

Financial Results for the 1st half FY2022

Explanatory material

November 4, 2022

1st Half: April - September

FY2022 1st half Consolidated Result

Scope of Consolidation

Item	End of FY2021 (A)	End of FY2022 2Q (B)	Difference (B) - (A)	Notes
Number of consolidated subsidiaries	65	36	(29)	<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"> - Ube Reality & Development Co., Ltd. - 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	51	(40)	

Environmental Factors

Item			FY2021 2Q	FY2022 2Q	Difference	
			(A)	(B)	(B) - (A)	
Exchange Rate		Yen/\$	109.8	134.0	24.2	
Material Price	Naphtha	CIF	\$/ t	638	889	251
		Domestic	Yen/KL	50,600	83,500	32,900
	Benzene (ACP)		\$/ t	981	1,171	190
	Australian Coal (CIF)		\$/ t	143.5	406.5	263.0
			Yen/t	15,756	54,459	38,703

Major P/L Items

(Billions of yen)

Item	FY2021 2Q (A)	FY2022 2Q (B)	Difference (B) - (A)	Percentage change
Net sales	306.7	244.8	(61.9)	(20.2)%
Operating profit	19.1	8.5	(10.6)	(55.4)%
Ordinary profit (loss)	17.9	(1.8)	(19.7)	—
Profit (loss) attributable to owners of parent	9.5	(0.3)	(9.9)	—

Net Sales and Operating Profit by Segment

(Billions of yen)

	Segment*	FY2021 2Q (A)	FY2022 2Q (B)	Difference (B) - (A)	Percentage change
Net sales	Specialty Products	29.0	31.8	2.7	9.4%
	Polymers & Chemicals	119.4	149.5	30.1	25.2%
	Machinery	45.4	45.3	(0.1)	(0.2)%
	Others	24.4	33.4	9.0	36.7%
	Adjustment	88.5	(15.1)	(103.6)	–
	Total	306.7	244.8	(61.9)	(20.2)%
Operating profit	Specialty Products	5.2	5.5	0.3	6.8%
	Polymers & Chemicals	9.6	2.4	(7.1)	(74.8)%
	Machinery	2.4	1.2	(1.1)	(48.4)%
	Others	1.2	1.2	0.1	6.0%
	Adjustment	0.8	(1.8)	(2.7)	–
	Total	19.1	8.5	(10.6)	(55.4)%

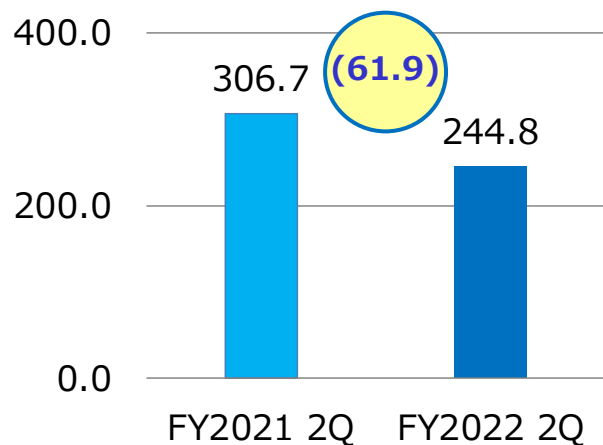
*: In accordance with the integration of the cement-related business into an equity-method affiliate from FY2022, the Company has been reclassified from "Chemicals", "Construction Materials", "Machinery" and "Others" into the four segments of "Specialty Products", "Polymers & Chemicals", "Machinery,"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

Therefore, the results for the 1st half of FY2021 have also been reclassified into new segment categories for comparison, and "Construction Materials" is included in "Adjustment".

Analysis – Total

(Billions of yen)

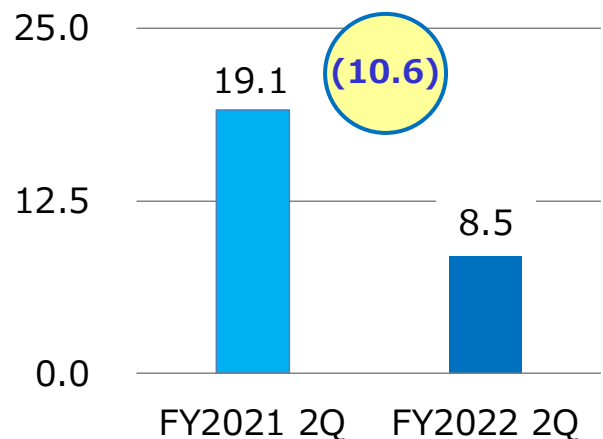
Net Sales



Specialty Products	2.7
Polymers & Chemical	30.1
Machinery	(0.1)
Others	9.0
Adjustment	(103.6)

(20.2)% Decreased

Operating profit



Specialty Products	0.3
Polymers & Chemical	(7.1)
Machinery	(1.1)
Others	0.1
Adjustment	(2.7)

(55.4)% 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: higher prices of raw material and fuel, and biennial inspection and repairs at ammonia plant

Difference of operating profit

Price ※1	(3.3)
Volume	(1.9)
Fixed Cost and Others ※2	(5.4)
Total	(10.6)

*1: Including both selling and purchase change

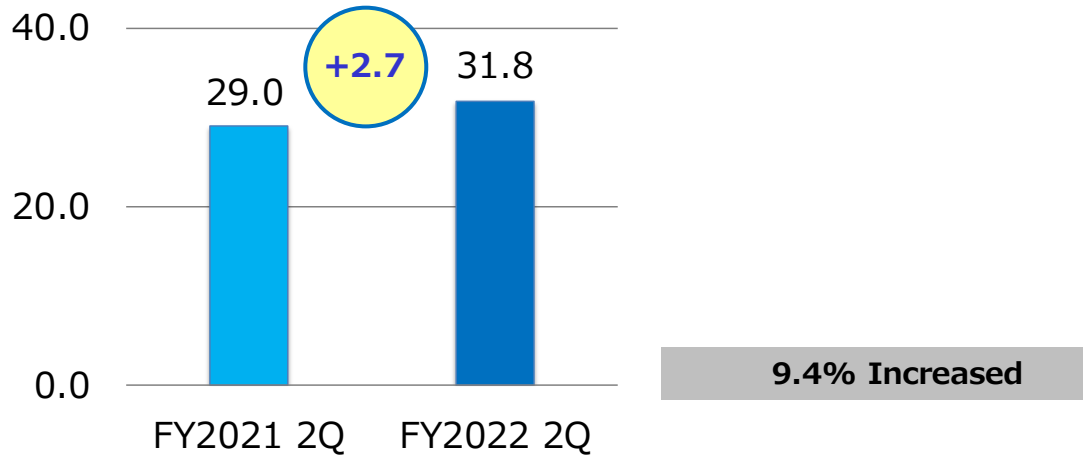
*2: Including inventory valuation changes and lowest cost accounting

