

Financial Results for the 1st Quarter FY2022

Explanatory material

August 4, 2022

1st Quarter: April - Jun

FY2022 1st Quarter Consolidated Result

Scope of Consolidation

Item	End of FY2021 (A)	End of FY2022 1Q (B)	Difference (B) - (A)	Notes
Number of consolidated subsidiaries	65	37	(28)	<ul style="list-style-type: none"> - Meiwa Plastic Industries, Ltd. - R-Koma, Ltd. - UBE Construction Materials Sales Co., Ltd. - UBE Construction Materials Co., Ltd. - Ube Industries Cement Service Co., Ltd. - Ube Material Industries, Ltd. - Ozawa Corporation - Kanto Ube Concrete Co., Ltd. - Kanto Ready-mixed Concrete Transportation Co., Ltd. - Sanyo Ube Co., Ltd. - Daikyo Kigyo Co., Ltd. - Nishiharima Ube Co., Ltd. - Hagimori Logistics, Ltd. - Fuji Ube Concrete Co., Ltd. - Hokkaido Ube Transportation Co., Ltd. <ul style="list-style-type: none"> - Ichinoseki Remicon Co., Ltd. - UBE SHIPPING & LOGISTICS, LTD. - Ube Industries Consulting, Ltd. - Ube Sand Co., Ltd. - Oita Ube Co., Ltd. - Kansai Ube Co., Ltd. - Kanto Ube Holdings Co., Ltd. - Sanshin Tsusho Co., Ltd. - Shinko Transportation & Warehouse Co., Ltd. - Chiba Ube Concrete Co., Ltd. - Hagimori Industries, Ltd. - Hiraizumi Co., Ltd. - Hokkaido Ube Co., Ltd.
Number of equity method affiliates	26	15	(11)	<ul style="list-style-type: none"> - Ube-Mitsubishi Cement Corporation - Kano Ube Concrete Co., Ltd. - KUSHIRO UBE Co., Ltd. - Bekkai Ube Concrete Co., Ltd. - Yamayo Trading Co., Ltd. - Chiba Riverment and Cement Corporation <ul style="list-style-type: none"> - Kitakyushu Ube Concrete Co., Ltd. - Chushikoku Ube Concrete Co., Ltd. - Hokuriku Ube Concrete Co., Ltd. - UBE Singapore Pte., Ltd. - Yamaguchi Eco-tech Corporation
Total	91	52	(39)	

Environmental Factors

Item		FY2021 1Q (A)	FY2022 1Q (B)	Difference (B) - (A)		
Exchange Rate	Yen/\$	109.5	129.6	20.1		
Material Price	Naphtha	CIF	\$/ t	601	950	349
		Domestic	Yen/KL	47,700	86,100	38,400
	Benzene (ACP)	\$/ t	933	1,227	294	
	Australian Coal (CIF)	\$/ t	130.3	393.8	263.5	
		Yen/t	14,261	51,018	36,757	

Major P/L Items

(Billions of yen)

Item	FY2021 1Q (A)	FY2022 1Q (B)	Difference (B) - (A)	Percentage change
Net sales	146.3	116.2	(30.1)	(20.6)%
Operating profit	8.9	4.4	(4.5)	(51.1)%
Ordinary profit	8.9	2.3	(6.6)	(74.3)%
Profit attributable to owners of parent	4.8	5.7	1.0	20.7%

Net Sales and Operating Profit by Segment

(Billions of yen)

	Segment *	FY2021 1Q (A)	FY2022 1Q (B)	Difference (B) - (A)	Percentage change
Net sales	Specialty Products	14.3	15.3	0.9	6.4%
	Polymers & Chemicals	57.3	71.4	14.2	24.8%
	Machinery	21.4	20.3	(1.1)	(5.1)%
	Others	12.6	15.6	3.0	24.2%
	Adjustment	40.7	(6.5)	(47.2)	-
	Total	146.3	116.2	(30.1)	(20.6)%
Operating profit	Specialty Products	2.6	2.8	0.2	8.0%
	Polymers & Chemicals	5.3	1.9	(3.4)	(64.2)%
	Machinery	0.7	0.4	(0.4)	(52.3)%
	Others	0.5	0.7	0.2	33.5%
	Adjustment	(0.2)	(1.4)	(1.1)	-
	Total	8.9	4.4	(4.5)	(51.1)%

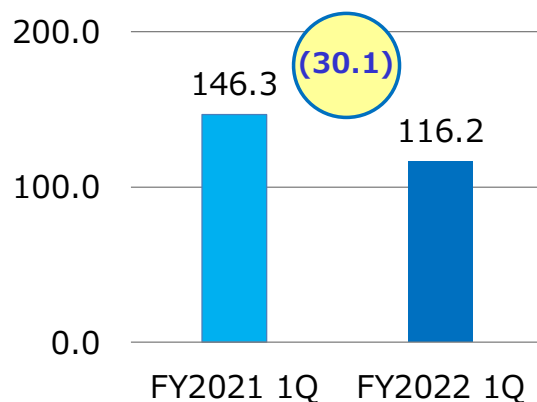
*: In accordance with the integration of the cement-related business into an equity-method affiliate from FY2022, the Company has been reclassified from "Chemicals", "Construction Materials", "Machinery" and "Others" into the four segments of "Specialty Products", "Polymers & Chemicals", "Machinery," and "Others". Pharmaceutical is included in "Others".

Therefore, the results for the 1st quarter of 2021 have also been reclassified into new segment categories for comparison, and "Construction Materials" is included in "Adjustment".

Analysis – Total

(Billions of yen)

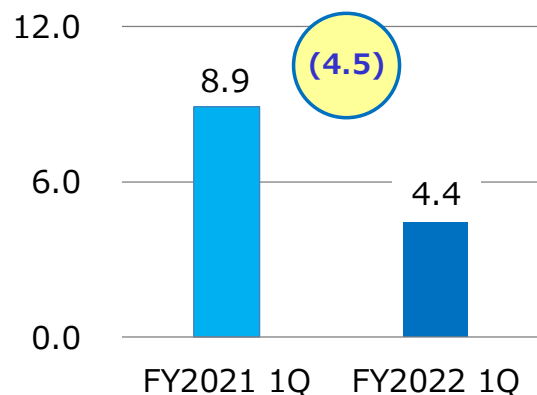
Net Sales



Specialty Products	0.9
Polymers & Chemicals	14.2
Machinery	(1.1)
Others	3.0
Adjustment	(47.2)

(20.6)% Decreased

Operating profit



Specialty Products	0.2
Polymers & Chemicals	(3.4)
Machinery	(0.4)
Others	0.2
Adjustment	(1.1)

(51.1)% Decreased

Qualitative Information

Net sales: Down

- Cement-related: Business split and transferred to an equity-method affiliate
- Polymers & Chemicals: Higher sales prices due to higher raw material market prices

