



MEMBERSHIP

October 28, 2022

Company name: UBE Corporation
 Security code: 4208 (shares listed on Prime Section of Tokyo Stock Exchange and Fukuoka Stock Exchange)
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UBE Corporation Announces Revised Earnings Forecasts

UBE Corporation has revised its earnings forecasts for the fiscal year ending March 31, 2023, previously announced on August 4, 2022. The changes are described below.

1 Revised Earnings Forecast for the First Half of the Fiscal Year ending March 31, 2023 (April 1, 2022 to September 30, 2022)

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)	261.0	10.0	(1.0)	1.5	15.49
Revised forecast (B)	244.8	8.5	(1.8)	(0.3)	(3.10)
Change (B-A)	(16.2)	(1.5)	(0.8)	(1.8)	
Percentage change	(6.2)%	(15.0)%	-	-	
Previous fiscal year	306.7	19.1	17.9	9.5	95.89

2 Revised Earnings Forecast for the Full Year of the Fiscal Year ending March 31, 2023 (April 1, 2022 to March 31, 2023)

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)	557.0	32.0	17.0	15.0	154.88
Revised forecast (B)	547.0	29.0	4.5	2.0	20.63
Change (B-A)	(10.0)	(3.0)	(12.5)	(13.0)	
Percentage change	(1.8)%	(9.4)%	(73.5)%	(86.7)%	
Previous fiscal year	655.3	44.0	41.5	24.5	249.31

3 Reasons for the Revision

(First half of the fiscal year ending March 31, 2023)

Net sales are projected to fall short of the previous forecast, mainly due to lower sales volumes of nylon polymers, caprolactam, and other products in the Polymers & Chemicals segment resulting from slowing demand in the Asian and European markets.

Operating profit, ordinary profit, and profit attributable to owners of parent are expected to fall short of the previous forecasts, despite strong product demand in the Specialty Products segment. This is due to lower sales volumes of nylon polymers and caprolactam and a narrowing price spread (difference between selling prices and main raw material prices), as well as the postponement to the next quarter of shipments of some products in the Machinery segment resulting from logistics disruptions and other factors.

(Full year of the fiscal year ending March 31, 2023)

Although demand is expected to recover in general in the second half of the fiscal year, the Company anticipates the full-year results to fall below the previous forecast due to the significant impact of the downturn in the first half of the fiscal year. Also, as announced on September 26, 2022, share of profit of entities accounted for using equity method is expected to deteriorate due to an extraordinary loss to be recorded by an equity-method affiliate as a result of a revision of the production system in the cement-related 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, 2023						The Previous Fiscal Year ended March 31, 2022	
		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	Specialty Products	33.0	69.0	31.8	69.0	(1.2)	0.0	29.0	60.8
	Polymers & Chemicals	160.0	344.0	149.5	340.0	(10.5)	(4.0)	119.4	260.0
	Machinery	49.0	104.0	45.3	101.0	(3.7)	(3.0)	45.4	97.0
	Others	36.0	75.0	33.4	73.0	(2.6)	(2.0)	24.4	54.2
	Adjustment	(17.0)	(35.0)	(15.1)	(36.0)	1.9	(1.0)	88.5	183.2
	Total	261.0	557.0	244.8	547.0	(16.2)	(10.0)	306.7	655.3
Operating profit	Specialty Products	5.5	13.0	5.5	13.0	0.0	0.0	5.2	11.6
	Polymers & Chemicals	3.5	15.5	2.4	12.5	(1.1)	(3.0)	9.6	23.5
	Machinery	2.0	5.0	1.2	4.5	(0.8)	(0.5)	2.4	5.1
	Others	1.0	2.5	1.2	3.0	0.2	0.5	1.2	3.5
	Adjustment	(2.0)	(4.0)	(1.8)	(4.0)	0.2	0.0	0.8	0.2
	Total	10.0	32.0	8.5	29.0	(1.5)	(3.0)	19.1	44.0

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.