



MEMBERSHIP

February 7, 2007

Company name: Ube Industries, Ltd.
Representative: Hiroaki Tamura,
President and Representative Director
Shares listed on: First Section of Tokyo Stock Exchange,
Fukuoka Stock Exchange
Security code number: 4208
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Ube Industries Announces Revised Earnings Forecast

Ube Industries has revised its full-year forecasts for the fiscal year ending March 31, 2007 (April 1, 2006 – March 31, 2007), previously announced on May 11, 2006. The changes are described below.

1. Revised Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2007

(Unit: Billions of yen, %)

	Net Sales	Operating Income	Ordinary Income	Net Income
Previous Forecast (A)	615.0	41.0	32.0	18.0
Revised Forecast (B)	650.0	43.0	37.0	19.0
Change (B – A)	35.0	2.0	5.0	1.0
Percent change	5.7	4.9	15.6	5.6
Previous fiscal year ended March 31, 2006	595.3	42.1	33.2	16.0

Reasons for the Revisions

The initial forecast for net sales has been revised upward due to higher volumes of business from abroad in the chemicals and plastics segment, partly owing to the impact of the weakening yen. Other factors include higher sales volumes in segments such as machinery and cement and construction materials.

The initial forecast for operating income has been revised upward due to higher revenue from the machinery business, in addition to higher revenue in the chemicals and plastics and cement and construction materials segments.

The initial forecast for ordinary income has been revised upward due to higher operating income and other factors such as currency gains from subsidiaries in Thailand.

Despite already accruing an extraordinary loss relating to the North American aluminum wheel subsidiary, the initial forecast for net income has been revised upward due to higher ordinary income.

2. Revised Non-Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2007
(Unit: Billions of yen, %)

	Net Sales	Operating Income	Ordinary Income	Net Income
Previous Forecast (A)	287.0	21.0	17.0	9.5
Revised Forecast (B)	295.0	21.0	17.0	6.0
Change (B – A)	8.0	0.0	0.0	-3.5
Percent change	2.8	-	-	-36.8
Previous fiscal year ended March 31, 2006	275.8	21.4	18.6	8.0

Reasons for the Revisions

The reasons for the revisions to the consolidated earnings forecast (Section 1) are mainly due to factors relating to Group companies. There is no revision to the non-consolidated operating income or ordinary income forecast, although net sales were up in the chemicals and plastics segment.

The initial forecast for net income has been revised downward. Although the Company already accrued an extraordinary loss relating to the North American aluminum wheel business in the first half of the fiscal year, business results in North America aluminum wheel subsidiary had not recovered in the second half. Consequently, the Company recorded a valuation loss of its shares, which was written off in the consolidated statement.