

# Financial Results for the 1st half FY2023

---

## Explanatory material

November 6, 2023

1st Half: April - September

# **FY2023 1st half Consolidated Result**

---

## Scope of Consolidation

Item	End of FY2022 (A)	End of FY2023 2Q (B)	Difference (B) - (A)	Notes
Number of consolidated subsidiaries	36	36	-	
Number of equity method affiliates	15	15	-	
Total	51	51	-	

## Environmental Factors

Item			FY2022 2Q	FY2023 2Q	Difference	
			(A)	(B)	(B) - (A)	
Exchange Rate		Yen/\$	134.0	141.0	7.0	
Material Price	Naphtha	CIF	\$/ t	892	654	(238)
		Domestic	Yen/KL	83,750	65,350	(18,400)
	Benzene (ACP)		\$/ t	1,171	906	(265)
	Australian Coal (CIF)		\$/ t	406.5	208.3	(198.3)
			Yen/t	54,459	29,362	(25,097)

## Major P/L Items

(Billions of yen)

Item	FY2022 2Q (A)	FY2023 2Q (B)	Difference (B) - (A)	Percentage change
Net sales	244.8	218.1	(26.7)	(10.9)%
Operating profit	8.5	5.2	(3.3)	(38.7)%
Ordinary profit (loss)	(2.7)	11.3	14.0	—
Profit (loss) attributable to owners of parent	(1.3)	9.0	10.3	—

Note: The Company Group determined the provisional accounting treatment related to the business combination of the cement-related business in FY2022 4Q. The finalized accounting treatment is being applied in each reported figure for FY2022 2Q.

# Net Sales and Operating Profit by Segment

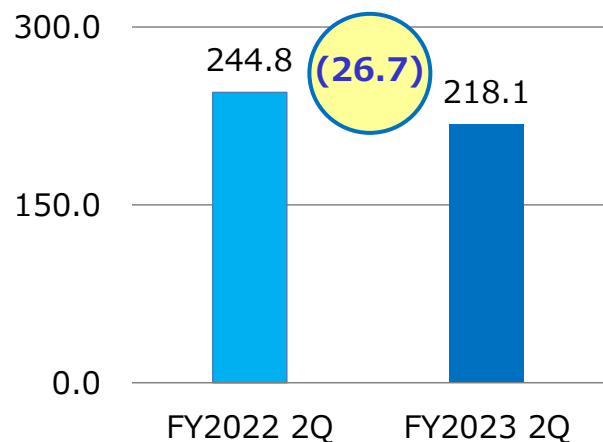
(Billions of yen)

	Segment	FY2022 2Q (A)	FY2023 2Q (B)	Difference (B) - (A)	Percentage change
Net sales	Specialty Products	31.8	31.3	(0.5)	(1.6)%
	Polymers & Chemicals	149.5	120.2	(29.3)	(19.6)%
	Machinery	45.3	42.7	(2.6)	(5.8)%
	Others	33.4	38.0	4.6	13.8%
	Adjustment	(15.1)	(14.0)	1.1	-
	<b>Total</b>	<b>244.8</b>	<b>218.1</b>	<b>(26.7)</b>	<b>(10.9)%</b>
Operating profit	Specialty Products	5.5	5.7	0.1	2.4%
	Polymers & Chemicals	2.4	(2.4)	(4.8)	-
	Machinery	1.2	2.2	0.9	76.2%
	Others	1.2	1.4	0.2	15.9%
	Adjustment	(1.8)	(1.6)	0.2	-
	<b>Total</b>	<b>8.5</b>	<b>5.2</b>	<b>(3.3)</b>	<b>(38.7)%</b>

# Analysis – Total

(Billions of yen)