Operating profit: Down

- Specialty Products: Overall sales strong
- Polymers & Chemicals: biennial inspection and repairs at ammonia plant, and higher raw material prices

Difference of operating profit

Price ※1 (1.3)

Volume (2.0)

Fixed Cost and Others ※2 (1.2)

Total (4.5)

*1: Including both selling and purchase change

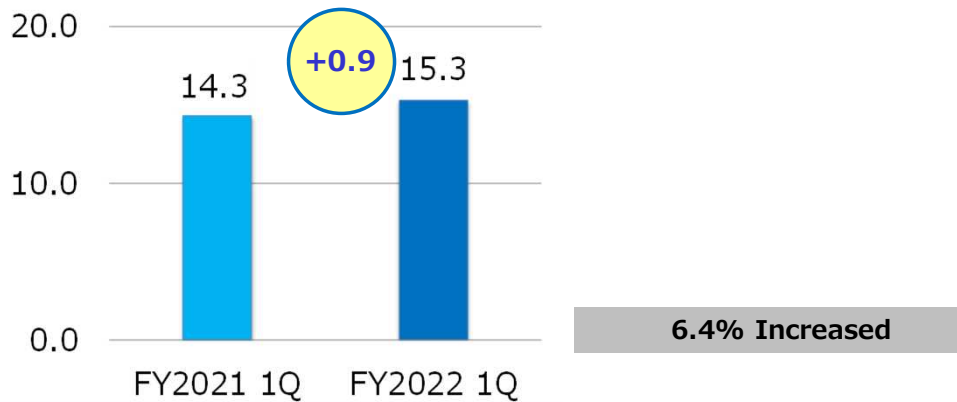
*2: Including inventory valuation changes and lowest cost accounting

Including Impact of the split of the cement-related business

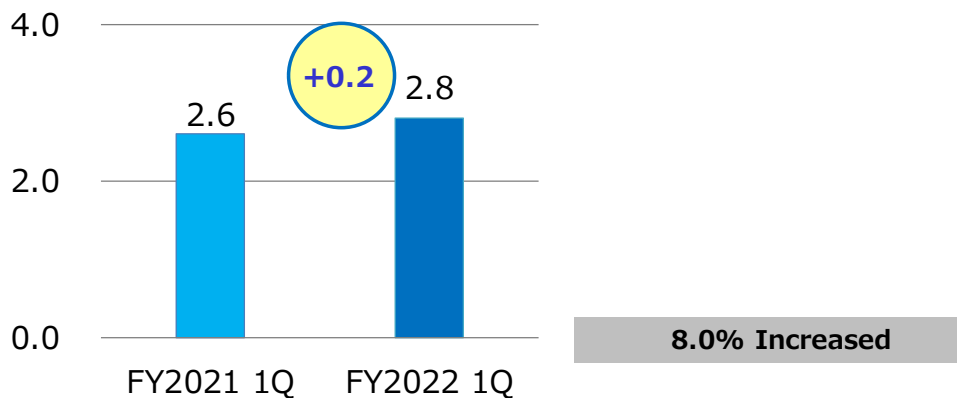
Analysis – Specialty Products

(Billions of yen)

Net Sales



Operating profit



Qualitative Information

Net sales: Up

- Polyimides: Strong sales such as COF film for displays
- Separation membranes: Strong demand mainly for biogas-related applications
- Ceramics: Strong demand for bearings and substrate applications

Operating profit: Up

- Strong demand for separation membranes and ceramics despite effect of automobile production cutbacks

Difference of operating profit

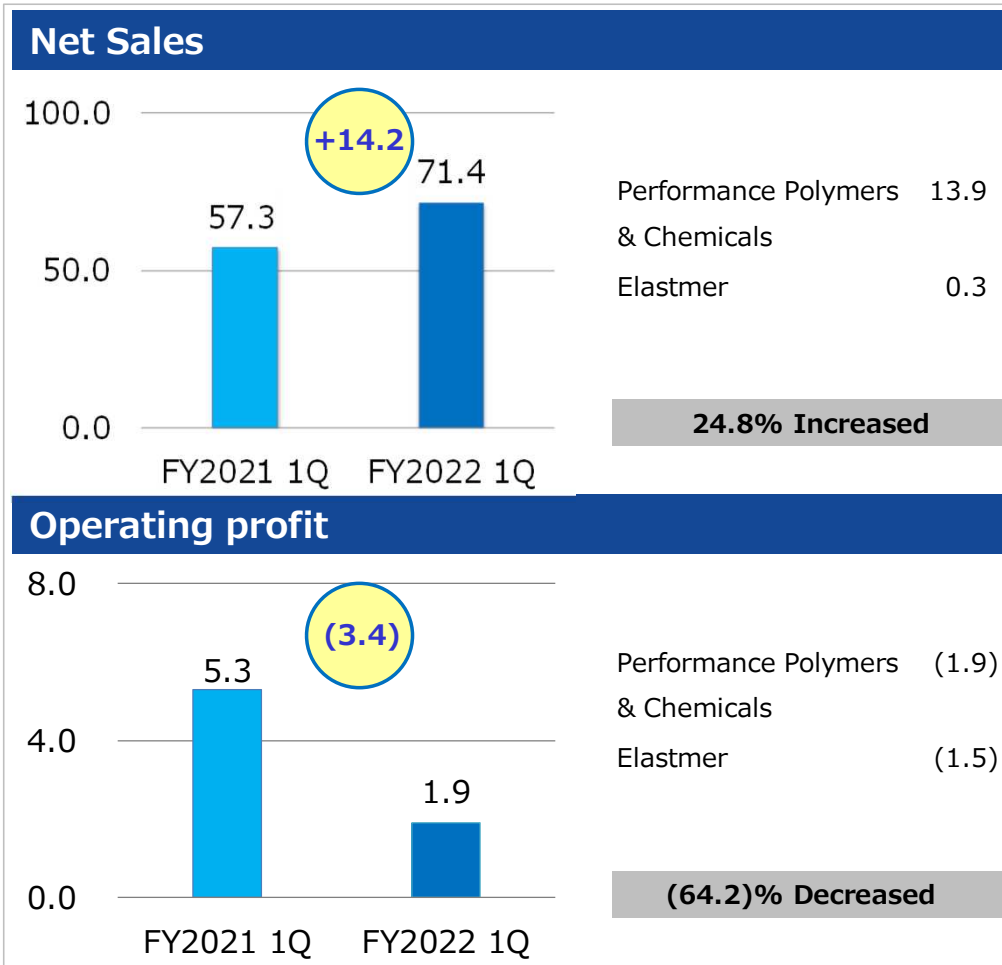
Price ※1	(0.3)
Volume	0.4
Fixed Cost and Others ※2	0.1
Total	0.2