Including Impact of the split of the cement-related business

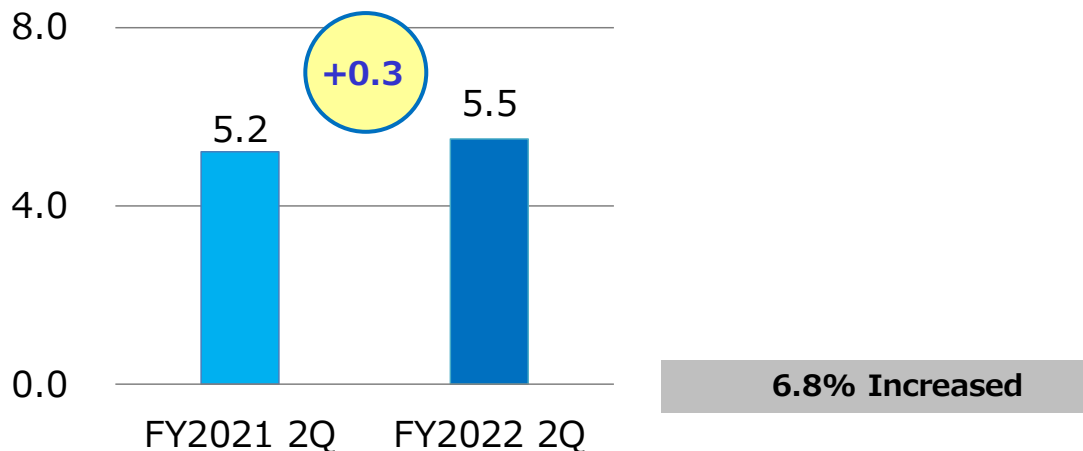
Analysis – Specialty Products

(Billions of yen)

Net Sales



Operating profit



Qualitative Information

Net sales: Up

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

Operating profit: Up

- Strong sales of separation membranes and ceramics despite effect of automobile production cutbacks on separators

Difference of operating profit

Price ※1 (0.4)

Volume 1.0

Fixed Cost and Others ※2 (0.3)

Total 0.3

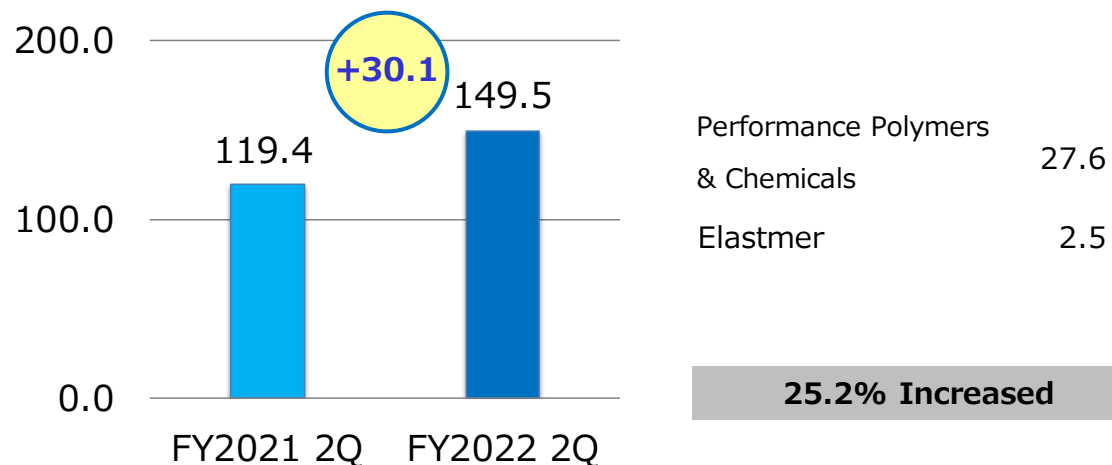
*1: Including both selling and purchase change

*2: Including inventory valuation changes

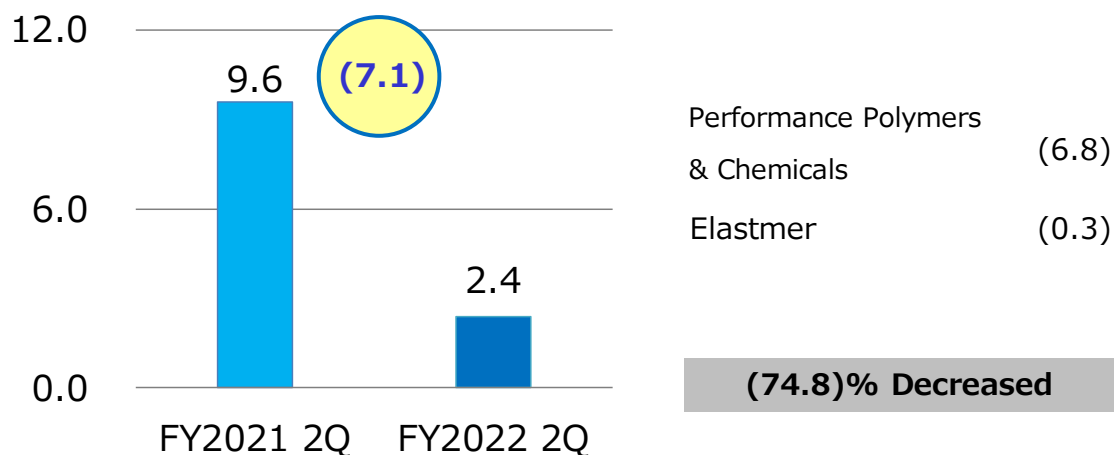
Analysis – Polymers & Chemicals

(Billions of yen)

Net Sales



Operating profit



Qualitative Information

Net sales: Up

- Nylon polymers: Higher sales prices due to higher raw material prices, etc., despite a slowdown in demand for food packaging film and other applications overseas
- Caprolactam & ammonium sulfate: Higher ammonium sulfate prices due to higher raw material market prices
- Elastmer: Higher sales prices due to higher raw material prices, etc.