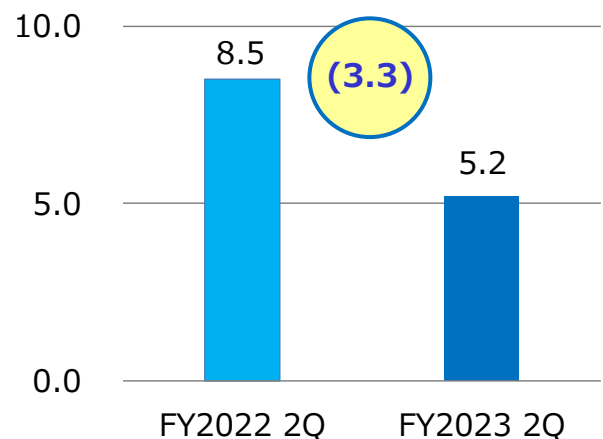
## Net Sales



Specialty Products	(0.5)
Polymers & Chemical	(29.3)
Machinery	(2.6)
Others	4.6
Adjustment	1.1

**(10.9)% Decreased**

## Operating profit



Specialty Products	0.1
Polymers & Chemical	(4.8)
Machinery	0.9
Others	0.2
Adjustment	0.2

**(38.7)% Decreased**

## Qualitative Information

### Net sales: Down

- Polymers & Chemicals: Decreased sales volume of nylon polymers, caprolactam, and other products
- Others: Consolidation of API Corporation

### Operating profit: Down

- Polymers & Chemicals: Lower sales prices of nylon polymers, caprolactam, and other products

## Difference of operating profit

Price <sup>*1</sup>	0.4
Volume	(2.7)
Fixed Cost and Others <sup>*2</sup>	(1.0)
<b>Total</b>	<b>(3.3)</b>

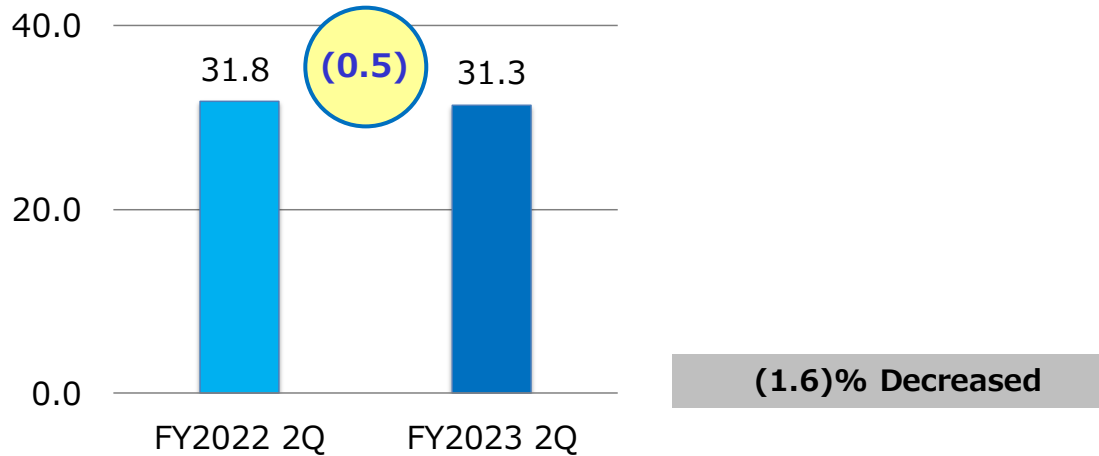
\*1: Including both selling and purchase change