*1: Including both selling and purchase change

*2: Including inventory valuation changes

Analysis – Polymers & Chemicals

(Billions of yen)



Qualitative Information

Net sales: Up

- Caprolactam & ammonium sulfate: Higher ammonium sulfate prices due to higher raw material market prices
- Nylon polymers: Higher sales prices due to higher raw material prices, etc., and firm demand for food packaging film, etc.
- Composites: Higher sales prices due to higher raw material prices, etc., despite the impact of automobile production cutbacks

Operating profit: Down

- Biennial inspection at ammonia plant, and higher raw material prices

Difference of operating profit

Price ※1	(1.1)
Volume	(2.2)
Fixed Cost and Others ※2	(0.2)
Total	(3.4)

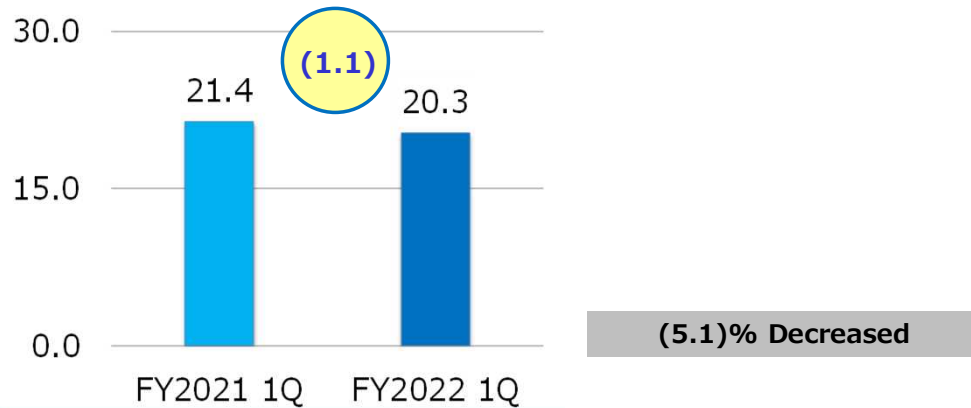
*1: Including both selling and purchase change

*2: Including inventory valuation changes and lowest cost accounting

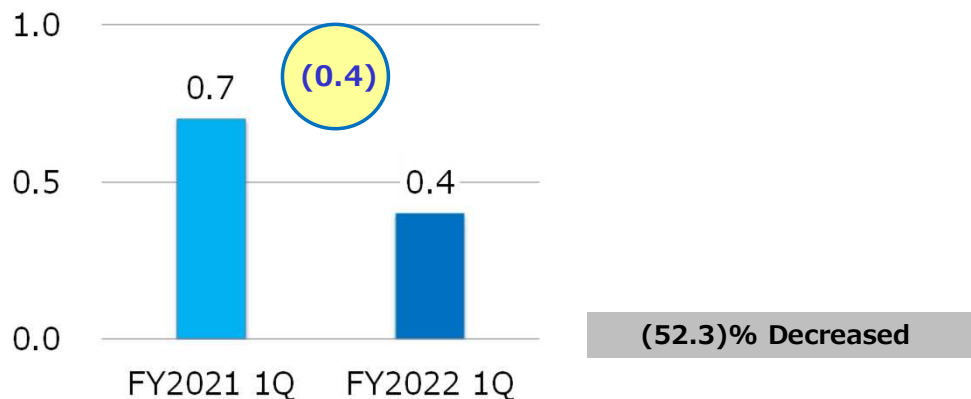
Analysis – Machinery

(Billions of yen)

Net Sales



Operating profit



Qualitative Information

Net sales: Down

- Industrial machines: Large projects such as bulk handling machines for electric power companies completed
- Steel products: Higher sales prices due to higher raw material prices, etc.

Operating profit: Down

- Decrease in sales of industrial machines

Difference of operating profit

Price ※1 0.0

Volume (0.2)

Fixed Cost and Others ※2 (0.2)

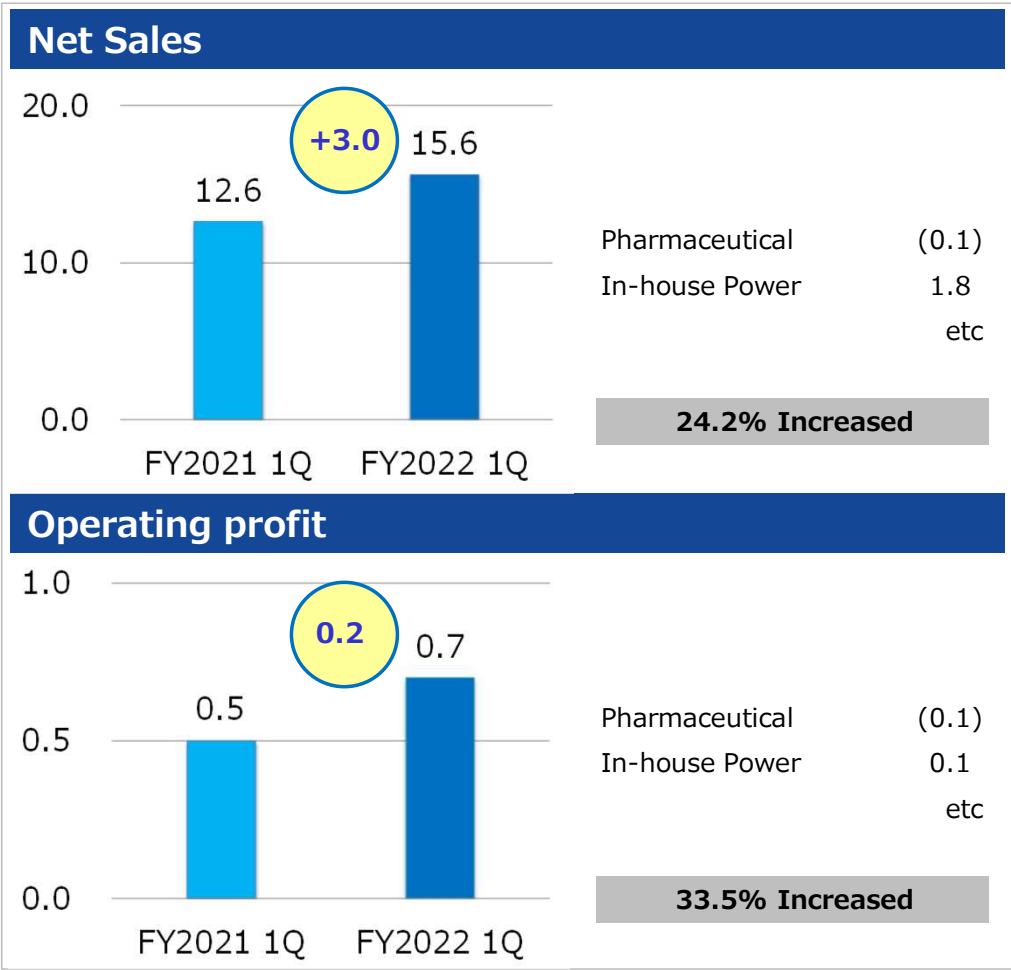
Total (0.4)