Operating profit: Down

- Higher prices of raw material and fuel, and biennial inspection and repairs at ammonia plant

Difference of operating profit

Price ※1	(3.4)
Volume	(3.1)
Fixed Cost and Others ※2	(0.7)
Total	(7.1)

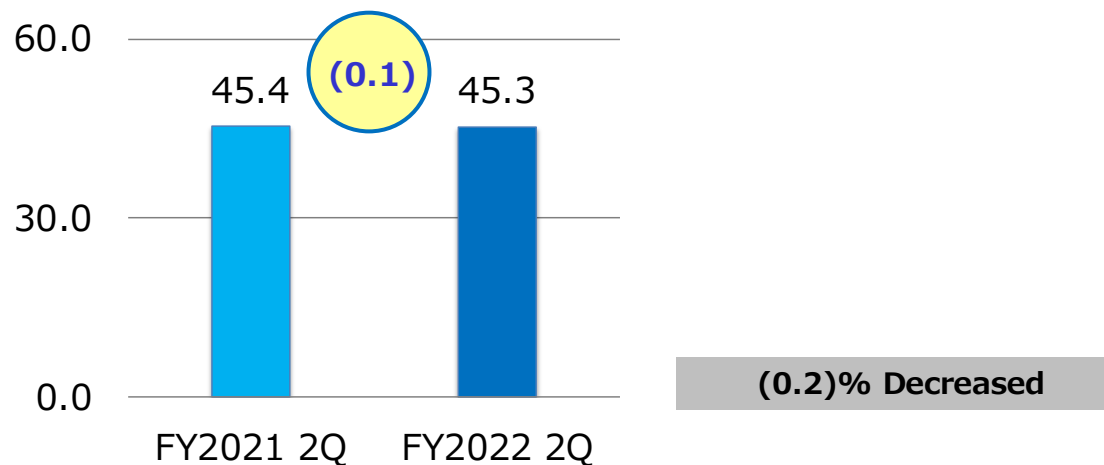
*1: Including both selling and purchase change

*2: Including inventory valuation changes and lowest cost accounting

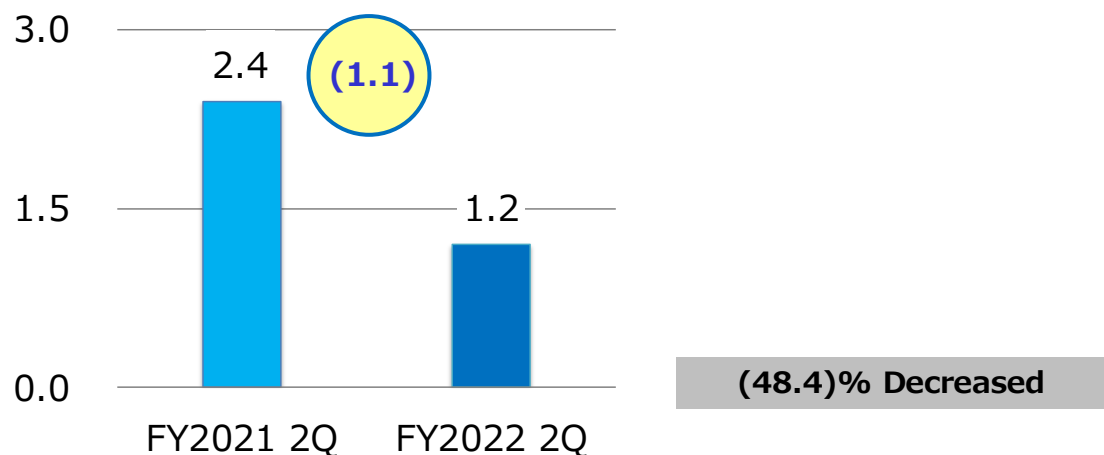
Analysis – Machinery

(Billions of yen)

Net Sales



Operating profit



Qualitative Information

Net sales: Down

- Molding machine: Increased sales volume due to recovery of orders from automotive industry
- 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 and increase in energy costs for steelmaking

Difference of operating profit

Price ※1 (0.4)

Volume (0.1)

Fixed Cost and Others ※2 (0.6)

Total (1.1)

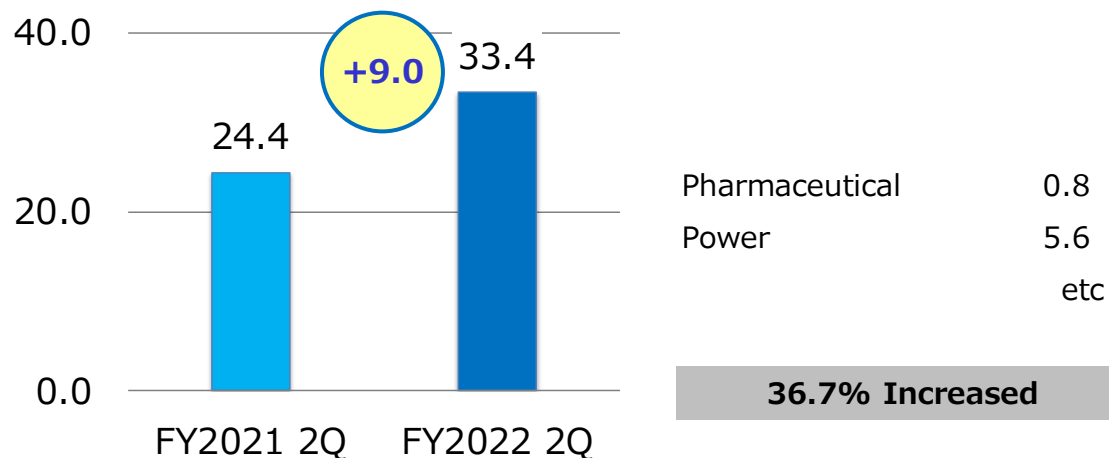
*1: Including both selling and purchase change

*2: Including marginal profit on machinery product (0.4)

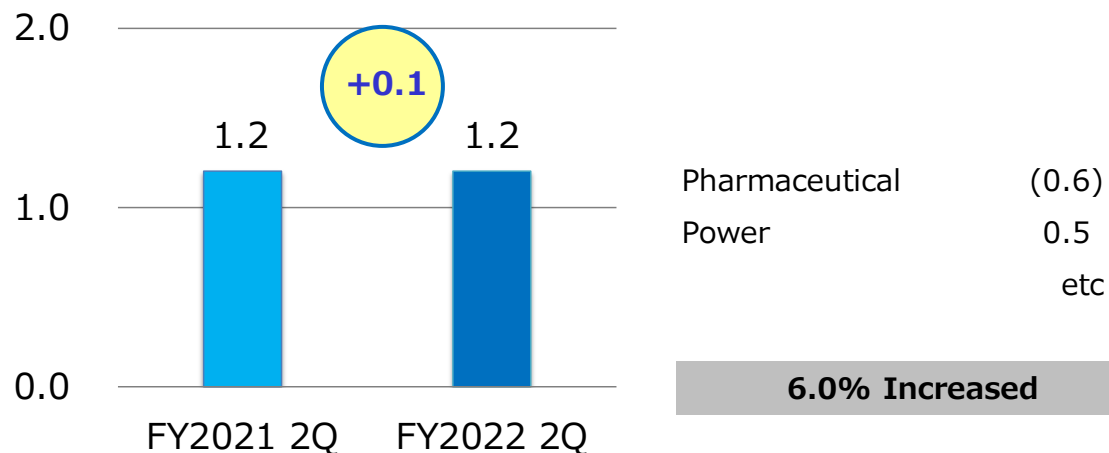
Analysis – Others

(Billions of yen)

Net Sales



Operating profit



Qualitative Information

Net sales: Up

- Pharmaceutical: Strong sales of both drugs developed by UBE and those manufactured under contract
- Power: Sales of electricity supply to cement-related businesses recorded and sales prices increased

