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Ube Industries Announces Extraordinary Loss from Impairment Loss Recorded by Consolidated Subsidiary

TOKYO, April 27, 2007 — Ube Industries, Ltd., today announced that its consolidated subsidiary, Ube Automotive North America Sarnia Plant, Inc. (UANA Sarnia) of Ontario, Canada, has decided to record an impairment loss for the fiscal year ended December 31, 2007. Based on the decision by UANA Sarnia, Ube Industries will record an extraordinary loss for the fiscal year ended March 31, 2006. The details of the extraordinary loss are described below.

1. Details of Impairment Loss

UANA Sarnia is a subsidiary of Ube Industries that manufactures aluminum wheels for the North American market. The subsidiary has recently experienced sluggish business results and is engaged in efforts to achieve a turnaround. Due to the time needed to achieve the turnaround, UANA Sarnia, in consultation with its audit corporation, has decided to record an extraordinary loss of 5.1 billion yen in the form of an impairment loss on fixed assets.

UANA Sarnia will continue its efforts to achieve a quick turnaround by implementing fundamental improvements to productivity. These initiatives will include raising the proportion of sales for Japanese automakers and further driving down costs by switching to in-house painting of aluminum wheels.

2. Impact on Business Results of Ube Industries

Based on the impairment loss recorded by UANA Sarnia, Ube Industries will record an impairment loss of 5.1 billion yen against its consolidated business and financial results, and a loss on investments in the subsidiary for the same amount against its non-consolidated business and financial results. Ube Industries has already recorded a portion of the loss on investments in the subsidiary amounting to 3.1 billion, which was recorded against its consolidated and non-consolidated business and financial results for the first half of the fiscal year ended March 31, 2007, previously announced on November 6, 2006. The difference in loss of 2.0 billion yen will be newly recorded as an extraordinary loss.

Ube Industries is currently in the process of preparing its business and financial results for the fiscal year ended March 31, 2007. The company has decided not to revise its full-year consolidated and non-consolidated earnings forecast for the fiscal year ended March 31, 2007, previously announced on February 7, 2007. The decision is based on a number of factors including anticipation of steady business results. In addition, Ube Industries expects to record a gain on contribution of a part of company-held securities to retirement benefit trust for the purpose of improving finances for retirement benefits in the fiscal year ended March 31, 2007