\*2: Including inventory valuation changes and lowest cost accounting

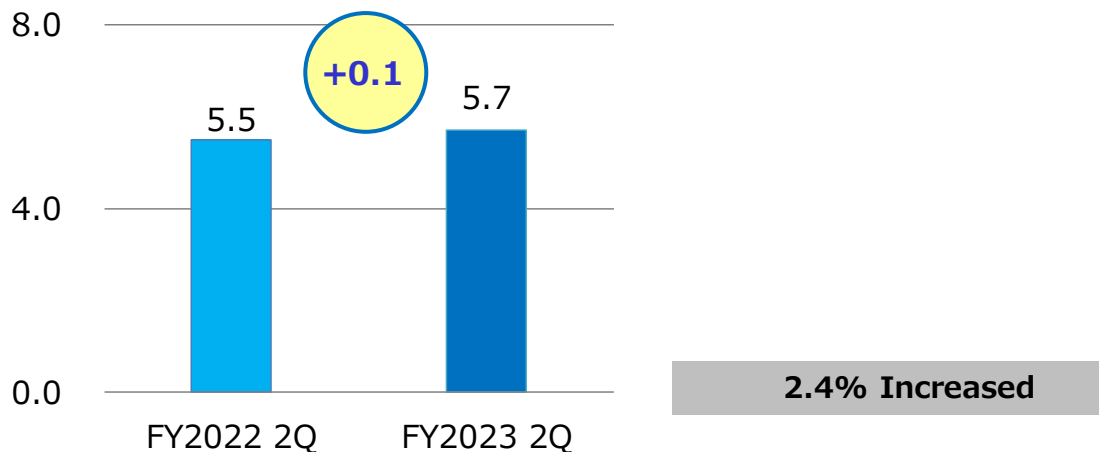
# Analysis – Specialty Products

(Billions of yen)

## Net Sales



## Operating profit



## Qualitative Information

### Net sales: Down

- Separation membranes: Strong demand mainly for biogas-related applications
- Separators: Affected by the negative impact of production reduction in the automobile industry

### Operating profit: Up

- Strong demand of separation membranes and ceramics despite the effect of automobile production reduction on separators

## Difference of operating profit

Price <sup>*1</sup>	1.6
Volume	(1.1)
Fixed Cost and Others <sup>*2</sup>	(0.4)
<b>Total</b>	<b>0.1</b>

\*1: Including both selling and purchase change

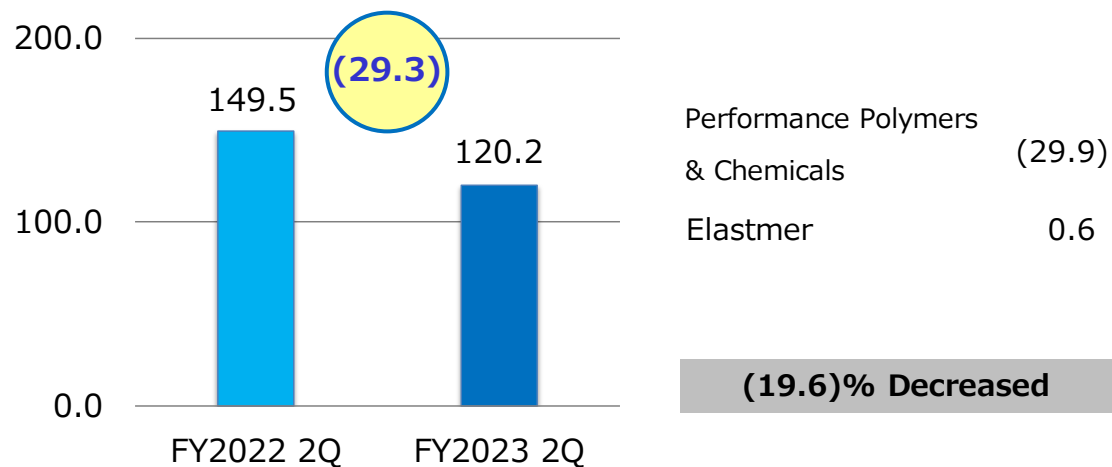
\*2: Including inventory valuation changes