Operating profit: Up

- Higher sales prices of electricity

Difference of operating profit

Price ※1	0.9
Volume	0.4
Fixed Cost and Others	(1.2)
Total	0.1

*1: Including both selling and purchase change

*2: Including inventory valuation changes

Operating Profit – Profit attributable to owners of parent

(Billions of yen)

Item	FY2021 2Q (A)	FY2022 2Q (B)	Difference (B) - (A)
Operating profit	19.1	8.5	(10.6)
Non-operating income (expenses)	(1.2)	(10.3)	(9.2)
Net interests expenses	0.3	0.8	0.6
Share of loss of entities accounted for using equitiy method	(0.7)	(11.1)	(10.4)
Share of loss of entities accounted for using equitiy method related to Mitsubishi UBE Cement Corporation		(11.8)	
Foreign exchange gains	0.4	1.6	1.1
Others	(1.2)	(1.6)	(0.4)
Ordinary profit (loss)	17.9	(1.8)	(19.7)
Extraordinary income (losses)	(1.9)	6.6	8.5
Profit before income taxes	16.0	4.8	(11.2)
Income taxes and profit (loss) attributable to non-controlling interests	(6.5)	(5.2)	1.3
Profit (loss) attributable to owners of parent	9.5	(0.3)	(9.9)
Net income per share	95.89 yen	(3.52) yen	(99.41) yen

Consolidated Balance Sheet

(Billions of yen)

Item	End of FY2021 (A)	End of FY2022 2Q (B)	Difference (B) - (A)
Current assets	394.7	271.2	(123.5)
Fixed assets	443.1	459.9	16.8
Total assets	838.0	731.2	(106.8)
Interest-bearing debt	241.8	189.3	(52.5)
Other liabilities	202.1	140.7	(61.4)
Total liabilities	443.9	330.0	(113.9)
Shareholders' equity *	369.1	377.2	8.1
Non-controlling interests and others	24.9	23.9	(1.0)
Total net assets	394.0	401.2	7.1
Total liabilities and net assets	838.0	731.2	(106.8)

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

Consolidated Statements of Cash Flows

(Billions of yen)

Item	FY2021 2Q	FY2022 2Q	
A.Cash flows from operating activities	12.7	11.3	Profit before income taxes 4.8 Depreciation and amortization 12.5 Share of loss of entities accounted for using equity method (11.1) Gain on Change in Equity (8.3) Decrease in working capital (5.5) Income taxes paid (5.7) etc.
B.Cash flows from investing activities	(20.0)	(5.7)	Increase in short-term loans receivable 8.3 Acquisition of PP&E (11.6) Payments for investments in capital of subsidiaries and associates (2.5) etc.
Free cash flows (A+B)	(7.3)	5.6	
C.Cash flows from financing activities	(23.4)	(14.9)	Decrease in interest-bearing debts (9.1) Dividends paid (5.8) etc.
D.Net increase/decrease in cash and cash equivalents	(30.9)	(51.2)	Decrease in cash and cash equivalents resulting from corporate spin-off (43.3) etc.
E.Cash and cash equivalents at end of the quarter	48.8	27.5	

FY2022 Consolidated Forecasts

Scope of Consolidation

Item	End of FY2021 (A)	End of FY2022 (B)	Difference (B) - (A)	Notes
Number of consolidated subsidiaries	65	36	(29)	<ul style="list-style-type: none"> + API Corporation - 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. <ul style="list-style-type: none"> + MAPIC Europe NV - 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 <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	51	(40)	

Environmental Factors

Item			FY2021 (A)	FY2022 (B)	Difference (B) - (A)	
Exchange Rate		Yen/\$	112.4	137.0 [140.0]	24.6	
Material Price	Naphtha	CIF	702	905 [920]	203	
		Domestic	56,700	84,300 [85,100]	27,600	
	Benzene (ACP)		\$/ t	990	1,185 [1,200]	195
	Australian Coal (CIF)		\$/ t	170.3	406.0 [405.0]	235.7
			Yen/t	19,133	55,618 [56,700]	36,485

[] : from 3Q to 4Q only

Major P/L Items

(Billions of yen)

Item	FY2021 (A)	FY2022 (B)	Difference (B) - (A)	Percentage change
Net sales	655.3	547.0	(108.3)	(16.5)%
Operating profit	44.0	29.0	(15.0)	(34.1)%
Ordinary profit	41.5	4.5	(37.0)	(89.2)%
Profit attributable to owners of parent	24.5	2.0	(22.5)	(91.8)%

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	210.0	(31.8)
Equity capital *1	369.1	375.0	5.9
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	340.0	80.0	30.7%
	Machinery	97.0	101.0	4.0	4.1%
	Others	54.2	73.0	18.8	34.6%
	Adjustment	183.2	(36.0)	(219.2)	—
	Total	655.3	547.0	(108.3)	(16.5)%
Operating profit	Specialty Products	11.6	13.0	1.4	11.8%
	Polymers & Chemicals	23.5	12.5	(11.0)	(46.8)%
	Machinery	5.1	4.5	(0.6)	(12.3)%
	Others	3.5	3.0	(0.5)	(15.4)%
	Adjustment	0.2	(4.0)	(4.2)	—
	Total	44.0	29.0	(15.0)	(34.1)%

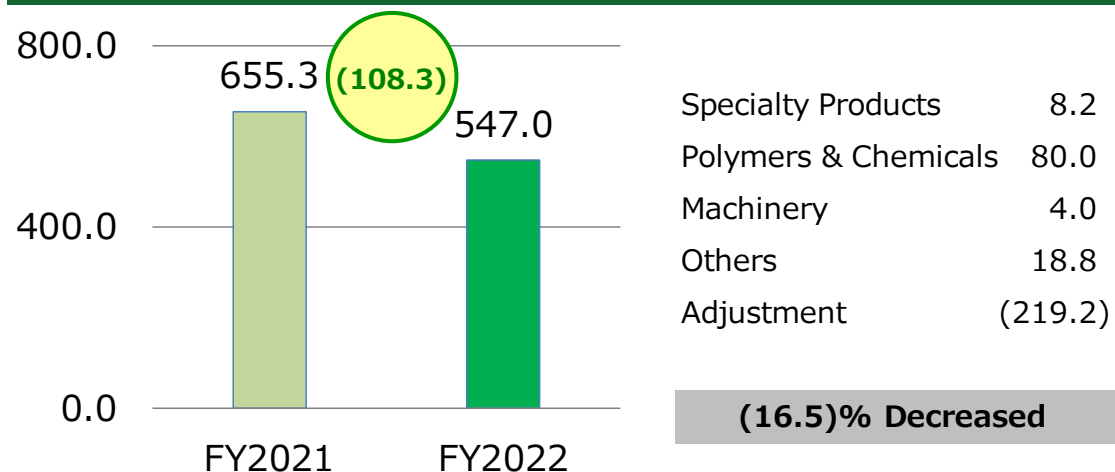
*: In accordance with the integration of the cement-related business into an equity-method affiliate from FY2022, the Company has been reclassified from "Chemicals", "Construction Materials", "Machinery" and "Others" into the four segments of "Specialty Products", "Polymers & Chemicals", "Machinery,"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

Therefore, the results for FY2021 have also been reclassified into new segment categories for comparison, and "Construction Materials" is included in "Adjustment".

