28,873	24,564	(4,309)

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Major P/L Items

(Billions of yen)

Item	FY2023 3Q (A)	FY2024 3Q (B)	Difference (B) - (A)	Percentage change
Net sales	332.9	359.6	26.7	8.0%
Operating profit	12.3	9.5	(2.8)	(22.5)%
Ordinary profit	23.2	13.0	(10.2)	(44.0)%
Profit (loss) attributable to owners of parent	19.9	(19.1)	(39.1)	–

Net Sales and Operating Profit by Segment

(Billions of yen)

	Segment	FY2023 3Q (A)	FY2024 3Q (B)	Difference (B) - (A)	Percentage change
Net sales	Specialty Products	46.8	47.5	0.7	1.5%
	Polymers & Chemicals	185.0	213.9	28.9	15.6%
	Machinery	65.6	62.4	(3.2)	(4.9)%
	Others	54.1	52.1	(2.1)	(3.9)%
	Adjustment	(18.6)	(16.2)	2.3	-
	Total	332.9	359.6	26.7	8.0%
Operating profit	Specialty Products	8.3	7.1	(1.3)	(15.4)%
	Polymers & Chemicals	(0.5)	(0.5)	0.0	-
	Machinery	4.4	4.9	0.6	12.8%
	Others	2.6	2.5	(0.1)	(2.4)%
	Adjustment	(2.5)	(4.4)	(2.0)	-
	Total	12.3	9.5	(2.8)	(22.5)%

Note: UBE America Inc. and UBE CORPORATION AMERICA INC. are reclassified from the “Others” segment to the “Polymers & Chemicals” segment from FY2024. Net sales and operating profit for FY2023 3Q are figures reflecting the segment reclassification.

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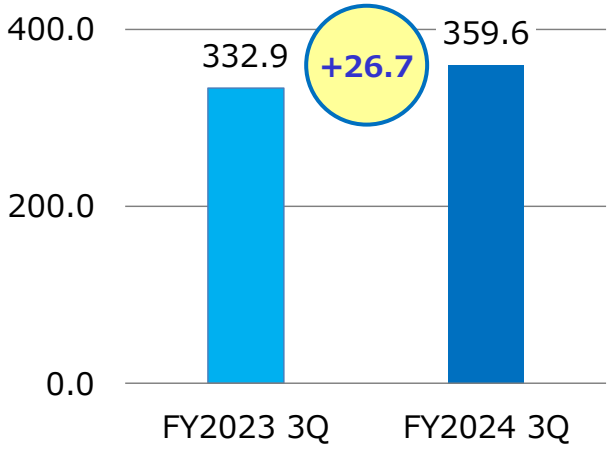
Analysis – Total

(Billions of yen)

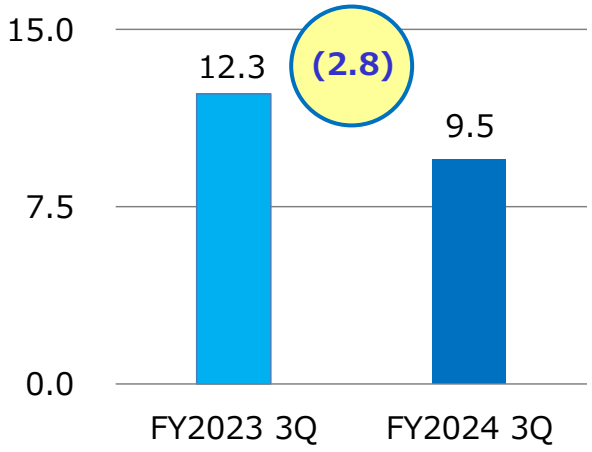
Net Sales



Specialty Products	0.7
Polymers & Chemicals	28.9
Machinery	(3.2)
Others	(2.1)
Adjustment	2.3

8.0% Increased

Operating profit



Specialty Products	(1.3)
Polymers & Chemicals	0.0
Machinery	0.6
Others	(0.1)
Adjustment	(2.0)

(22.5)% Decreased

Qualitative Information

Net sales: Up

- Polymers & Chemicals: Sales recovery of nylon polymers, caprolactam, etc. in the overseas market
- Polymers & Chemicals: Rising product price of elastomers resulting from the market price rises of a raw material

Operating profit: Down

- Specialty Products: Sluggish sales of polyimide varnish and separation membranes
- Adjustment: Recording of expenses related to the acquisition of the urethane systems business from LANXESS, Germany

Difference of operating profit

Price *1	5.2
Volume	0.8
Fixed Cost and Others *2	(8.8)
Total	**(2.8)**

*1: Including both selling and purchase change

*2: Including inventory valuation changes and lowest cost accounting

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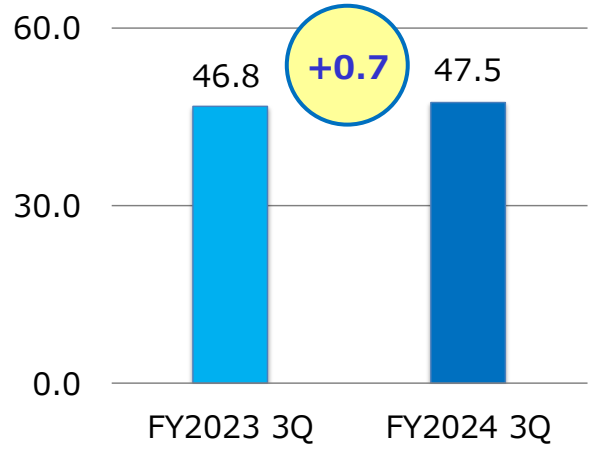
Analysis – Specialty Products

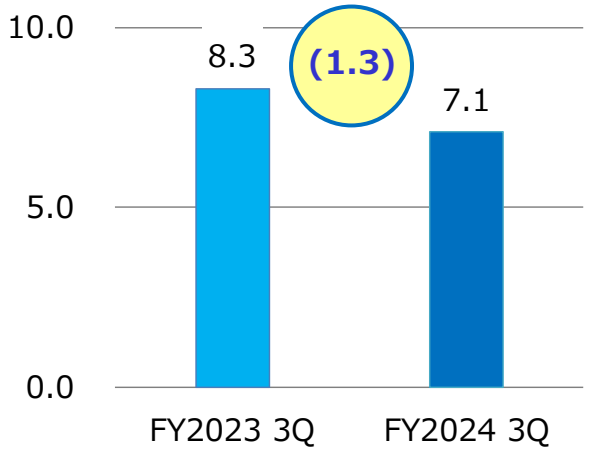
(Billions of yen)

Net Sales



1.5% Increased

Operating profit



(15.4)% Decreased

Qualitative Information

Net sales: Up

- Ceramics: Strong sales of products for bearing applications
- Separators: Increased sales volume for products for hybrid vehicles