*1: Including both selling and purchase change

*2: Including marginal profit on machinery product (0.1)

Analysis – Others

(Billions of yen)



Qualitative Information

Net sales: Up

- In-house Power: Sales of electricity supply to cement-related businesses recorded and prices increased

Operating profit: Up

- Higher sales price of electricity

Difference of operating profit

Price ※1	0.0
Volume	0.0
Fixed Cost and Others	0.1
Total	0.2

*1: Including both selling and purchase change

Operating Profit – Profit attributable to owners of parent

(Billions of yen)

Item	FY2021 1Q (A)	FY2022 1Q (B)	Difference (B) - (A)
Operating profit	8.9	4.4	(4.5)
Non-operating income (expenses)	0.0	(2.1)	(2.1)
Net interests expenses	0.3	0.8	0.5
Share of profit (loss) of entities accounted for using equitiy method	0.2	(3.2)	(3.3)
Share of loss of entities accounted for using equitiy method related to Mitsubishi UBE Cement Corporation	–	(3.4)	(3.4)
Foreign exchange gains	0.1	1.0	0.9
Others	(0.5)	(0.7)	(0.2)
Ordinary profit	8.9	2.3	(6.6)
Extraordinary income (losses)	(0.0)	7.3	7.4
Profit before income taxes	8.9	9.6	0.8
Income taxes and profit (loss) attributable to non-controlling interests	(4.1)	(3.9)	0.2
Profit attributable to owners of parent	4.8	5.7	1.0
Net income per share	47.31 yen	59.25 yen	11.94 yen

Consolidated Balance Sheet

(Billions of yen)

Item	End of FY2021 (A)	End of FY2022 1Q (B)	Difference (B) - (A)
Current assets	394.7	271.4	(123.3)
Fixed assets	443.1	465.8	22.7
Total assets	838.0	737.3	(100.6)
Interest-bearing debt	241.8	188.9	(52.9)
Other liabilities	202.1	142.9	(59.3)
Total liabilities	443.9	331.8	(112.1)
Shareholders' equity *	369.1	380.1	11.0
Non-controlling interests and others	24.9	25.4	0.5
Total net assets	394.0	405.5	11.5
Total liabilities and net assets	838.0	737.3	(100.6)

*: Shareholders' equity = Net assets – Share acquisition rights – Non-controlling interests

Consolidated Statements of Cash Flows

(Billions of yen)

Item	FY2021 1Q	FY2022 1Q	
A.Cash flows from operating activities	14.3	16.2	Profit before income taxes 9.6 Depreciation and amortization 6.2 Increase in working capital 3.2 Income taxes paid (3.5) etc.
B.Cash flows from investing activities	(9.3)	0.2	Increase in short-term loans receivable 8.3 Acquisition of PP&E (5.7) Payments for investments in capital of subsidiaries and associates (2.5) etc.
Free cash flows (A+B)	5.1	16.4	
C.Cash flows from financing activities	(19.8)	(14.4)	Decrease in interest-bearing debts (9.3) Dividends paid (5.0) etc.
D.Net increase/decrease in cash and cash equivalents	(14.6)	(38.1)	Decrease in cash and cash equivalents resulting from corporate spin-off (41.3) etc.
E.Cash and cash equivalents at end of the quarter	65.0	40.6	

FY2022 Consolidated Forecasts

Scope of Consolidation

Item	End of FY2021 (A)	End of FY2022 (B)	Difference (B) - (A)	Notes
Number of consolidated subsidiaries	65	34	(31)	<ul style="list-style-type: none"> - Meiwa Plastic Industries, Ltd. - UBE Advanced Materials INC. - R-Koma, Ltd. - UBE Construction Materials Sales Co., Ltd. - UBE Construction Materials Co., Ltd. - Ube Industries Cement Service Co., Ltd. - Ube Material Industries, Ltd. - Ozawa Corporation - Kanto Ube Concrete Co., Ltd. - Kanto Ready-mixed Concrete Transportation Co., Ltd. - Sanyo Ube Co., Ltd. - Daikyo Kigyo Co., Ltd. - Nishiharima Ube Co., Ltd. - Hagimori Logistics, Ltd. - Fuji Ube Concrete Co., Ltd. - Hokkaido Ube Transportation Co., Ltd. - Ube Reality & Development Co., Ltd. - Advanced Electrolyte Technologies LLC - Ichinoseki Remicon Co., Ltd. - UBE SHIPPING & LOGISTICS, LTD. - Ube Industries Consulting, Ltd. - Ube Sand Co., Ltd. - Oita Ube Co., Ltd. - Kansai Ube Co., Ltd. - Kanto Ube Holdings Co., Ltd. - Sanshin Tsusho Co., Ltd. - Shinko Transportation & Warehouse Co., Ltd. - Chiba Ube Concrete Co., Ltd. - Hagimori Industries, Ltd. - Hiraizumi Co., Ltd. - Hokkaido Ube Co., Ltd.
Number of equity method affiliates	26	15	(11)	<ul style="list-style-type: none"> - Ube-Mitsubishi Cement Corporation - Kano Ube Concrete Co., Ltd. - KUSHIRO UBE Co., Ltd. - Bekkai Ube Concrete Co., Ltd. - Yamayo Trading Co., Ltd. - Chiba Riverment and Cement Corporation - Kitakyushu Ube Concrete Co., Ltd. - Chushikoku Ube Concrete Co., Ltd. - Hokuriku Ube Concrete Co., Ltd. - UBE Singapore Pte., Ltd. - Yamaguchi Eco-tech Corporation
Total	91	49	(42)	

Environmental Factors

Item			FY2021 (A)	FY2022 (B)	Difference (B) - (A)	
Exchange Rate		Yen/\$	112.4	129.9 [130]	17.5	
Material Price	Naphtha	CIF	702	935 [930]	233	
		Domestic	Yen/KL	56,700	86,175 [86,200]	29,475
	Benzene (ACP)		\$/ t	990	1,222 [1,220]	232
	Australian Coal (CIF)		\$/ t	170.3	398.5 [400.0]	228.2
			Yen/t	19,133	51,755 [52,000]	32,622

[] : from 2Q to 4Q only

Major P/L Items

(Billions of yen)

Item	FY2021 (A)	FY2022 (B)	Difference (B) - (A)	Percentage change
Net sales	655.3	557.0	(98.3)	(15.0)%
Operating profit	44.0	32.0	(12.0)	(27.3)%
Ordinary profit	41.5	17.0	(24.5)	(59.1)%
Profit attributable to owners of parent	24.5	15.0	(9.5)	(38.8)%