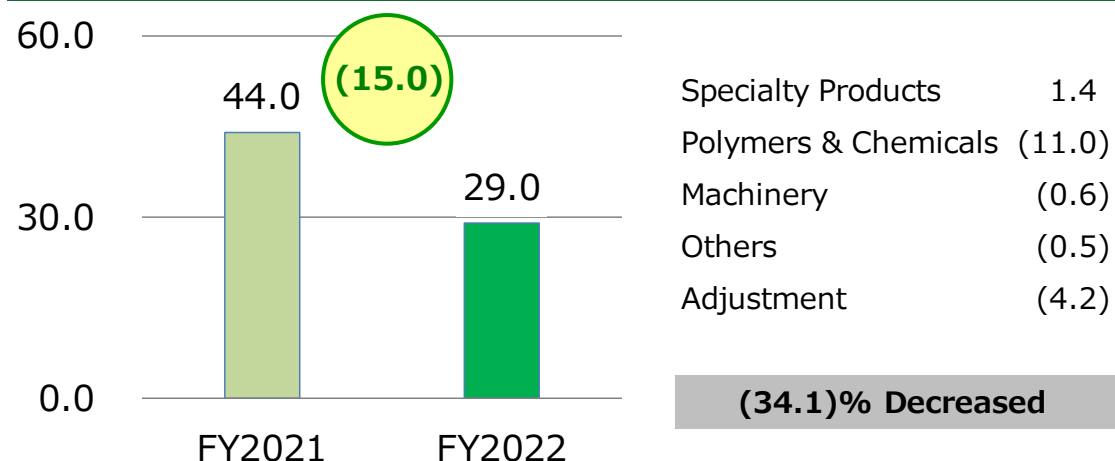
Analysis – Total

(Billions of yen)

Net sales



Operating profit



Revisions from the previous earnings forecasts published on August 4, 2022

Net sales: Downturn [557.0 → 547.0, (10.0)]

- Polymers & Chemicals: Lower sales volumes of nylon polymers, caprolactam, and other products
- Machinery: Impact of longer component delivery times and logistics disruptions

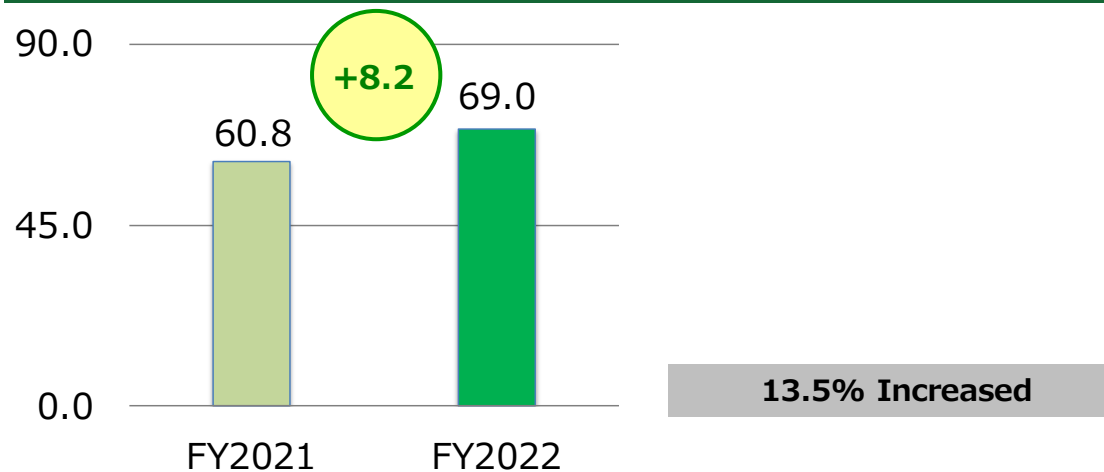
Operating profit: Downturn [32.0 → 29.0, (3.0)]

- Polymers & Chemicals: Lower sales volumes and a narrowing price spread of nylon polymers, caprolactam, and other products

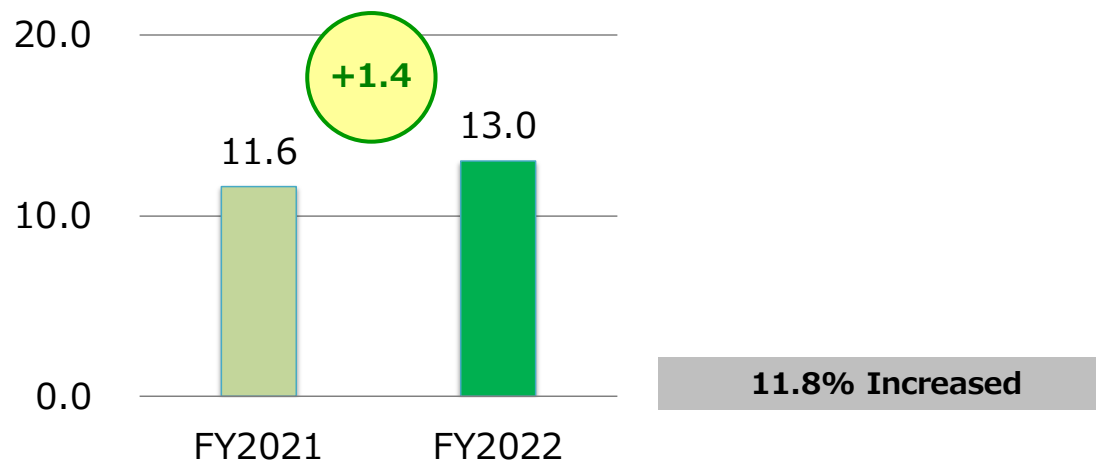
Analysis – Specialty Products

(Billions of yen)