Operating profit: Down

- Weak performance of polyimide varnish and separation membranes

Difference of operating profit

Price *1	0.9
Volume	0.2
Fixed Cost and Others *2	(2.4)
Total	**(1.3)**

*1: Including both selling and purchase change

*2: Including inventory valuation changes and lowest cost accounting

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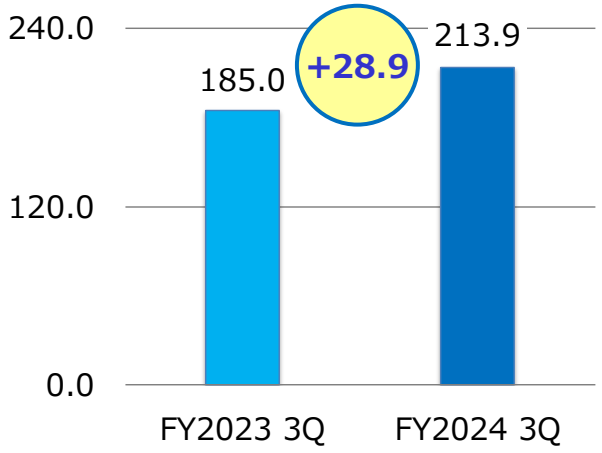
Analysis – Polymers & Chemicals

(Billions of yen)

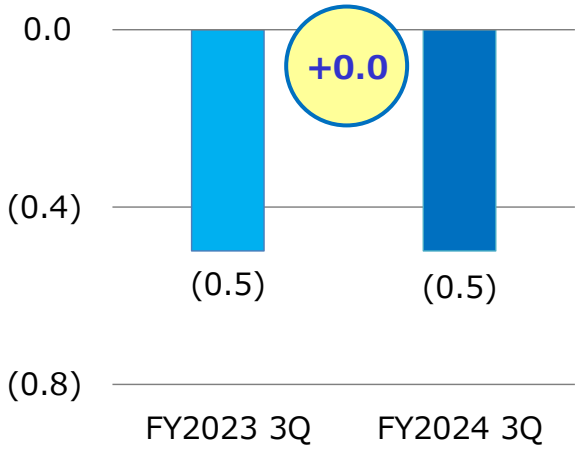
Net Sales



Performance Polymers & Chemicals	17.6
Elastomer	11.3

15.6% Increased

Operating profit



Performance Polymers & Chemicals	(0.6)
Elastomer	0.6

–

Qualitative Information

Net sales: Up

- Nylon polymers: Increase in sales volume and sales prices thanks to recovery in demand for food packaging films in the overseas market
- Caprolactam & ammonium sulfate: Increase in sales volume in the overseas market
- Elastomer: Rising product price resulting from the market price rises of a main raw material

Operating profit: Up

- Despite the impact of the biennial inspection of the ammonia plant, sales recovery of nylon polymers and caprolactam, and license income from the C1 Chemicals business contributed to the increase.

Difference of operating profit

Price *1	2.3
Volume	1.0
Fixed Cost and Others *2	(3.3)
Total	**0.0**

*1: Including both selling and purchase change

*2: Including inventory valuation changes and lowest cost accounting

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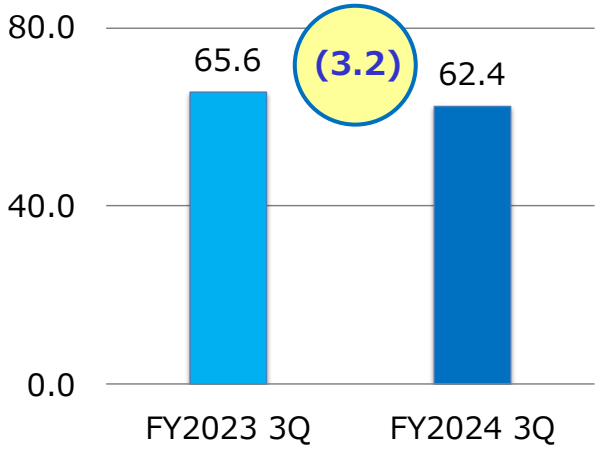
Analysis – Machinery

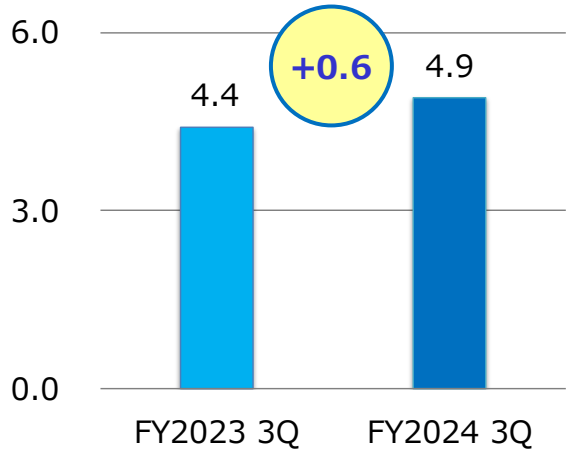
(Billions of yen)

Net Sales



(4.9)% Decreased

Operating profit



12.8% Increased

Qualitative Information

Net sales: Down

- Steel products: Transfer of management rights of the Steel Products Business in November 2024

Operating profit: Up

- Strong performance of the Molding Machine Business

Difference of operating profit

Marginal profit on machinery product: 0.8

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

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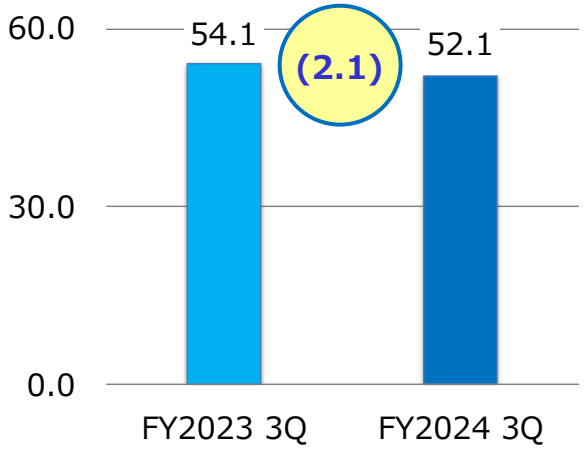
Analysis – Others

(Billions of yen)

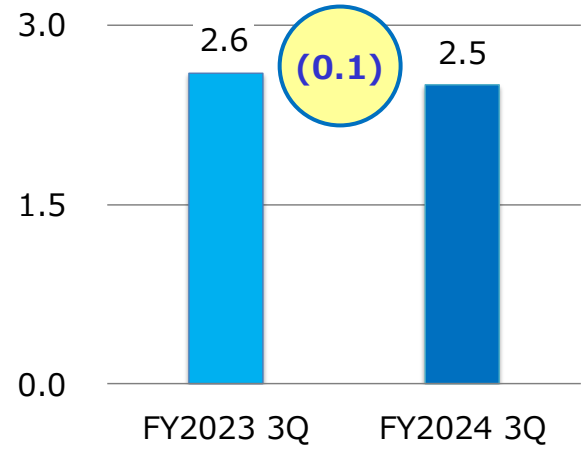
Net Sales



Pharmaceutical	0.3
Power	(1.3)
, etc.	