Item	End of FY2021 (A)	End of FY2022 (B)	Difference (B) - (A)
Total assets	838.0	740.0	(98.0)
Interest-bearing debt	241.8	180.0	(61.8)
Equity capital *1	369.1	385.0	15.9
Dividend(Yen /Share)	*2 95.00	*3 100.00	5.00

*1: Equity capital = Net assets - Subscription rights to shares - Non-controlling interests

*2: Dividend: Interim/45yen, Fiscal year-end/50yen

*3: Dividend: Interim/50yen, Fiscal year-end/50yen

Net Sales and Operating profit by Segment

(Billions of yen)

	Segment *	FY2021 (A)	FY2022 (B)	Difference (B) - (A)	Percentage change
Net sales	Specialty Products	60.8	69.0	8.2	13.5%
	Polymers & Chemicals	260.0	344.0	84.0	32.3%
	Machinery	97.0	104.0	7.0	7.2%
	Others	54.2	75.0	20.8	38.3%
	Adjustment	183.2	(35.0)	(218.2)	-
	Total	655.3	557.0	(98.3)	(15.0)%
Operating profit	Specialty Products	11.6	13.0	1.4	11.8%
	Polymers & Chemicals	23.5	15.5	(8.0)	(34.1)%
	Machinery	5.1	5.0	(0.1)	(2.5)%
	Others	3.5	2.5	(1.0)	(29.5)%
	Adjustment	0.2	(4.0)	(4.2)	-
	Total	44.0	32.0	(12.0)	(27.3)%

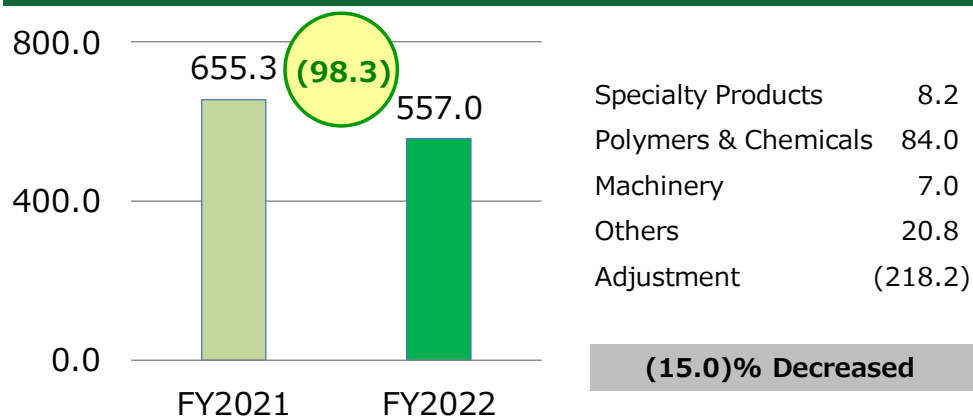
*: In accordance with the integration of the cement-related business into an equity-method affiliate from FY2022, the Company has been reclassified from "Chemicals", "Construction Materials", "Machinery" and "Others" into the four segments of "Specialty Products", "Polymers & Chemicals", "Machinery," and "Others". Pharmaceutical is included in "Others".

Therefore, the results for the 1st quarter of 2021 have also been reclassified into new segment categories for comparison, and "Construction Materials" is included in "Adjustment".

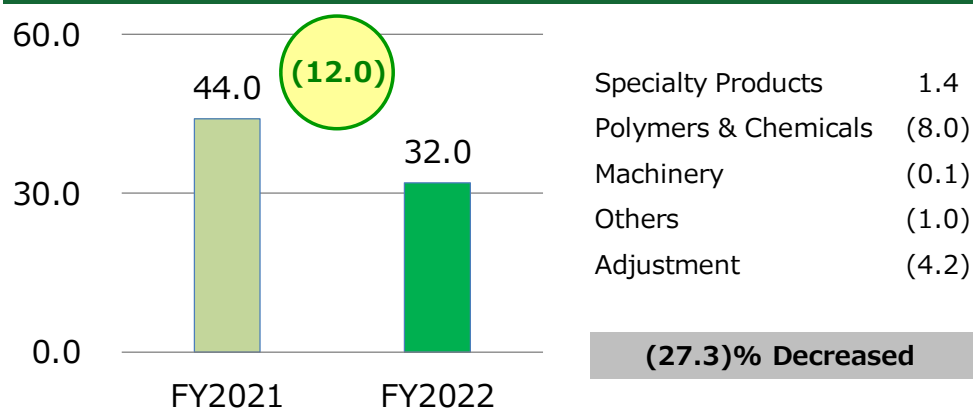
Analysis – Total

(Billions of yen)

Net sales



Operating profit



Revisions from the previous earnings forecasts published on May 12, 2022

Net sales: Upturn [510.0 → 557.0, +47.0]

- Polymers & Chemicals: Sales prices will be raised due to higher raw material prices
- Others: Rising electricity market conditions will lead to higher electricity sales prices
- Others: Yen-equivalent sales of sales companies outside Japan will rise due to yen depreciation

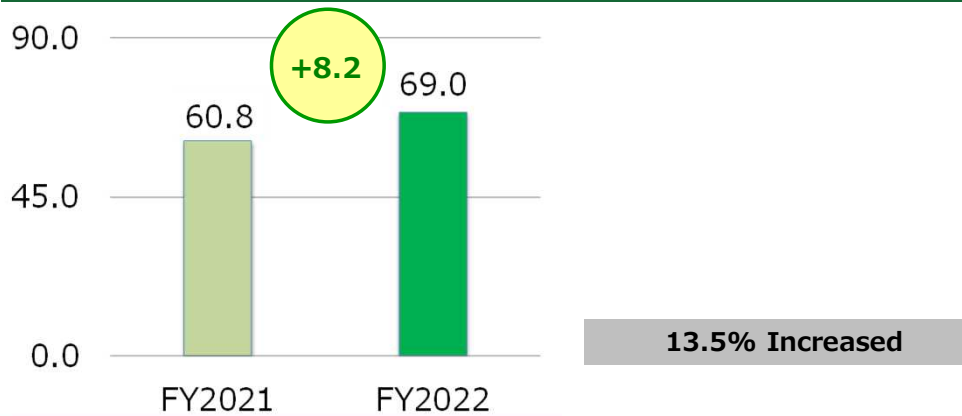
Operating profit: Downturn [34.5 → 32.0, (2.5)]

- Polymers & Chemicals: Costs will increase due to higher raw material prices
- Polymers & Chemicals: Demand will decrease due to automobile production cutbacks, etc.

