



MEMBERSHIP

October 23, 2020

Company name: Ube Industries, Ltd.
 Security code: 4208 (shares listed on First Section of Tokyo Stock Exchange and Fukuoka Stock Exchange)
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Ube Industries Announces Revised Earnings Forecasts

Ube Industries has revised its earnings forecasts for the fiscal year ending March 31, 2021, previously announced on May 13, 2020. The changes are described below.

1 Revised Earnings Forecast for the First Half of the Fiscal Year ending March 31, 2021 (April 1, 2020 to September 30, 2020)

Consolidated

(Unit: Billions of yen except per share data)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Net income per share (Yen)
Previous forecast (A)	293.0	6.0	4.0	2.5	24.73
Revised forecast (B)	280.0	3.4	1.5	0.2	1.98
Change (B-A)	(13.0)	(2.6)	(2.5)	(2.3)	
Percentage change	(4.4)	(43.3)	(62.5)	(92.0)	
Previous fiscal year	335.0	16.7	16.6	10.7	106.77

2 Revised Earnings Forecast for the Full Year of the Fiscal Year ending March 31, 2021 (April 1, 2020 to March 31, 2021)

Consolidated

(Unit: Billions of yen except per share data)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Net income per share (Yen)
Previous forecast (A)	614.0	26.0	23.5	14.0	138.47
Revised forecast (B)	592.0	21.5	17.5	13.0	128.54
Change (B-A)	(22.0)	(4.5)	(6.0)	(1.0)	
Percentage change	(3.6)	(17.3)	(25.5)	(7.1)	
Previous fiscal year	667.8	34.0	35.7	22.9	227.33

3 Reasons for the Revision

(First half of the fiscal year ending March 31, 2021)

Net sales are projected to be lower than the previous forecast as demand and prices declined centering on chemicals, including automotive and clothing fiber applications, due to the COVID-19 pandemic impact occurring sooner than expected. Operating profit, ordinary profit, and profit attributable to owners of parent are projected to be lower than the previous forecast due to the significant impact of a decline in chemical sales volumes and deterioration of the nylon and caprolactam market, despite the effect of a decline in coal and other raw material prices.

(Fiscal year ending March 31, 2021)

Although demand is on a recovery trend in the second half of the year, the recovery is expected to be milder than initially anticipated, and therefore, the full-year forecast is expected to be lower than the previous forecast. Profit attributable to owners of parent is expected to be slightly lower than the previous forecast due to an improvement in extraordinary losses resulting from the integration of the electrolyte business.

The dividend forecast remains unchanged.

(Reference) Consolidated Net Sales and Operating Profit by Segment (Unit: Billions of yen)

Item	Segment	Fiscal Year Ending March 31, 2021						The Previous Fiscal Year ended March 31, 2020	
		Previous Forecast		Revised Forecast		Change		Result	
		First Half (A)	Full Year (B)	First Half (C)	Full Year (D)	First Half (C)-(A)	Full Year (D)-(B)	First Half	Full Year
Net sales	Chemicals	125.0	260.0	112.0	243.0	(13.0)	(17.0)	146.4	286.0
	Construction Materials	140.0	290.0	139.0	279.0	(1.0)	(11.0)	152.7	303.0
	Machinery	36.0	79.0	35.0	78.0	(1.0)	(1.0)	42.0	90.7
	Others	1.0	3.0	1.5	3.0	0.5	0.0	2.3	4.5
	Adjustment	(9.0)	(18.0)	(7.5)	(11.0)	1.5	7.0	(8.4)	(16.5)
	Total	293.0	614.0	280.0	592.0	(13.0)	(22.0)	335.0	667.8
Operating profit	Chemicals	1.0	9.5	(2.5)	5.5	(3.5)	(4.0)	8.3	14.5
	Construction Materials	5.5	13.5	5.6	13.0	0.1	(0.5)	6.7	14.5
	Machinery	0.0	3.5	0.2	3.0	0.2	(0.5)	1.6	4.9
	Others	0.0	0.5	0.1	0.5	0.1	0.0	0.2	0.5
	Adjustment	(0.5)	(1.0)	0.0	(0.5)	0.5	0.5	(0.2)	(0.6)
	Total	6.0	26.0	3.4	21.5	(2.6)	(4.5)	16.7	34.0

Note: The above earnings forecasts are 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.