(3.9)% Decreased

Operating profit



Pharmaceutical	(0.6)
Power	(0.0)
, etc.	

(2.4)% Decreased

Qualitative Information

Net sales: Down

- Power: Decreased volume of electricity sold because of lower demand for electricity in cement-related business, etc.

Operating profit: Down

- Pharmaceutical: Termination of profitable contract manufacturing

Difference of operating profit

Price *1	2.1
Volume	0.2
Fixed Cost and Others *2	(2.3)
Total	**(0.1)**

*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 3Q (A)	FY2024 3Q (B)	Difference (B) - (A)
Operating profit	12.3	9.5	(2.8)
Non-operating income (expenses)	10.9	3.4	(7.4)
Net interests expenses	3.1	(0.1)	(3.2)
Share of profit (loss) of entities accounted for using equtiy method	9.0	5.4	(3.6)
Share of profit of entities accounted for using equtiy method related to Mitsubishi UBE Cement Corporation	10.2	12.9	2.7
Others (incl. share of loss of entities accounted for using equtiy method related to LOTTE UBE SYNTHETIC RUBBER SDN. BHD.*)	(1.2)	(7.5)	(6.3)
Foreign exchange gains	0.5	0.2	(0.3)
Others	(1.7)	(2.1)	(0.4)
Ordinary profit	23.2	13.0	(10.2)
Extraordinary income (losses)	0.1	(36.0)	(36.1)
Profit before income taxes	23.3	(23.0)	(46.3)
Income taxes and profit (loss) attributable to non-controlling interests	(3.3)	3.9	7.2
Profit (loss) attributable to owners of parent	19.9	(19.1)	(39.1)
Net income per share	205.51 yen	(196.93) yen	(402.44) yen

* Loss due to the dissolution of LOTTE UBE SYNTHETIC RUBBER SDN. BHD. and the loss for the period

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Consolidated Balance Sheet

(Billions of yen)

Item	End of FY2023 (A)	End of FY2024 3Q (B)	Difference (B) - (A)
Current assets	295.7	289.7	(6.0)
Fixed assets	493.2	503.1	9.9
Total assets	789.0	793.0	4.0
Interest-bearing debt	213.4	267.3	53.9
Other liabilities	146.2	122.2	(24.0)
Total liabilities	359.7	389.5	29.8
Shareholders' equity *	408.7	387.1	(21.6)
Non-controlling interests and others	20.7	16.5	(4.2)
Total net assets	429.4	403.5	(25.8)
Total liabilities and net assets	789.0	793.0	4.0

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

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Consolidated Statements of Cash Flows

(Billions of yen)

Item	FY2023 3Q	FY2024 3Q	
A.Cash flows from operating activities	34.8	5.4	Profit (loss) before income taxes (23.0) Depreciation and amortization 20.6 Impairment losses related to structural reform 30.3 Share of profit (loss) of entities accounted for using equtiy method (5.4), etc.
B.Cash flows from investing activities	(24.7)	(57.4)	Acquisition of PP&E and intangible asset (45.5), etc.
Free cash flows (A+B)	10.1	(52.0)	
C.Cash flows from financing activities	(10.6)	44.2	Increase in interest-bearing debts 55.6 Dividends paid (11.4)
D.Net increase/decrease in cash and cash equivalents	0.4	(6.2)	
E.Cash and cash equivalents at end of the period	31.1	29.6	

FY2024 Consolidated Forecasts

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Scope of Consolidation

Item	End of FY2023 (A)	End of FY2024 (B)	Difference (B) - (A)	Notes
Number of consolidated subsidiaries	36	34	(2)	+ Manufacturas Paulowsky S.L.U. – UBE EXSYMO ADVANCED MATERIALS (WUXI) CO., LTD. – API Corporation – UBE Steel Co., Ltd.
Number of equity method affiliates	16	17	1	+ Sampo GmbH + UBS Holdings Ltd., – UBE Hotels., Co., Ltd.
Total	52	51	(1)	

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Environmental Factors

Item				FY2023 (A)	FY2024 (B)	Difference (B) - (A)
Exchange Rate			Yen/$	144.6	152.0 [150.0]	7.4
Material Price	Naphtha	CIF	$/t	671	695 [680]	24
		Domestic	Yen/KL	69,000	75,500 [72,700]	6,500
	Australian Coal (CIF)		$/t	194.8	159.0 [150.0]	(35.8)
			Yen/t	28,165	24,168 [22,500]	(3,997)

[ ] : numbers for the fourth quarter of the period only

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Major P/L Items

(Billions of yen)

Item	FY2023 (A)	FY2024 (B)	Difference (B) - (A)	Percentage change
Net sales	468.2	490.0	21.8	4.6%
Operating profit	22.5	16.0	(6.5)	(28.7)%
Ordinary profit	36.3	20.0	(16.3)	(45.0)%
Profit (loss) attributable to owners of parent	29.0	(17.5)	(46.5)	–

Item	End of FY2023 (A)	End of FY2024 (B)	Difference (B) - (A)
Total assets	789.0	870.0	81.0
Interest-bearing debt	213.4	347.0	133.6
Shareholders' equity*1	408.7	389.0	(19.7)
Dividend(Yen /Share)	*2 105.00	*3 110.00	5.00

*1: Shareholders' equity = Net assets – Share acquisition rights – Non-controlling interests
*2: Dividend: Interim / 50 yen, Fiscal year-end / 55 yen
*3: Dividend: Interim / 55 yen, Fiscal year-end / 55 yen

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	66.5	2.8	4.3%
	Polymers & Chemicals	258.6	287.0	28.4	11.0%
	Machinery	96.9	87.5	(9.4)	(9.7)%
	Others	74.5	69.5	(5.0)	(6.7)%
	Adjustment	(25.4)	(20.5)	4.9	–
	Total	468.2	490.0	21.8	4.6%
Operating profit	Specialty Products	12.1	11.0	(1.1)	(9.2)%
	Polymers & Chemicals	2.5	1.0	(1.5)	(60.6)%
	Machinery	7.2	7.0	(0.2)	(2.3)%
	Others	4.5	2.0	(2.5)	(55.2)%
	Adjustment	(3.8)	(5.0)	(1.2)	–
	Total	22.5	16.0	(6.5)	(28.7)%

Note: UBE America Inc. and UBE CORPORATION AMERICA INC. are reclassified from the “Others” segment to the “Polymers & Chemicals” segment from FY2024. Net sales and operating profit for FY2023 are figures reflecting the segment reclassification.