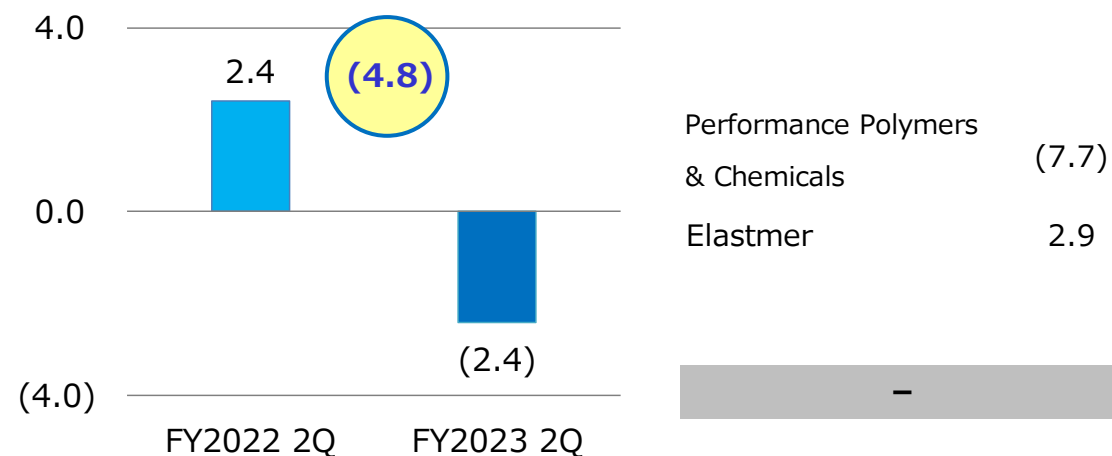
# Analysis – Polymers & Chemicals

(Billions of yen)

## Net Sales



## Operating profit



## Qualitative Information

### Net sales: Down

- Nylon polymers: Decline in demand for food packaging film and lower sales prices due to lower prices of raw material caprolactam
- Caprolactam & ammonium sulfate: Decreased sales volume due to declining demand and lower sales prices due to decline in raw materials prices

### Operating profit: Down

- Decline in demand and lower sales prices of nylon polymers and caprolactam

## Difference of operating profit

Price <sup>*1</sup>	(0.5)
Volume	(1.9)
Fixed Cost and Others <sup>*2</sup>	(2.4)
<b>Total</b>	<b>(4.8)</b>

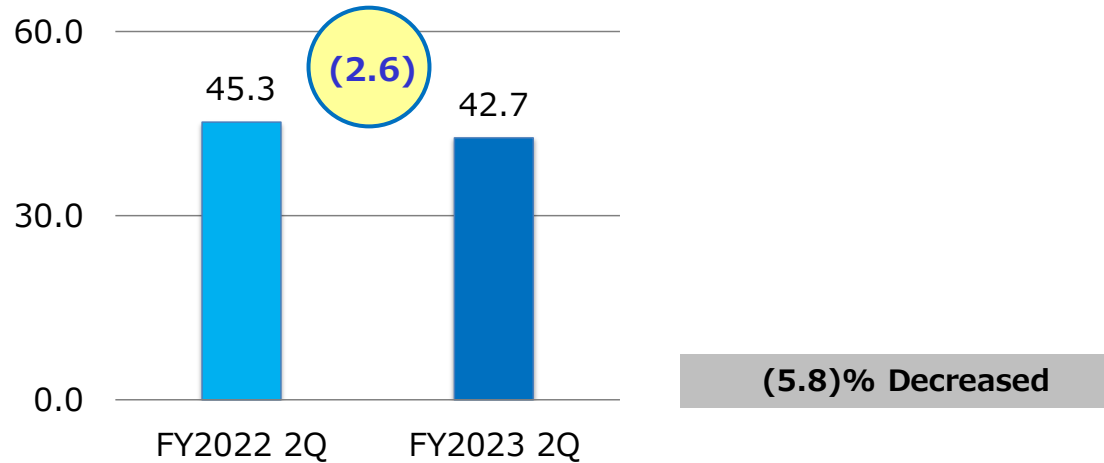
\*1: Including both selling and purchase change