Net sales



Operating profit



Revisions from the previous earnings forecasts published on August 4, 2022

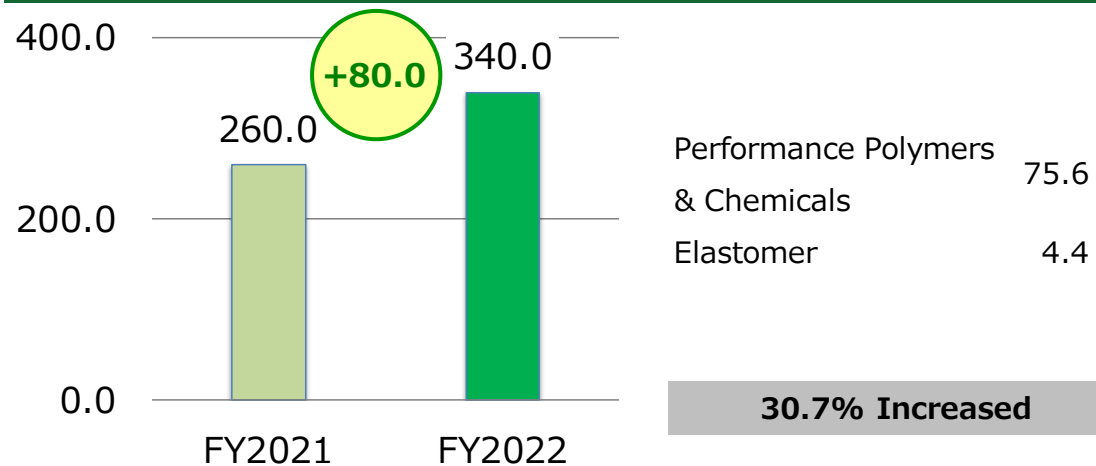
Net sales: No revision

Operating profit: No revision

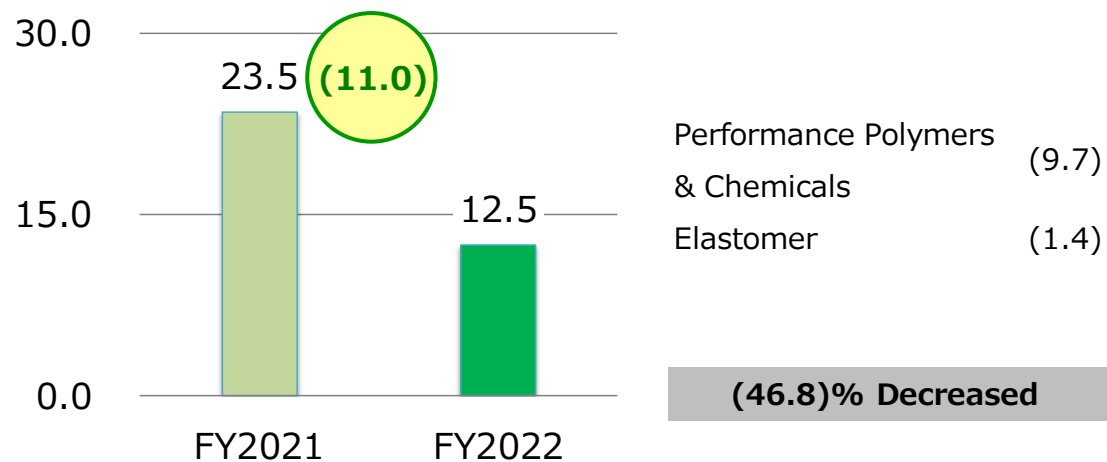
Analysis – Polymers & Chemicals

(Billions of yen)

Net sales



Operating profit



Revisions from the previous earnings forecasts published on August 4, 2022

Net sales: Downturn [344.0 → 340.0, (4.0)]

- Sales volumes of nylon polymers, caprolactam and other products will decrease

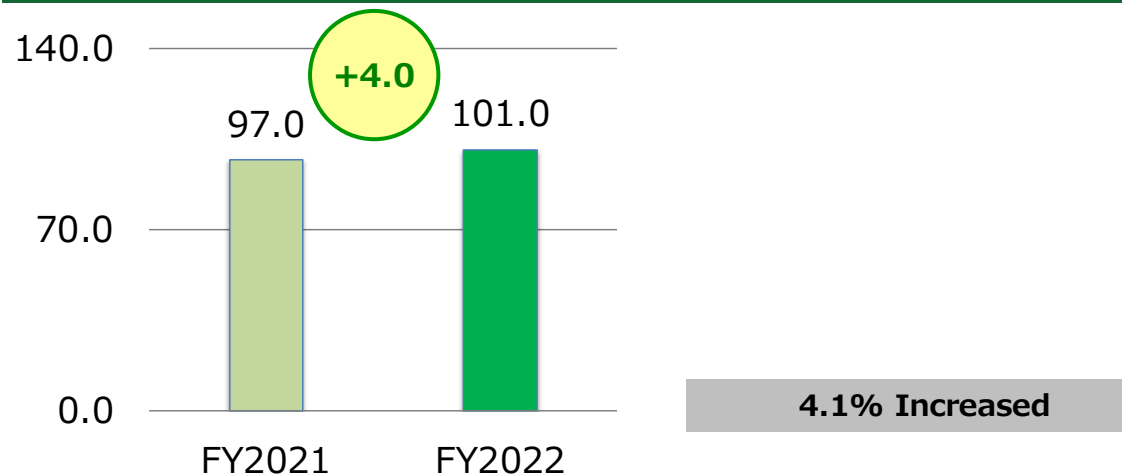
Operating profit: Downturn [15.5 → 12.5, (3.0)]

- Sales volumes of nylon polymers, caprolactam and other products will decrease, and those price spread will narrow

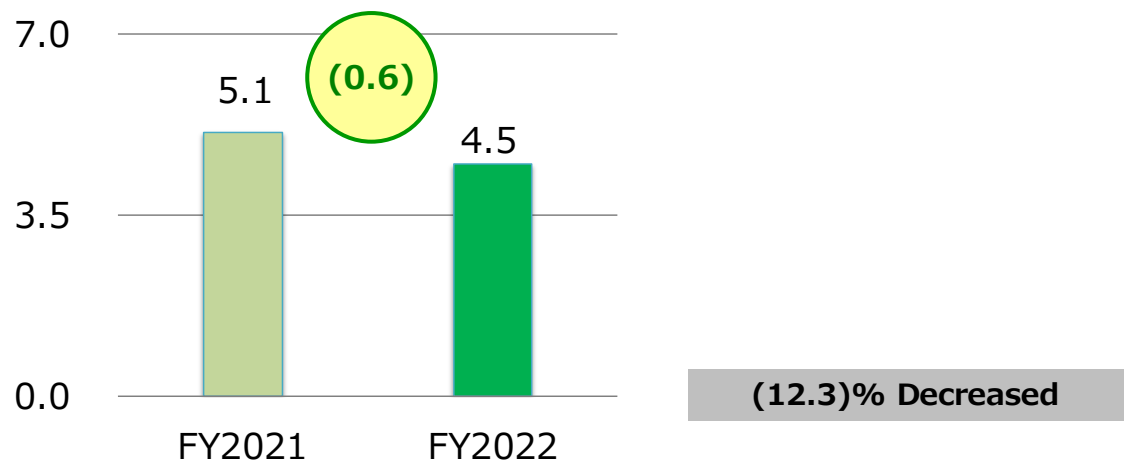
Analysis – Machinery

(Billions of yen)

Net sales



Operating profit



Revisions from the previous earnings forecasts published on August 4, 2022

Net sales: Downturn [104.0 → 101.0, (3.0)]

- Molding machine: Impact of longer component delivery times and logistics disruptions