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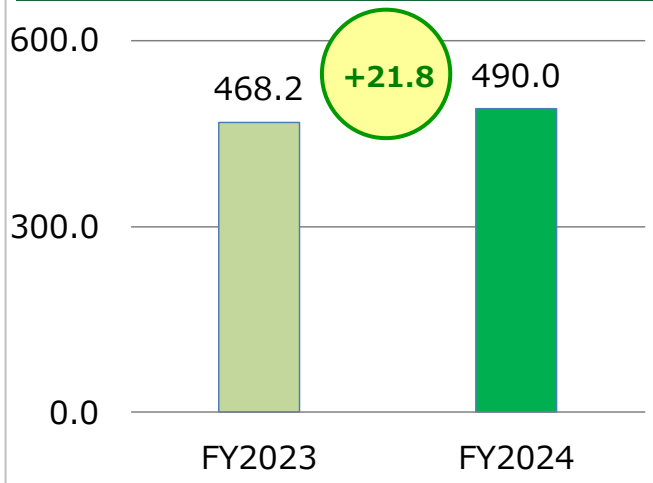
Analysis – Total

(Billions of yen)

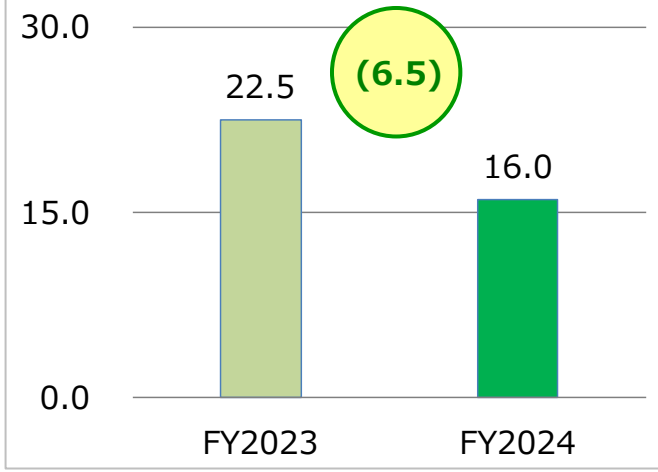
Net sales



Specialty Products	2.8
Polymers & Chemicals	28.4
Machinery	(9.4)
Others	(5.0)
Adjustment	4.9

4.6% Increased

Operating profit



Specialty Products	(1.1)
Polymers & Chemicals	(1.5)
Machinery	(0.2)
Others	(2.5)
Adjustment	(1.2)

(28.7)% Decreased

Revisions from the previous earnings forecasts published on May 13, 2024

Net sales: Downturn [510.0 → 490.0, (20.0)]

- Machinery: Transfer of management rights of the Steel Products Business in November 2024

Operating profit: Downturn [27.0 → 16.0, (11.0)]

- Polymers & Chemicals: Decreased sales volume of nylon polymers and caprolactam

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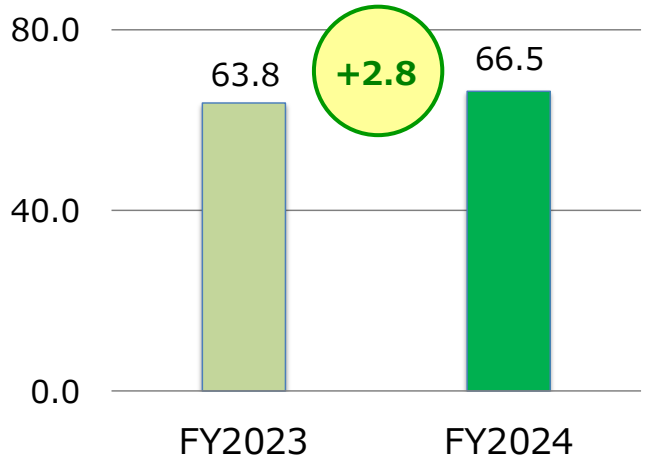
Analysis – Specialty Products

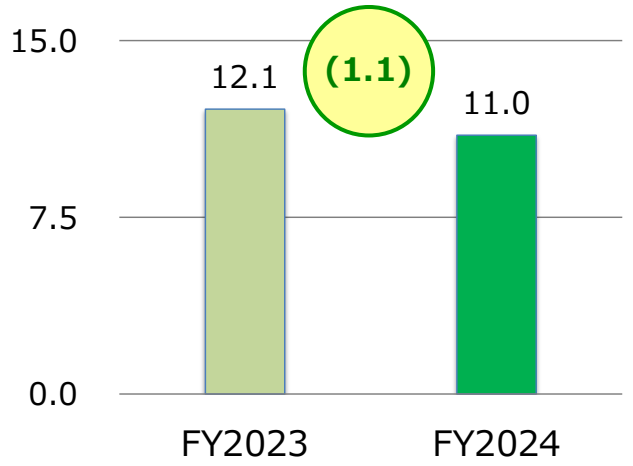
(Billions of yen)

Net sales



4.3% Increased

Operating profit



(9.2)% Decreased

Revisions from the previous earnings forecasts published on May 13, 2024

Net sales: Downturn [70.0 → 66.5, (3.5)]

- Separation membranes: Decreased sales volume

Operating profit: Downturn [12.5 → 11.0, (1.5)]

- Polyimide: Decreased sales volume
- Separation membranes: Decreased sales volume

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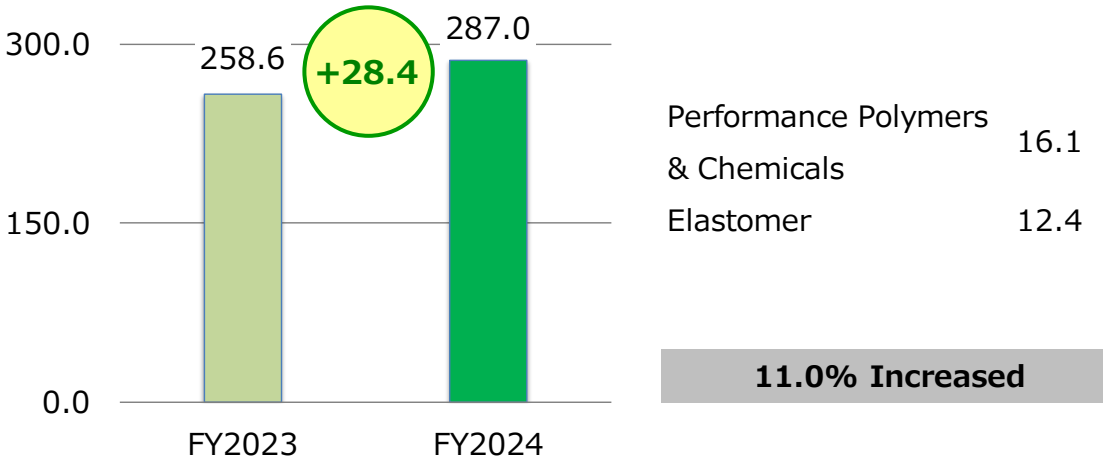
Analysis – Polymers & Chemicals