\*2: Including inventory valuation changes and lowest cost accounting

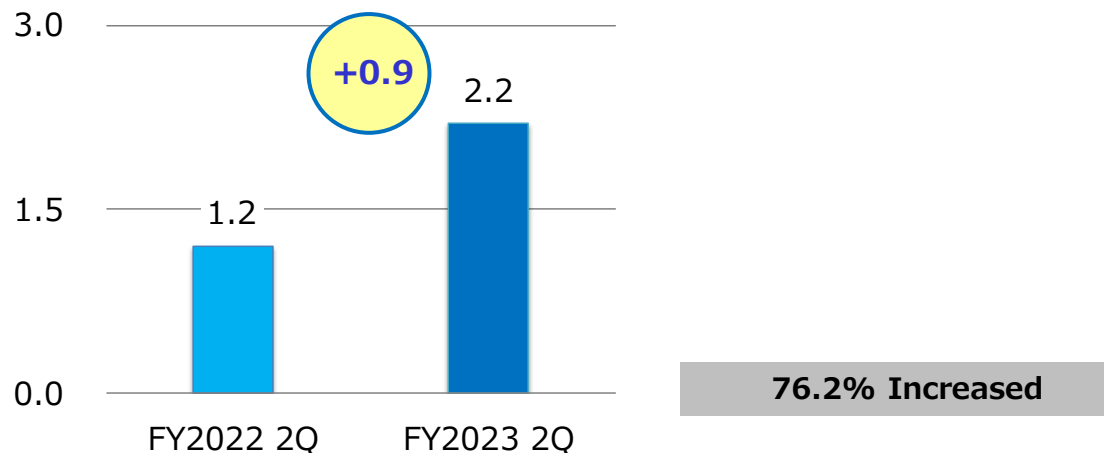
# Analysis – Machinery

(Billions of yen)

## Net Sales



## Operating profit



## Qualitative Information

### Net sales: Down

- Molding machine: slowdown in capital investment in the automobile industry
- Steel products: Decreased sales volume due to declining demand

### Operating profit: Up

- Strong sales of services in the molding machine business and the industrial machines business
- Lower prices of raw materials of steel products business

## Difference of operating profit

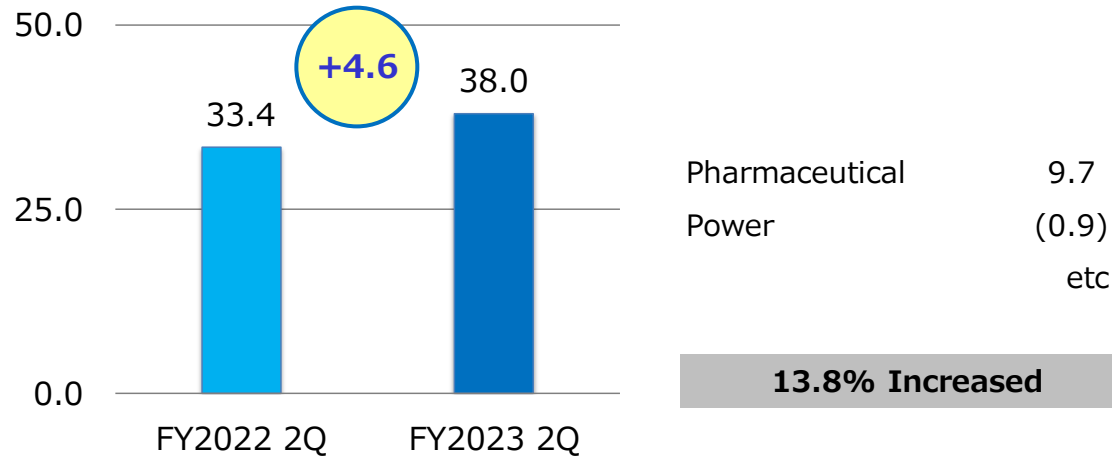
Marginal profit on machinery product: 1.0

(Since machinery products are manufactured on an individual order basis, differences in price and volume are not analyzed.)