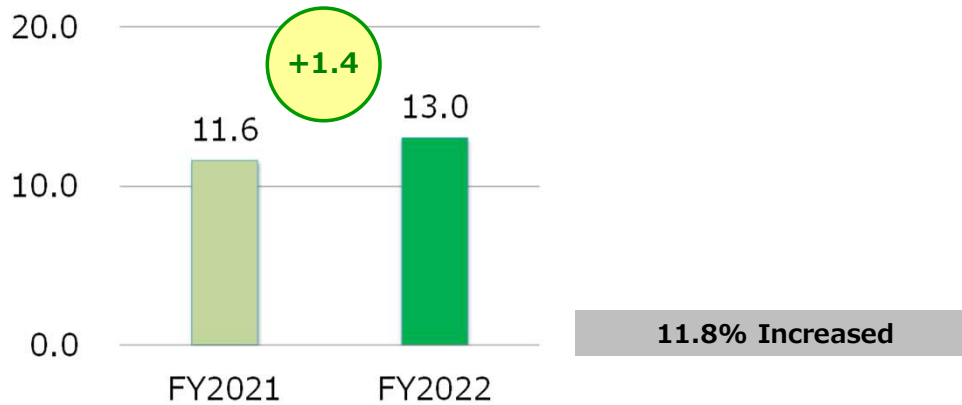
Analysis – Specialty Products

(Billions of yen)

Net sales



Operating profit



Revisions from the previous earnings forecasts published on May 12, 2022

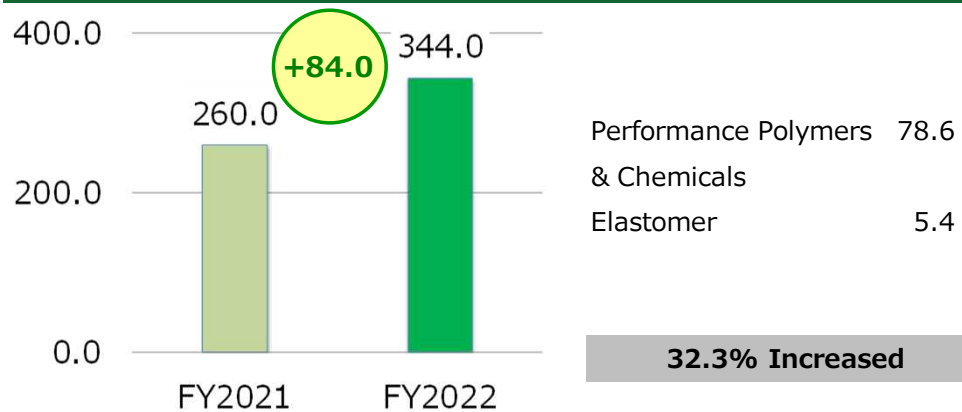
Net sales: No revision

Operating profit: No revision

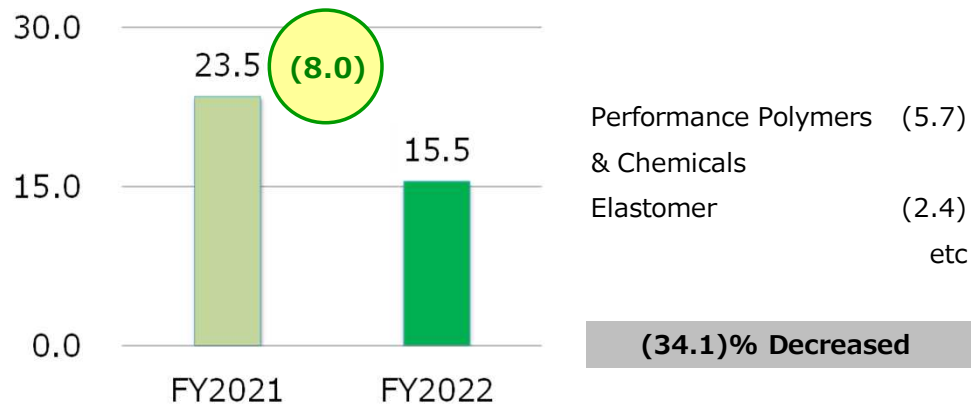
Analysis – Polymers & Chemicals

(Billions of yen)

Net sales



Operating profit



Revisions from the previous earnings forecasts published on May 12, 2022

Net sales: Upturn [302.0 → 344.0, +42.0]

- Sales prices of nylon polymers, synthetic rubbers, and other products will be raised due to higher raw material prices in general

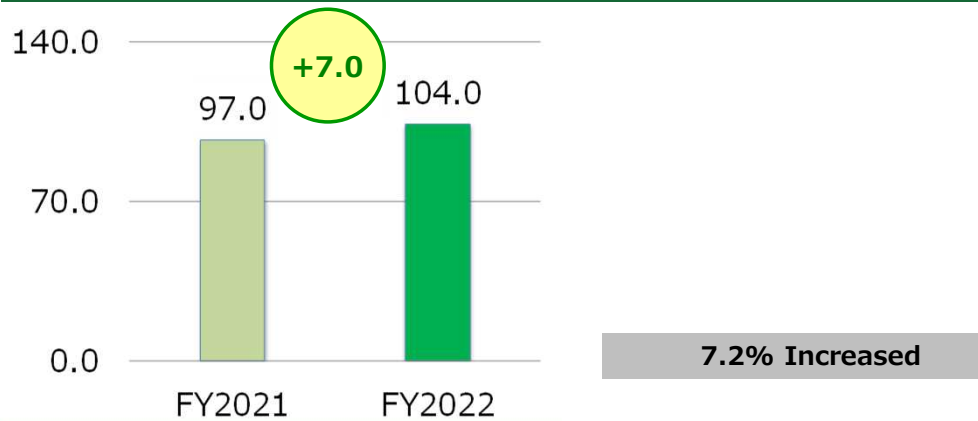
Operating profit: Downturn [18.5 → 15.5, (3.0)]

- Costs will increase due to higher raw material prices
- Demand will decrease due to automobile production cutbacks, etc.