(Billions of yen)

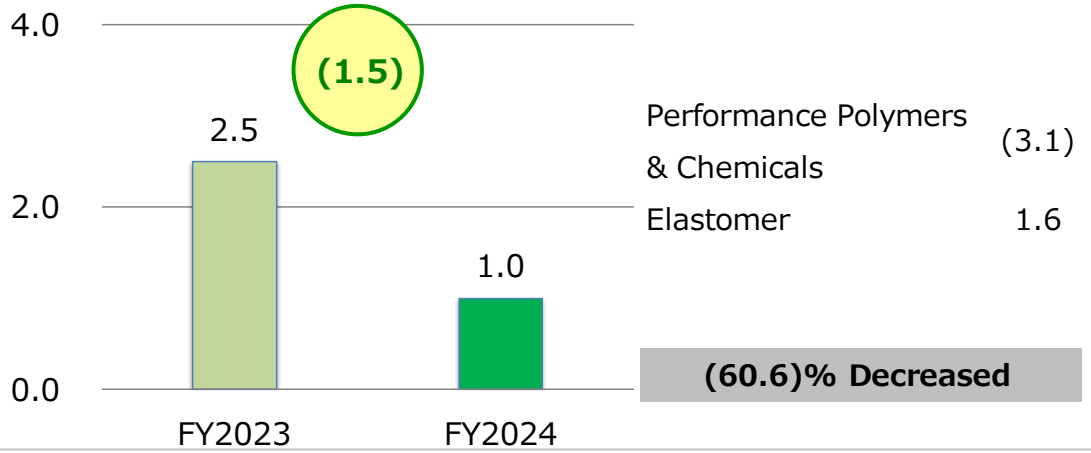
Net sales



Performance Polymers & Chemicals	16.1
Elastomer	12.4

11.0% Increased

Operating profit



Performance Polymers & Chemicals	(3.1)
Elastomer	1.6

(60.6)% Decreased

Revisions from the previous earnings forecasts published on May 13, 2024

Net sales: Downturn [288.0 → 287.0, (1.0)]

- Composites: Decrease in sales volume due to sluggish demand for automotive products
- Elastomer: Rising product price resulting from the market price rises of a raw material

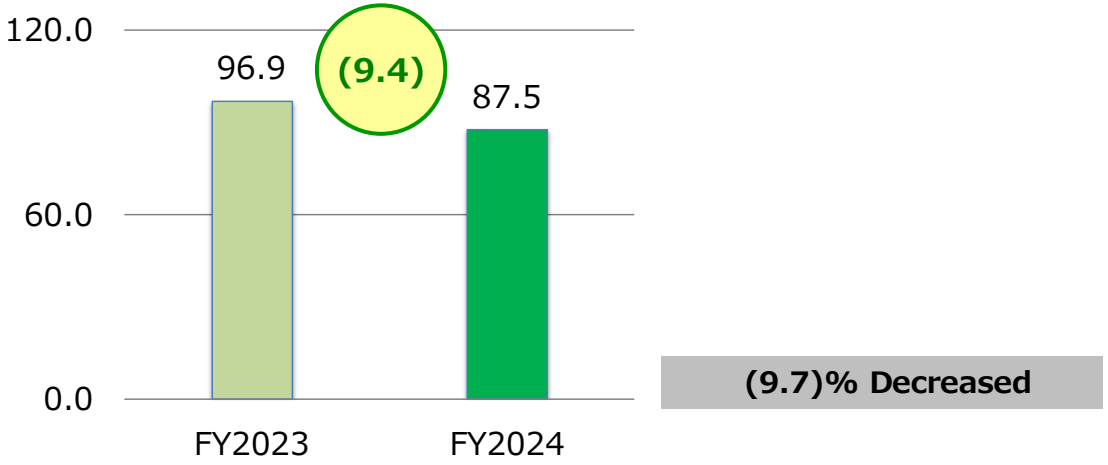
Operating profit: Downturn [9.5 → 1.0, (8.5)]

- Nylon polymers: Decrease in sales volume for food packaging applications
- Caprolactam & ammonium sulfate: Decrease in both sales volume and sales prices due to market downturn
- Elastomer: Rising product price resulting from the market price rises of a raw material

Analysis – Machinery

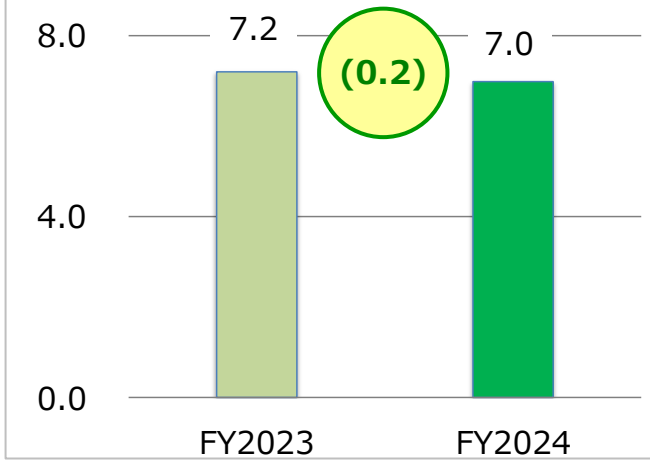
(Billions of yen)

Net sales



(9.7)% Decreased

Operating profit



(2.3)% Decreased

Revisions from the previous earnings forecasts published on May 13, 2024

Net sales: Downturn [104.0 → 87.5, (16.5)]

- Steel products: Transfer of management rights of the Steel Products Business in November 2024

Operating profit: No revision

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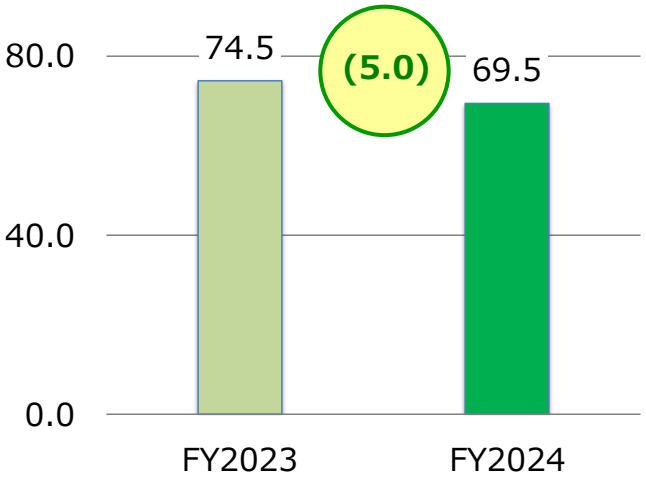
Analysis – Others

(Billions of yen)

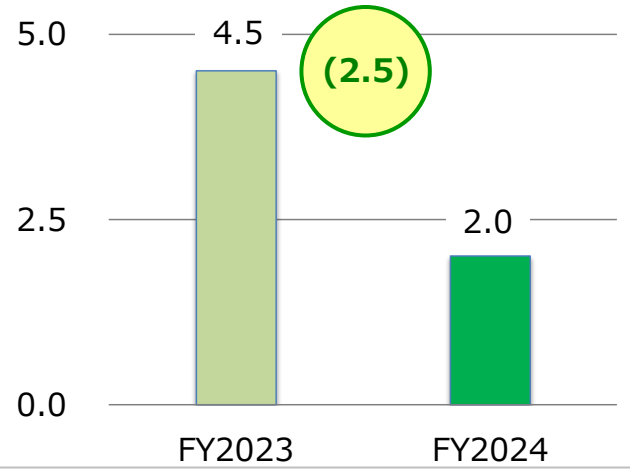
Net sales



Pharmaceutical (0.6)
, etc.

