

## Ube Industries Revises Results Forecasts

TOKYO, March 22, 2005 — Ube Industries has made the following revisions to the results forecasts for the year ending March 2005 (April 1, 2004 – March 31, 2005), which it published on November 11, 2004.

### 1. Revision to Consolidated Results Forecasts for the Year Ending March 2005 (April 1, 2004 – March 31, 2005)

(Units: Billion yen, %)

	Sales	Operating Income	Ordinary Income	Net Income
Previous Forecast (A) (Published November 11, 2004)	556.0	27.0	16.0	7.0
Revised Forecast (B)	560.0	31.0	21.0	8.0
Change (B – A)	4.0	4.0	5.0	1.0
Percentage change	0.7	14.8	31.3	14.3
Actual results for previous year (Ended March 2004)	511.3	22.0	15.1	(13.6)

### 2. Revision to Non-Consolidated Results Forecasts for the Year Ending March 2005 (April 1, 2004 – March 31, 2005)

(Units: Billion yen, %)

	Sales	Operating Income	Ordinary Income	Net Income
Previous Forecast (A) (Published November 11, 2004)	247.0	16.0	11.0	7.0
Revised Forecast (B)	248.0	19.0	14.0	7.0
Change (B – A)	1.0	3.0	3.0	0.0
Percentage change	0.4	18.8	27.3	0.0
Actual results for previous year (Ended March 2004)	227.0	13.4	8.6	(9.0)

### 3. Reasons for the Revisions

#### (1) Consolidated

- Sales are expected to rise by 4.0 billion yen. The reasons for this include higher revenues in the chemicals and plastics segment due to factors such as increased sales of caprolactum and nylon resin goods, and in the machinery and metal products segment, due to factors such as price increases for steel products.
- Operating income is forecast to rise by 4.0 billion yen. The reasons for this include profit growth in the chemicals and plastics segment due to further margin growth in the market such

as caprolactum resulting from steady demand as well as rising sales across all segments and efforts to improve earnings.

- Ordinary income is forecast to rise by 5.0 billion yen. In addition to the growth in operating income, the reasons for this include an improvement in non-operating losses such as a decline in exchange rate losses and lower interest payments.
- Net income is expected to rise 1.0 billion yen. Despite the 6.8 billion yen extraordinary loss accompanying the dissolution of Ube Automotive North America Mason Plant, Inc., (Mason), a US aluminum wheel manufacturing subsidiary, on March 31, 2005, this will be offset by factors such as the tax effect related to the loss and the growth in ordinary income.
- Refer to today's separate announcement on the dissolution of Mason.

(2) Non-consolidated

- Sales are forecast to rise by 1.0 billion yen. This is due to factors such as increased revenues in the energy and environment segment where sales volume for coal has exceeded forecasts.
- Operating income is expected to rise by 3.0 billion yen. As with the consolidated results, the main factor is profit growth in the chemicals and plastics segment.
- Ordinary income is predicted to rise by 3.0 billion yen, the same amount of increase as operating income.
- Net income is forecast to remain the same as in the previous results forecasts. Despite the 6.8 billion yen extraordinary loss accompanying the dissolution of Mason, this will be offset by tax effects and the growth in ordinary income.