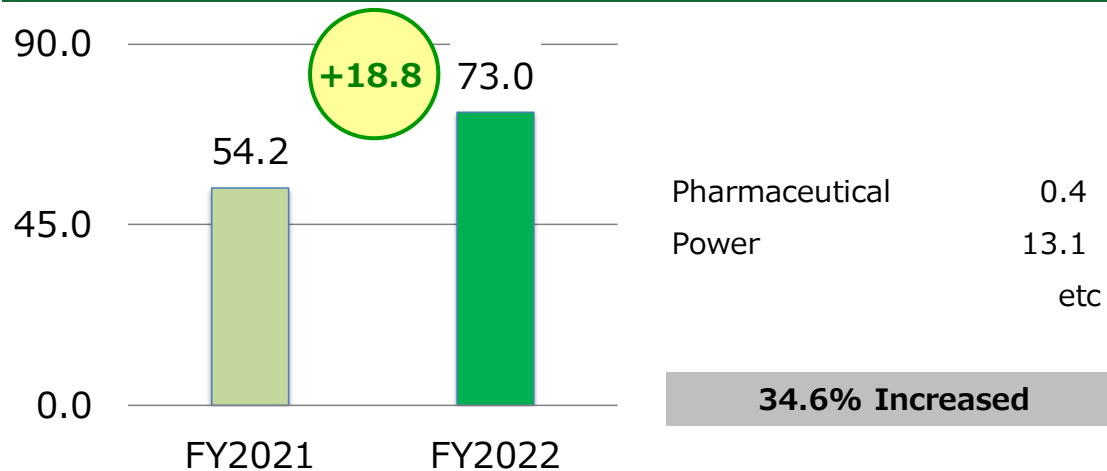
Operating profit: Downturn [5.0 → 4.5, (0.5)]

- Steel Products: Increase in energy costs

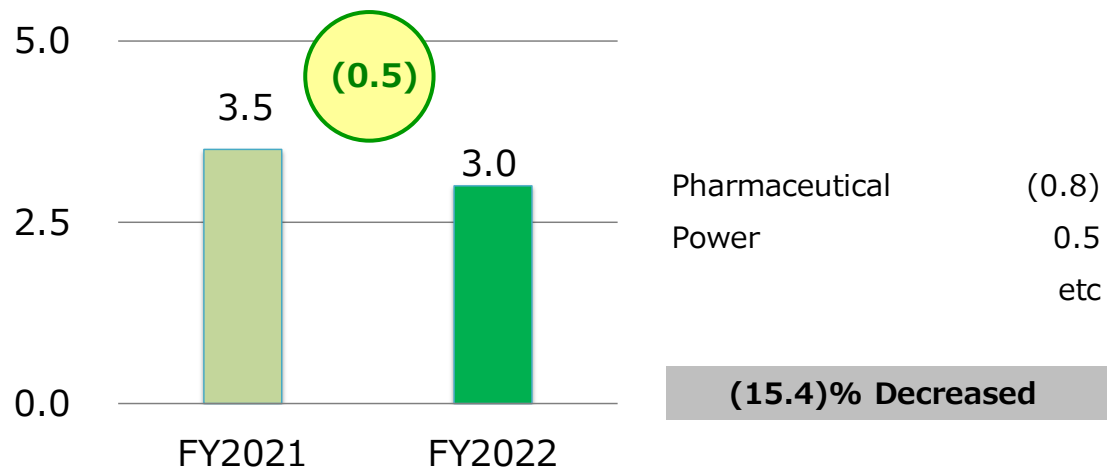
Analysis – Others

(Billions of yen)

Net sales



Operating profit



Revisions from the previous earnings forecasts published on August 4, 2022

Net sales: Downturn (75.0 → 73.0, (2.0)]

- Largely as planned

Operating profit: Upturn (2.5 → 3.0, +0.5)

- Pharmaceutical: Strong sales of both drugs developed by UBE and those manufactured under contract

Operating Profit – Profit attributable to owners of parent

(Billions of yen)

Item	FY2021 (A)	FY2022 (B)	Difference (B) - (A)
Operating profit	44.0	29.0	(15.0)
Non-operating income (expenses)	(2.5)	(24.5)	(22.0)
Share of loss of entities accounted for using equity method related to Mitsubishi UBE Cement Corporation		(24.5)	
Ordinary profit	41.5	4.5	(37.0)
Extraordinary income (losses)	(4.8)	7.0	11.8
Profit before income taxes	36.8	11.5	(25.3)
Income taxes and profit (loss) attributable to non-controlling interests	(12.3)	(9.5)	2.8
Profit attributable to owners of parent	24.5	2.0	(22.5)
Net income per share	249.31 yen	20.63 yen	(228.68) yen

Reference

Difference of Net sales

(Billions of yen)

Segment	Previous forecasts 2022/8/4 (A)	Revised forecasts 2022/10/28 (B)	Difference (B) - (A)	Major factors
Specialty Products	69.0	69.0	—	
Polymers & Chemicals	344.0	340.0	(4.0)	Performance Polymers & Chemicals (3.0) Elastomer (1.0)
Machinery	104.0	101.0	(3.0)	
Others	75.0	73.0	(2.0)	Pharmaceutical (0.2) Power 1.2 etc.
Adjustment	(35.0)	(36.0)	(1.0)	
Total	557.0	547.0	(10.0)	

Difference of Operating profit

(Billions of yen)

Segment	Previous forecasts 2022/8/4 (A)	Revised forecasts 2022/10/28 (B)	Difference (B) - (A)	Major factors
Specialty Products	13.0	13.0	—	
Polymers & Chemicals	15.5	12.5	(3.0)	Performance Polymers & Chemicals (4.0) Elastomer 1.0
Machinery	5.0	4.5	(0.5)	
Others	2.5	3.0	0.5	Pharmaceutical 0.6 etc.
Adjustment	(4.0)	(4.0)	—	
Total	32.0	29.0	(3.0)	

Analysis of Operating profit by Segment

(Billions of yen)

Segment	Operating profit					
	FY2021 2Q (A)	FY2022 2Q (B)	Difference (B) - (A)	Price *1	Volume	Fixed cost and others *2
Specialty Products	5.2	5.5	0.3	(0.4)	1.0	(0.3)
Polymers & Chemicals	9.6	2.4	(7.1)	(3.4)	(3.1)	(0.7)
Machinery	2.4	1.2	(1.1)	(0.4)	(0.1)	*3 (0.6)
Others	1.2	1.2	0.1	0.9	0.4	(1.2)
Adjustment	0.8	(1.8)	(2.7)	-	-	(2.7)
Total	19.1	8.5	(10.6)	(3.3)	(1.9)	(5.4)

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

*3:Including marginal profit on machinery product (0.4)

Progress of Major P/L Items

(Billions of yen)