(6.7)% Decreased

Operating profit



Pharmaceutical (2.1)
, etc.

(55.2)% Decreased

Revisions from the previous earnings forecasts published on May 13, 2024

Net sales: Downturn [72.0 → 69.5, (2.5)]

- Power: Decreased volume of electricity sold because of lower demand for electricity in cement-related business, etc.

Operating profit: No revision

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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	16.0	(6.5)
Non-operating income (expenses)	13.9	4.0	(9.9)
Ordinaly profit	36.3	20.0	(16.3)
Extraordinary income (losses)	(1.3)	(37.5)	(36.2)
Profit (loss) before income taxes	35.1	(17.5)	(52.6)
Income taxes and profit (loss) attributable to non-controlling interests	(6.1)	0.0	6.1
Profit (loss) attributable to owners of parent	29.0	(17.5)	(46.5)
Net income per share	298.59 yen	(180.24) yen	(478.83) yen

Reference

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Difference of Net sales

(Billions of yen)

Segment	Previous forecasts 2024/5/13 (A)	Revised forecasts 2025/1/28 (B)	Difference (B) - (A)	Major factors
Specialty Products	70.0	66.5	(3.5)	
Polymers & Chemicals	288.0	287.0	(1.0)	Performance Polymers & Chemicals (10.0) Elastomer 9.0
Machinery	104.0	87.5	(16.5)	
Others	72.0	69.5	(2.5)	Pharmaceutical (0.5), etc.
Adjustment	(24.0)	(20.5)	3.5	
Total	510.0	490.0	(20.0)	

UBE / UBE Corporation

Difference of Operating profit

(Billions of yen)

Segment	Previous forecasts 2024/5/13 (A)	Revised forecasts 2025/1/28 (B)	Difference (B) - (A)	Major factors
Specialty Products	12.5	11.0	(1.5)	
Polymers & Chemicals	9.5	1.0	(8.5)	Performance Polymers & Chemicals (12.0) Elastomer 3.5
Machinery	7.0	7.0	–	
Others	2.0	2.0	–	
Adjustment	(4.0)	(5.0)	(1.0)	
Total	27.0	16.0	(11.0)	

UBE / UBE Corporation

Progress of Major P/L Items

(Billions of yen)

Item	FY2023 Results (A)		FY2024 Forecast (B)		Difference (B) - (A)	
		3Q Progress		3Q Progress		3Q
Net sales	468.2	332.9 71.1%	490.0	359.6 73.4%	21.8	26.7
Operating profit	22.5	12.3 54.8%	16.0	9.5 59.6%	(6.5)	(2.8)
Ordinary profit	36.3	23.2 63.8%	20.0	13.0 64.9%	(16.3)	(10.2)
Profit (loss) attributable to owners of parent	29.0	19.9 68.8%	(17.5)	(19.1) –	(46.5)	(39.1)

UBE Corporation

Net Sales

(Billions of yen)

Segment	FY2024					Full-year (forecast)	Progress
	1Q	2Q	3Q	4Q	Total		
Specialty Products	15.1	16.6	15.8	–	47.5	66.5	71.4%
Polymers & Chemicals	70.9	73.3	69.7	–	213.9	287.0	74.5%
Machinery	19.2	23.9	19.4	–	62.4	87.5	71.3%
Others	15.7	19.3	17.0	–	52.1	69.5	74.9%
Adjustment	(5.5)	(5.4)	(5.4)	–	(16.2)	(20.5)	–%
Total	115.4	127.7	116.6	–	359.6	490.0	73.4%

UBE / UBE Corporation

Operating Profit

(Billions of yen)

Segment	FY2024					Full-year (forecast)	Progress
	1Q	2Q	3Q	4Q	Total		
Specialty Products	2.2	2.8	2.1	–	7.1	11.0	64.1%
Polymers & Chemicals	0.1	(1.5)	0.9	–	(0.5)	1.0	–%
Machinery	1.0	2.0	1.9	–	4.9	7.0	70.2%
Others	0.3	1.4	0.8	–	2.5	2.0	126.7%
Adjustment	(0.7)	(1.5)	(2.2)	–	(4.4)	(5.0)	–%
Total	2.9	3.1	3.5	–	9.5	16.0	59.6%

UBE / UBE Corporation

3Q on 2Q – Net Sales

(Billions of yen)

Segment	FY2024 2Q (A)	FY2024 3Q (B)	Difference (B) - (A)	Major factors
Specialty Products	16.6	15.8	(0.8)	
Polymers & Chemicals	73.3	69.7	(3.5)	Performance Polymers & Chemicals (4.1) Elastomer 0.6
Machinery	23.9	19.4	(4.5)	
Others	19.3	17.0	(2.3)	Pharmaceutical (0.6) Power (0.9) , etc.
Adjustment	(5.4)	(5.4)	0.0	
Total	127.7	116.6	(11.1)	

UBE / UBE Corporation

3Q on 2Q – Operating Profit

(Billions of yen)

Segment	FY2024 2Q (A)	FY2024 3Q (B)	Difference (B) - (A)	Major factors
Specialty Products	2.8	2.1	(0.7)	
Polymers & Chemicals	(1.5)	0.9	2.4	Performance Polymers & Chemicals 1.3 Elastomer 1.0
Machinery	2.0	1.9	(0.0)	
Others	1.4	0.8	(0.6)	Pharmaceutical (0.7) Power (0.0) , etc.
Adjustment	(1.5)	(2.2)	(0.7)	
Total	3.1	3.5	0.3	

UBE / UBE Corporation

Net Sales and Operating Profit by Business Portfolio

(Billions of yen)