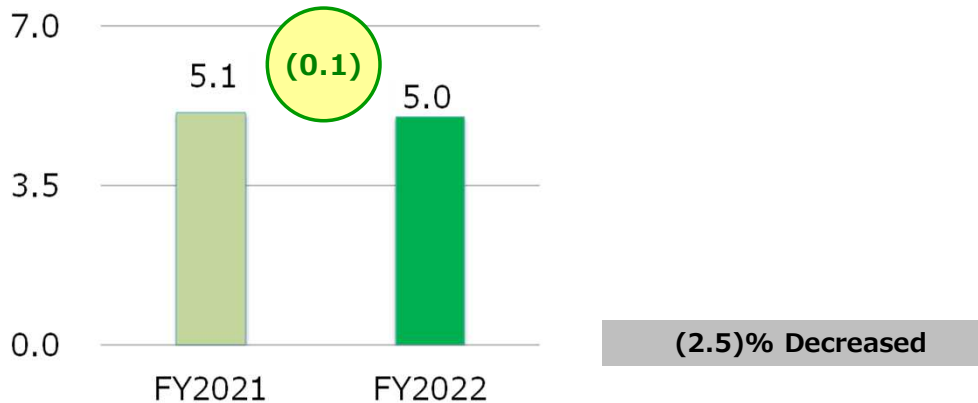
Analysis – Machinery

(Billions of yen)

Net sales



Operating profit



Revisions from the previous earnings forecasts published on May 12, 2022

Net sales: Downturn [106.0 → 104.0, (2.0)]

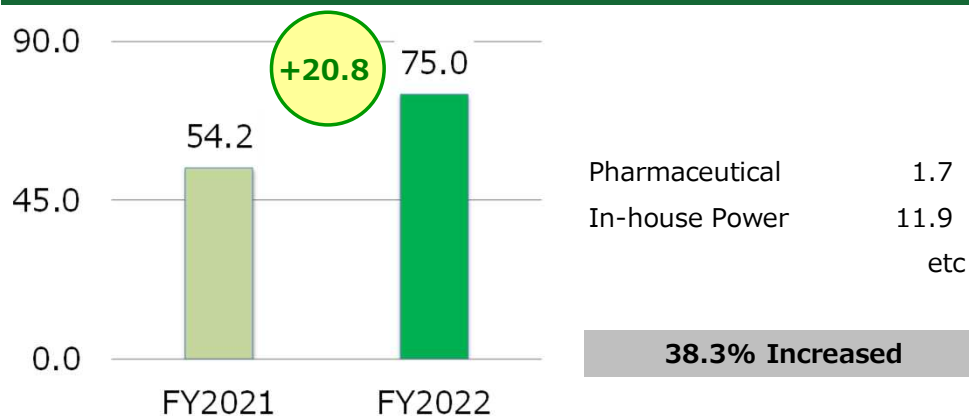
- Largely as planned

Operating profit: No revision

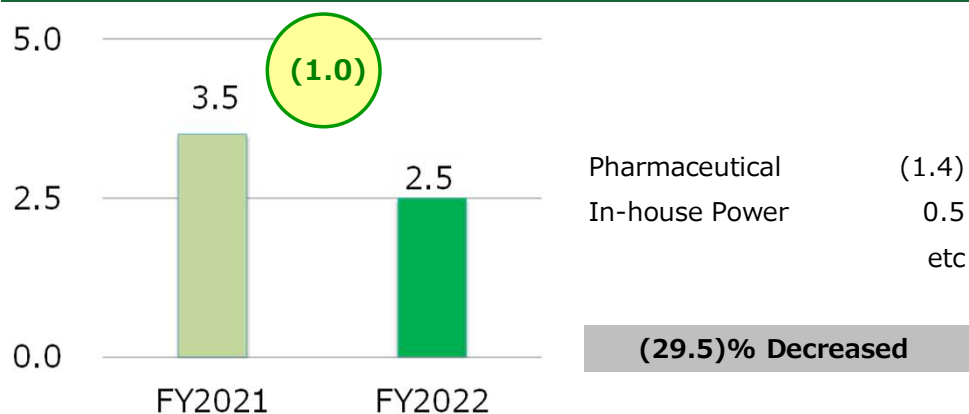
Analysis – Others

(Billions of yen)

Net sales



Operating profit



Revisions from the previous earnings forecasts published on May 12, 2022

Net sales: Upturn (60.0 → 75.0, +15.0)

- Rising electricity market conditions will lead to higher electricity sales prices
- Yen-equivalent sales of sales companies outside Japan will rise due to yen depreciation

Operating profit: No revision

Operating Profit – Profit attributable to owners of parent

(Billions of yen)

Item	FY2021 (A)	FY2022 (B)	Difference (B) - (A)
Operating profit	44.0	32.0	(12.0)
Non-operating income (expenses)	(2.5)	(15.0)	(12.5)
Share of loss of entities accounted for using equity method related to Mitsubishi UBE Cement Corporation	—	(13.0)	(13.0)
Ordinary profit	41.5	17.0	(24.5)
Extraordinary income (losses)	(4.8)	7.0	11.8
Profit before income taxes	36.8	24.0	(12.8)
Income taxes and profit (loss) attributable to non-controlling interests	(12.3)	(9.0)	3.3
Profit attributable to owners of parent	24.5	15.0	(9.5)
Net income per share	249.31 yen	154.88 yen	(94.43) yen

Reference

Difference of Net sales

(Billions of yen)

Segment	Previous forecasts 2022/5/12 (A)	Revised forecasts 2022/8/4 (B)	Difference (B) - (A)	Major factors
Specialty Products	69.0	69.0	—	
Polymers & Chemicals	302.0	344.0	42.0	Performance Polymers & Chemicals 32.0 Elastomer 10.0
Machinery	106.0	104.0	(2.0)	
Others	60.0	75.0	15.0	Pharmaceutical 0.2 In-house Power 6.8 etc.
Adjustment	(27.0)	(35.0)	(8.0)	
Total	510.0	557.0	47.0	

Difference of Operating profit

(Billions of yen)

Segment	Previous forecasts 2022/5/12 (A)	Revised forecasts 2022/8/4 (B)	Difference (B) - (A)	Major factors
Specialty Products	13.0	13.0	—	
Polymers & Chemicals	18.5	15.5	(3.0)	Performance Polymers & Chemicals (2.0) Elastomer (1.0)
Machinery	5.0	5.0	—	
Others	2.5	2.5	(0.0)	
Adjustment	(4.5)	(4.0)	0.5	
Total	34.5	32.0	(2.5)	

Analysis of Operating profit by Segment

(Billions of yen)

Segment	Operating profit					
	FY2021 1Q (A)	FY2022 1Q (B)	Difference (B) - (A)	Price *1	Volume	Fixed cost and others *2
Specialty Products	2.6	2.8	0.2	(0.3)	0.4	0.1
Polymers & Chemicals	5.3	1.9	(3.4)	(1.1)	(2.2)	(0.2)
Machinery	0.7	0.4	(0.4)	0.0	(0.2)	*3 (0.2)
Others	0.5	0.7	0.2	0.0	0.0	0.1
Adjustment	(0.2)	(1.4)	(1.1)	-	-	(1.1)
Total	8.9	4.4	(4.5)	(1.3)	(2.0)	(1.2)

*1: Including both selling and purchase change *2: Including inventory valuation changes and lowest cost accounting

*3: Including marginal profit on machinery product (0.1)

Progress of Major P/L Items

(Billions of yen)