Item	FY2021 Results (A)		FY2022 Forecasts (B)		Difference (B) - (A)	
		2Q Progress		2Q Progress		2Q
Net sales	655.3	306.7 46.8%	547.0	244.8 44.7%	(108.3)	(61.9)
Operating profit	44.0	19.1 43.3%	29.0	8.5 29.4%	(15.0)	(10.6)
Ordinary profit (loss)	41.5	17.9 43.1%	4.5	(1.8) -%	(37.0)	(19.7)
Profit (loss) attributable to owners of parent	24.5	9.5 39.0%	2.0	(0.3) -%	(22.5)	(9.9)

Net Sales

(Billions of yen)

Segment	FY2022					Full-year (forecast)	Progress
	1Q	2Q	3Q	4Q	Total		
Specialty Products	15.3	16.5	–	–	31.8	69.0	46.0%
Polymers & Chemicals	71.4	78.0	–	–	149.5	340.0	44.0%
Machinery	20.3	24.9	–	–	45.3	101.0	44.8%
Others	15.6	17.8	–	–	33.4	73.0	45.7%
Adjustment	(6.5)	(8.6)	–	–	(15.1)	(36.0)	– %
Total	116.2	128.6	–	–	244.8	547.0	44.7%

Operating Profit

(Billions of yen)

Segment	FY2022					Full-year (forecast)	Progress
	1Q	2Q	3Q	4Q	Total		
Specialty Products	2.8	2.7	–	–	5.5	13.0	42.4%
Polymers & Chemicals	1.9	0.5	–	–	2.4	12.5	19.2%
Machinery	0.4	0.9	–	–	1.2	4.5	27.1%
Others	0.7	0.6	–	–	1.2	3.0	40.8%
Adjustment	(1.4)	(0.5)	–	–	(1.8)	(4.0)	– %
Total	4.4	4.2	–	–	8.5	29.0	29.4%

2Q on 1Q – Net Sales

(Billions of yen)

Segment	FY2022 1Q (A)	FY2022 2Q (B)	Difference (B) - (A)	Major factors
Specialty Products	15.3	16.5	1.2	
Polymers & Chemicals	71.4	78.0	6.6	Performance Polymers & Chemicals 3.6 Elastmer 3.0
Machinery	20.3	24.9	4.6	
Others	15.6	17.8	2.2	Pharmaceutical 0.2 Power 2.1 etc.
Adjustment	(6.5)	(8.6)	(2.2)	
Total	116.2	128.6	12.4	

2Q on 1Q – Operating Profit

(Billions of yen)

Segment	FY2022 1Q (A)	FY2022 2Q (B)	Difference (B) - (A)	Major factors
Specialty Products	2.8	2.7	(0.1)	
Polymers & Chemicals	1.9	0.5	(1.4)	Performance Polymers & Chemicals (3.5) Elastmer 2.1
Machinery	0.4	0.9	0.5	
Others	0.7	0.6	(0.1)	Power 0.1 etc.
Adjustment	(1.4)	(0.5)	0.9	
Total	4.4	4.2	(0.2)	

Net Sales and Operating Profit by Business Portfolio

(Billions of yen)

	Business portfolio	FY2022	FY2022 full-year	Progress
		2Q (A)	(forecast) (B)	
Net sales	Specialty business	65.1	148.5	43.8%
	Basic business	123.5	275.0	44.9%
	Machinery business	45.3	101.0	44.8%
	Other businesses (incl. adjustment)	10.9	22.5	—
	Total	244.8	547.0	44.7%
Operating profit (loss)	Specialty business	8.9	24.0	37.3%
	Basic business	(0.2)	4.5	—
	Machinery business	1.2	4.5	27.1%
	Other businesses (incl. adjustment)	(1.4)	(4.0)	—
	Total	8.5	29.0	29.4%

Mitsubishi UBE Cement

(Billions of yen)

■ Major P/L Items

Mitsubishi UBE Cement Corporation and Consolidated Subsidiaries

Item	FY2022 2Q Results	FY2022 Full-year Forecast
Net sales	281.4	657.5
Operating profit (loss)	(20.0)	(23.5)
Ordinary profit (loss)	(18.6)	(22.5)
Profit (loss) attributable to owners of parent	(26.3)	(49.5)

Item	FY2022 2Q Results	FY2022 Full-year Forecast
Total demand for cement in Japan (million tons)	18.59	38.00
Cement sales volumes in Japan (million tons)	4.57	9.32
Cement sales volumes in the U.S. (million tons)	0.92	1.70
Ready-mixed concrete sales volumes in the U.S. (million cy)	3.40	6.50
Coal Price (\$/ t)	398	399
Exchange Rate (Yen/\$)	134	135

■ Share of loss of entities accounted for using equity method in UBE's Consolidated Statements of Income

Share of loss of entities accounted for using equity method	(11.8)	(24.5)
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Consolidated Key Indicators

(Billions of yen)

Item	FY2021 2Q	FY2022 2Q	FY2022 full-year (forecast)	FY2021 full-year
Capital investment	14.1	14.6	39.0	39.6
Depreciation and amortization	18.0	12.5	24.0	36.5
Research and development expenses	5.7	5.0	11.0	11.8
Adjusted operating profit (loss)	19.1	(1.4)	8.0	43.3
Interest-bearing debt	204.8	189.3	210.0	241.8
Shareholders' equity	352.9	377.2	375.0	369.1
Total assets	759.9	731.2	740.0	838.0
D/E ratio (times)	0.58	0.50	0.56	0.66
Shareholders' equity ratio (%)	46.4	51.6	50.7	44.1
Return on sales - ROS (%)	6.2	3.5	5.3	6.7
Return on assets - ROA (%)	–	–	1.0	5.4
Return on equity – ROE (%)	–	–	0.5	6.7
Number of employees	11,028	7,693	7,700	9,849

Consolidated Major Subsidiaries

(Billions of yen)

Subsidiaries	Business	Net Sales FY2022 2Q	Difference of operating profit from FY2021 2Q
UBE Corporation Europe, S.A. Unipersonal	Manufacture and sales of nylon, caprolactam, ammonium sulfate and fine chemical products	39.9	↓
UBE Chemicals (Asia) Public Company Limited	Manufacture and sales of nylon, caprolactam and ammonium sulfate	29.7	↓
THAI SYNTHETIC RUBBERS COMPANY LIMITED	Manufacture and sales of polybutadiene rubber	9.0	↑
Ube Film, Ltd.	Manufacture and sales of plastic film products	5.4	↓
UBE EXSYMO CO., LTD.	Manufacture and sales of polypropylene molded products, fibers, fiber-reinforced plastics and electronic and information materials	6.4	↓
UBE Machinery Corporation, Ltd.	Manufacture, sales, and service of molding machines, industrial machinery and bridge, etc.	22.6	↓
UBE Steel Co., Ltd	Manufacture and sales of cast iron and steel products and rolled steel billets	16.2	↓

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

Announcement of 3rd quarter Business Results

- **Announcement of 3rd quarter Business Results**
 - **February 3, 2023 15:00**

- **Telephone Conference for 3rd quarter Business Results**
 - **February 3, 2023 18:00 – 18:45**

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

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