	Business portfolio	FY2023 3Q (A)	FY2024 3Q (B)	Difference (B) - (A)	FY2024 full-year (forecast)	Progress
Net sales	Specialty business	111.3	114.3	3.0	157.0	72.8%
	Basic business	143.3	167.8	24.5	220.0	76.3%
	Machinery business	65.6	62.4	(3.2)	87.5	71.3%
	Other businesses (incl. adjustment)	12.7	15.1	2.4	25.5	59.2%
	Total	332.9	359.6	26.7	490.0	73.4%
Operating profit	Specialty business	12.6	11.3	(1.3)	16.0	70.8%
	Basic business	(2.0)	(2.6)	(0.6)	(3.0)	–
	Machinery business	4.4	4.9	0.6	7.0	70.2%
	Other businesses (incl. adjustment)	(2.6)	(4.1)	(1.5)	(4.0)	–
	Total	12.3	9.5	(2.8)	16.0	59.6%

UBE / UBE Corporation

Mitsubishi UBE Cement

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

(Billions of yen)

Item		FY2023 3Q	FY2024 3Q	FY2024 full-year (forecast)*1
Net sales	Domestic business	309.3	287.3	379.5 (384.0)
	Overseas business	138.6	144.0	182.5 (188.0)
	Total	447.9	431.3	562.0 (572.0)
Operating profit	Domestic business	11.6	15.1	17.5 (16.0)
	Overseas business	24.9	28.0	30.5 (30.0)
	Total	36.5	43.1	48.0 (46.0)
Ordinary profit		38.5	45.0	48.0 (46.0)
Profit attributable to owners of parent		19.4	24.8	26.0 (22.0)

■ Environmental Factors

Item		FY2023 3Q	FY2024 3Q	FY2024 full-year (forecast)*1
Total demand for cement in Japan	(million tons)	26.71	25.15	33.00 (33.00)
Cement sales volumes in Japan	(million tons)	6.35	5.96	7.90 (8.00)
Cement sales volumes in the U.S.	(million tons)	1.35	1.24	1.60 (1.70)
Ready-mixed concrete sales volumes in the U.S.	(million cy)	5.39	4.90	6.25 (6.60)
Coal Price *2	($/t)	148	138	141 (144)
Exchange Rate	(Yen/$)	143	153	151 (149)

*1 The figures in parentheses are the figures announced in November 7 2024.
*2 The above thermal coal prices are reference indices and differ from actual procurement prices.

(Reference) Consolidated Balance Sheet at the end of FY2024 3Q (Billions of yen)

Total assets	833.8	Interest-bearing debt	163.4	Shareholder's equity	393.8
Shareholder's equity ratio	47.2%	D/E ratio	0.41 Times		

- Businesses in Japan:
  (3Q) Net sales decreased due to lower sales volume of coal and electricity in the environment and energy business. Operating profit increased mainly due to higher cement prices, lower thermal energy prices, and higher sales prices in the mineral resources business.
  (Full year) Operating profit will decrease in the 4Q due to cost increases mainly in the cement business. For the full-year forecast, it is expecting a decrease in net sales and an increase in operating profit year-on-year.
- Businesses outside Japan:
  (3Q) The U.S. business posted higher net sales and operating profit due to the effects of price hikes implemented in the previous fiscal year and foreign exchange effects, despite sluggish demand resulted from high interest rates and other factors. Coal business in Australia posted lower net sales and operating profit due to lower sales prices and other factors. Overall, overseas business posted year-on-year increases in both net sales and operating profit.
  (Full year) Although the U.S. business in the 4Q is expected to see lower operating profit due to cost increases amid weak demand, full-year operating profit for the overseas business as a whole is expected to remain at the same level as the previous fiscal year (28.0 billion yen).

UBE / UBE Corporation

Consolidated Key Indicators

(Billions of yen)

Item	FY2023 3Q	FY2024 3Q	FY2024 full-year (forecast)	FY2023 full-year
Capital investment	19.5	41.2	76.0	36.1
Depreciation and amortization	19.7	20.6	26.0	26.6
Research and development expenses	7.6	7.3	10.0	10.3
Adjusted operating profit	25.1	15.9	23.5	38.8
Interest-bearing debt	218.2	267.3	347.0	213.4
Shareholders' equity	384.9	387.1	389.0	408.7
Total assets	756.0	793.0	870.0	789.0
D/E ratio (times)	0.57	0.69	0.89	0.52
Shareholders' equity ratio (%)	50.9	48.8	44.7	51.8
Return on sales - ROS (%)	3.7	2.7	3.3	4.8
Return on assets - ROA (%)	–	–	2.8	5.1
Return on equity – ROE (%)	–	–	(4.4)	7.5
Return on invested capital - ROIC (%)	–	–	2.7	4.7

Consolidated Major Subsidiaries

(Billions of yen)

