

November 6, 2006

Company name: Ube Industries, Ltd.  
Security code: 4208 (shares listed on First Section of  
Tokyo Stock Exchange and Fukuoka  
Stock Exchange)  
URL: <http://www.ube.co.jp/>  
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### Ube Industries Announces Revised Earnings Forecast

Ube Industries has revised its first-half forecast for the fiscal year ending March 31, 2007 (April 1, 2006 to September 30, 2006), previously announced on May 11, 2006. The changes are described below.

1. Revised Consolidated Earnings Forecast for First Half of Fiscal Year  
(April 1, 2006 to September 30, 2006)

(Unit: Billions of yen, %)

	Net Sales	Operating Income	Ordinary Income	Net Income
Previous forecast (A)	298.0	14.5	10.5	5.0
Revised forecast (B)	310.6	17.8	16.8	8.9
Change (B-A)	12.6	3.3	6.3	3.9
Percent change	4.2%	22.8%	60.0%	78.0%
Previous first half ended September 30, 2005	280.7	17.4	14.3	6.0

2. Revised Non-Consolidated Earnings Forecast for First Half of Fiscal Year  
(April 1, 2006 to September 30, 2006)

(Unit: Billions of yen, %)

	Net Sales	Operating Income	Ordinary Income	Net Income
Previous forecast (A)	137.0	8.0	7.0	4.0
Revised forecast (B)	138.4	7.3	7.5	1.3
Change (B-A)	1.4	-0.7	0.5	-2.7
Percent change	1.0%	-8.8%	7.1%	-67.5%
Previous first half ended September 30, 2005	130.4	9.4	9.9	4.6

### 3. Reasons for the Revisions

#### A. Consolidated Forecast

- The previous forecast for net sales has been revised upward due to sales growth from Group subsidiaries belonging to the Chemicals & Plastics Segment and Machinery business.
- The previous forecast for operating income has been revised upward due to generally strong results in segments beginning with the Machinery business, which experienced higher income due to sales growth by Group subsidiaries.
- The previous forecast for ordinary income has been revised upward due to higher operating income and additional factors including foreign currency translation profit from subsidiaries in Thailand.
- Despite the accrual of an extraordinary loss of 3.1 billion yen on investments in the North American aluminum wheel subsidiary, the previous forecast for net income has been revised upward. (Details of the extraordinary loss were announced separately today.)

#### B. Non-Consolidated Forecast

- The previous forecast for net sales remains nearly the same, but the previous forecast for operating income has been revised downward due to the impact of rising prices including fuel costs.
- The previous forecast for ordinary income has been revised upward. Factors such as an improved net interest expense situation were sufficient to offset the downturn in the operating income situation.
- The previous forecast for net income has been revised downward due to the accrual of an extraordinary loss on business restructuring in the North American aluminum wheel subsidiary. (Details of the extraordinary loss were announced separately today.)

There is no revision to the full-year consolidated and non-consolidated earnings forecasts for the fiscal year ending March 31, 2007, previously announced on May 11, 2006. The decision is based on the many unclear factors moving forward, including trends in raw material and fuel prices.

Note: The above earnings forecast is 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.