Item	FY2021 Results (A)		FY2022 Forecasts (B)		Difference (B) - (A)	
		1Q Progress		1Q Progress		1Q
Net sales	655.3	146.3 22.3%	557.0	116.2 20.9%	(98.3)	(30.1)
Operating profit	44.0	8.9 20.2%	32.0	4.4 13.6%	(12.0)	(4.5)
Ordinary profit	41.5	8.9 21.5%	17.0	2.3 13.5%	(24.5)	(6.6)
Profit attributable to owners of parent	24.5	4.8 19.4%	15.0	5.7 38.3%	(9.5)	1.0

Net Sales

(Billions of yen)

Segment	FY2022					Full-year (forecast)	Progress
	1Q	2Q	3Q	4Q	Total		
Specialty Products	15.3	–	–	–	15.3	69.0	22.1%
Polymers & Chemicals	71.4	–	–	–	71.4	344.0	20.8%
Machinery	20.3	–	–	–	20.3	104.0	19.6%
Others	15.6	–	–	–	15.6	75.0	20.8%
Adjustment	(6.5)	–	–	–	(6.5)	(35.0)	–%
Total	116.2	–	–	–	116.2	557.0	20.9%

Operating Profit

(Billions of yen)

Segment	FY2022					Full-year (forecast)	Progress
	1Q	2Q	3Q	4Q	Total		
Specialty Products	2.8	–	–	–	2.8	13.0	21.7%
Polymers & Chemicals	1.9	–	–	–	1.9	15.5	12.2%
Machinery	0.4	–	–	–	0.4	5.0	7.1%
Others	0.7	–	–	–	0.7	2.5	26.0%
Adjustment	(1.4)	–	–	–	(1.4)	(4.0)	–%
Total	4.4	–	–	–	4.4	32.0	13.6%

4Q on 1Q – Net Sales

(Billions of yen)

Segment	FY2021 4Q (A)	FY2022 1Q (B)	Difference (B) - (A)	Major factors
Specialty Products	15.9	15.3	(0.7)	
Polymers & Chemicals	69.6	71.4	1.8	Performance Polymers & Chemicals 2.4 Elastmer (0.5) etc.
Machinery	26.2	20.3	(5.9)	
Others	16.5	15.6	(0.9)	Pharmaceutical (2.4) In-house power 1.2 etc.
Adjustment	50.3	(6.5)	(56.8)	
Total	178.6	116.2	(62.5)	

4Q on 1Q – Operating Profit

(Billions of yen)

Segment	FY2021 4Q (A)	FY2022 1Q (B)	Difference (B) - (A)	Major factors
Specialty Products	2.8	2.8	(0.0)	
Polymers & Chemicals	5.7	1.9	(3.8)	Performance Polymers & Chemicals (3.6) Elastmer (0.2)
Machinery	1.9	0.4	(1.6)	
Others	1.9	0.7	(1.3)	Pharmaceutical (1.1) In-house power (0.1) etc.
Adjustment	(1.2)	(1.4)	(0.2)	
Total	11.2	4.4	(6.8)	

Net Sales and Operating Profit by Business Portfolio

(Billions of yen)

	Business portfolio	FY2021	FY2022 full-year	Progress
		1Q (A)	(forecast) (B)	
Net sales	Specialty business	30.3	147.5	20.5%
	Basic business	70.8	320.0	22.1%
	Machinery business	20.3	104.0	19.6%
	Other businesses (incl. adjustment)	(5.2)	(14.5)	-
	Total	116.2	557.0	20.9%
Operating profit	Specialty business	3.5	24.5	14.3%
	Basic business	1.3	8.5	15.6%
	Machinery business	0.4	5.0	7.0%
	Other businesses (incl. adjustment)	(0.8)	(6.0)	-
	Total	4.4	32.0	13.6%

Consolidated Key Indicators

(Billions of yen)

Item	FY2021 1Q	FY2022 1Q	FY2022 full-year (forecast)	FY2021 full-year
Capital investment	6.8	7.4	39.0	39.6
Depreciation and amortization	9.1	6.2	24.0	36.5
Research and development expenses	2.8	2.4	11.0	11.8
Adjusted operating profit	9.6	2.2	21.0	43.3
Interest-bearing debt	204.4	188.9	180.0	241.8
Shareholders' equity	353.9	380.1	385.0	369.1
Total assets	763.0	737.3	740.0	838.0
D/E ratio (times)	0.58	0.50	0.47	0.66
Shareholders' equity ratio (%)	46.4	51.6	52.0	44.1
Return on sales - ROS (%)	6.1	3.7	5.7	6.7
Return on assets - ROA (%)	-	-	2.6	5.4
Return on equity - ROE (%)	-	-	4.0	6.7
Number of employees	11,113	7,722	7,700	9,849

Consolidated Major Subsidiaries

(Billions of yen)

Subsidiaries	Business	Net Sales FY2022 1Q	Difference of operating profit from FY2021 1Q
UBE Corporation Europe, S.A. Unipersonal	Manufacture and sales of nylon, caprolactam, ammonium sulfate and fine chemical products	20.0	→
UBE Chemicals (Asia) Public Company Limited	Manufacture and sales of nylon, caprolactam and ammonium sulfate	16.1	↓
THAI SYNTHETIC RUBBERS COMPANY LIMITED	Manufacture and sales of polybutadiene rubber	4.0	↓
Ube Film, Ltd.	Manufacture and sales of plastic film products	2.6	↓
UBE EXSYMO CO., LTD.	Manufacture and sales of polypropylene molded products, fibers, fiber-reinforced plastics and electronic and information materials	2.9	↓
UBE Machinery Corporation, Ltd.	Manufacture, sales, and service of molding machines, industrial machinery and bridge, etc.	9.4	↓
UBE Steel Co., Ltd	Manufacture and sales of cast iron and steel products and rolled steel billets	8.1	↓

Note: ↑ ↓ represents increase or decrease of over 0.1 billion JPY

Announcement of 1st half Business Results

- **Announcement of 1st half Business Results**
 - **November 4, 2022 15:00**

- **Telephone Conference for 1st half Business Results**
 - **November 4, 2022 18:00 – 19:00**

(Note) This schedule is subject to change without notice due to circumstances

UBE *Transform Tomorrow Today*

This presentation material contains forward-looking statements concerning UBE's future plans, strategies, and performance. These forward-looking statements are not historical facts; rather, they represent assumptions and beliefs based on economic, financial, and competitive conditions currently observable. Forward-looking statements include information preceded by, followed by, or including the words "project", "predicts", "expects", "forecasts", "could", "may", or similar expressions. Furthermore, they are subject to a number of risks and uncertainties which include, but are not limited to, economic conditions in key markets, supply and demand of products, the prices of raw material and fuel, interest rates, and exchange rates. Readers of this presentation material are cautioned not to place undue reliance on these forward-looking statements. Actual results may differ materially from expectations. Copyright 2022 UBE Corporation All Rights Reserved