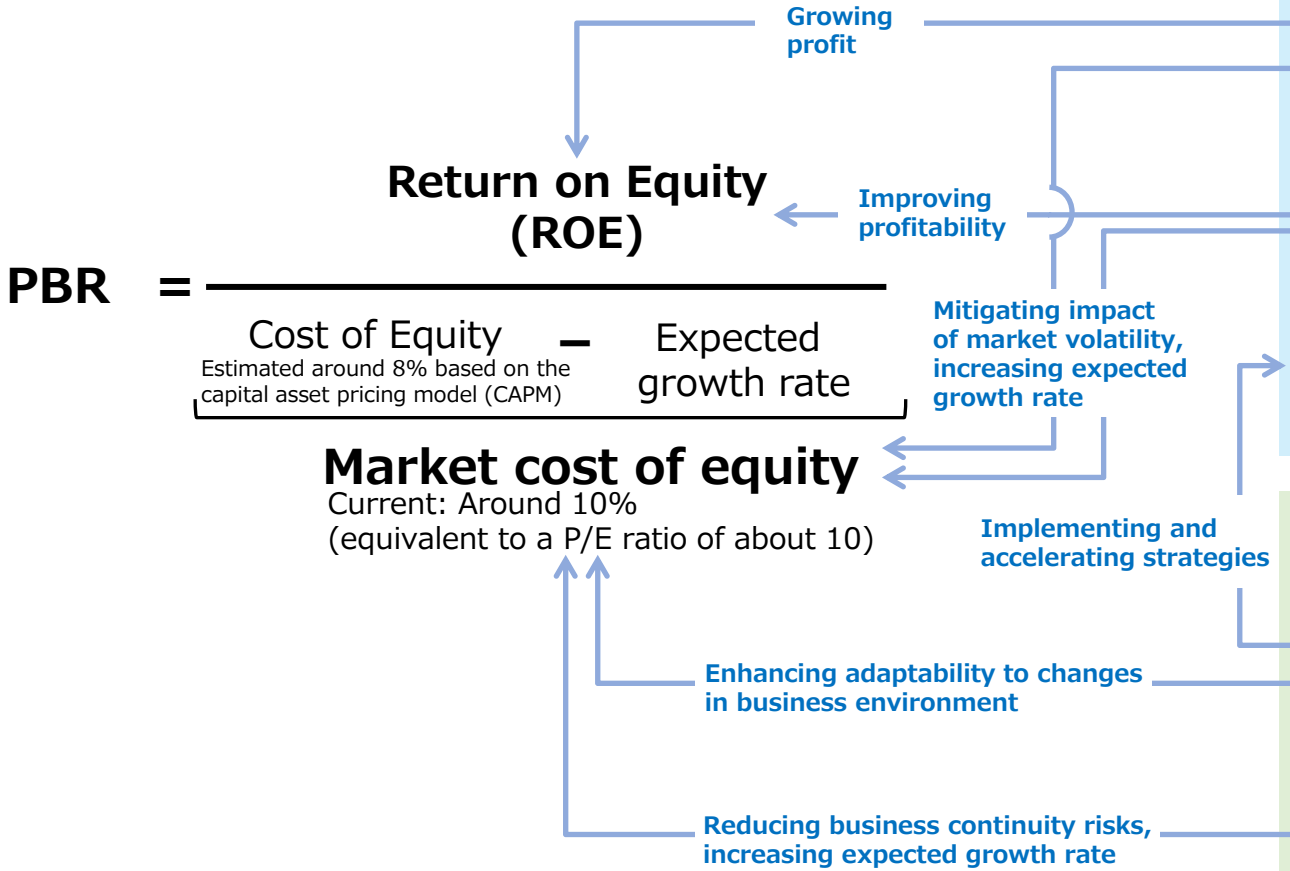
Subsidiaries	Business	Net Sales FY2024 3Q	Difference of operating profit from FY2023 3Q*2
UBE CORPORATION EUROPE S.A.U.	Manufacture and sales of composites, nylon polymers, caprolactam, ammonium sulfate, C1 chemical, high-performance coatings and other products	48.0	↑
UBE Chemicals (Asia) Public Company Limited	Manufacture and sales of composites, nylon polymers, caprolactam and ammonium sulfate	38.9	↑
THAI SYNTHETIC RUBBERS COMPANY LIMITED	Manufacture and sales of polybutadiene rubber	19.0	↓
UBE FILM, LTD.	Manufacture and sales of plastic film products	8.4	↓
UBE EXSYMO CO., LTD.	Manufacture and sales of polypropylene molded products, fibers, fiber-reinforced plastics and electronic and information materials	8.8	↑
UBE MACHINERY CORPORATION, Ltd.	Manufacture and sales of molding machines, industrial machinery and bridge, etc. After-sales services for molding machines and industrial machinery	36.8	↑
UBE Steel Co., Ltd. *1	Manufacture and sales of cast iron and steel products and rolled steel billets	13.5	↓

*1 Management rights were transferred to another company on November 1, 2024 (Net sales and operating profit for FY2024 3Q are the figures for the period from April 1, 2024 to October 31, 2024.)

*2 ↑↓ represent an increase or decrease of over 0.1 billion JPY

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

UBE Corporation



Expanding specialty businesses

- Driving steady profit growth by expanding capacity in line with market growth and leveraging strategies such as M&A in peripheral areas
- Strengthening initiatives for creating new businesses in focus domains

Restructuring basic businesses

- Advancing the downsizing and restructuring of the ammonia and caprolactam chain

✓ **Improving profitability to increase ROE (ROIC)**

✓ **Reducing the cost of shareholders' equity by shifting to a business portfolio that is less sensitive to market fluctuations and generates lower GHG emissions**

Practicing sustainability management

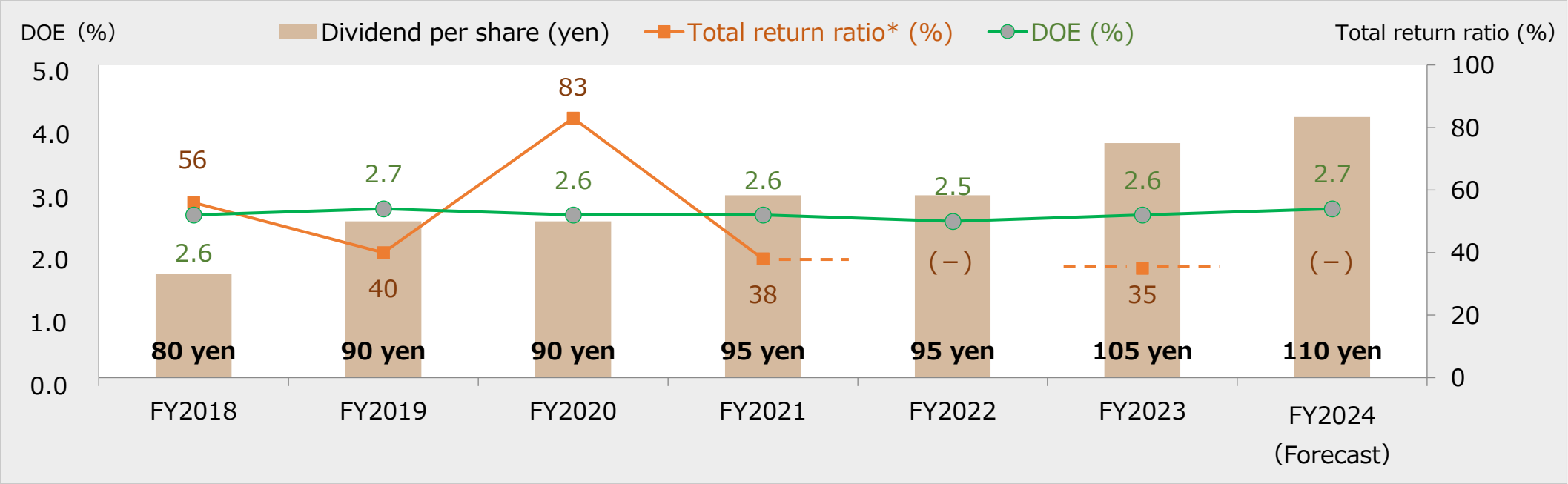
- Implementing systematic human resource development to drive the growth of specialty businesses
- Empowering women and increasing highly specialized mid-career hires, etc. to increase workplace diversity and foster an innovative culture
- Driving greater operational efficiency and sophistication through DX
- Meeting the 2030 GHG emissions reduction target: 50% (vs. FY2013)
- Expanding environmentally friendly products and technologies

✓ **Enhancing the quality of the management foundation to achieve sustainable growth over the medium to long term**

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.

- **UBE Corporation**
  - ➢ Announcement of FY2024 Financial Results
    - May 12, 2025　15:30
  - ➢ FY2024 Financial Results Briefing
    - May 12, 2025　18:00 – 19:00
  - ➢ FY2025 Management Overview Briefing
    - May 20, 2025　10:00 – 11:30
- **Mitsubishi UBE Cement Corporation**
  - ➢ 3rd quarter FY2024 Financial Results Briefing
    - February 19, 2025　16:00 – 16:40

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

UBE Transform Tomorrow Today

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