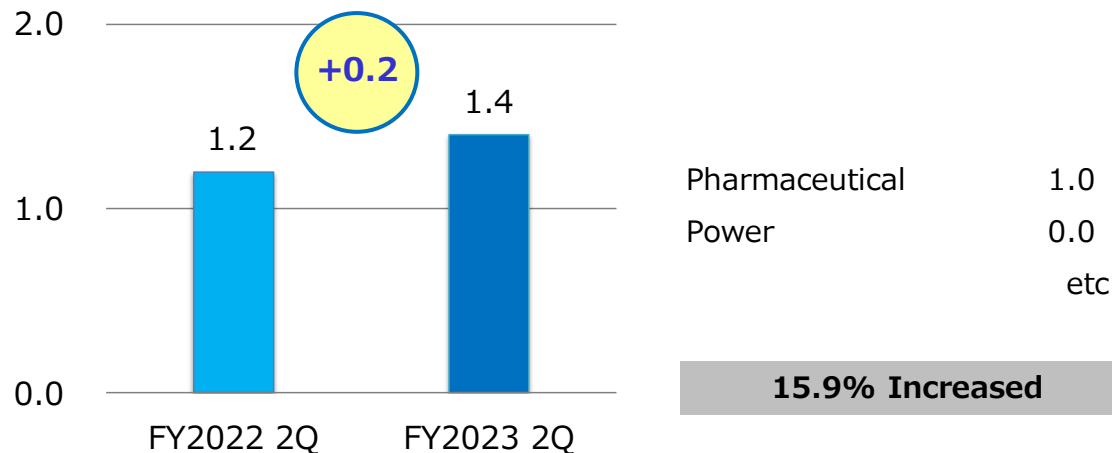
# Analysis – Others

(Billions of yen)

## Net Sales



## Operating profit



## Qualitative Information

### Net sales: Up

- Pharmaceutical: Consolidation of API Corporation

### Operating profit: Up

- Consolidation of API Corporation

## Difference of operating profit

Price <sup>*1</sup>	(1.0)
Volume	0.1
Fixed Cost and Others	1.1
<b>Total</b>	<b>0.2</b>

\*1: Including both selling and purchase change

# Operating Profit – Profit attributable to owners of parent

(Billions of yen)

Item	FY2022 2Q (A)	FY2023 2Q (B)	Difference (B) - (A)
Operating profit	8.5	5.2	(3.3)
<b>Non-operating income (expenses)</b>	<b>(11.3)</b>	<b>6.1</b>	<b>17.3</b>
Net interests expenses	0.8	0.1	(0.7)
Share of profit (loss) of entities accounted for using equitiy method	(12.0)	5.9	18.0
Share of profit (loss) of entities accounted for using equitiy method related to Mitsubishi UBE Cement Corporation	(12.7)	6.9	19.6
Foreign exchange gains	1.6	1.2	(0.4)
Others	(1.6)	(1.2)	0.4
Ordinary profit (loss)	(2.7)	11.3	14.0
Extraordinary income (losses)	6.6	(0.5)	(7.2)
Profit before income taxes	3.9	10.8	6.9
Income taxes and profit (loss) attributable to non-controlling interests	(5.2)	(1.8)	3.4
Profit (loss) attributable to owners of parent	(1.3)	9.0	10.3
Net income per share	(12.98) yen	92.93 yen	105.91 yen

Note: The Company Group determined the provisional accounting treatment related to the business combination of the cement-related business in FY2022 4Q. The finalized accounting treatment is being applied in each reported figure for FY2022 2Q.

# Consolidated Balance Sheet

(Billions of yen)

Item	End of FY2022 (A)	End of FY2023 2Q (B)	Difference (B) - (A)
Current assets	283.1	275.4	(7.8)
Fixed assets	449.4	467.8	18.4
<b>Total assets</b>	<b>732.7</b>	<b>743.3</b>	<b>10.7</b>
Interest-bearing debt	218.1	214.6	(3.6)
Other liabilities	132.9	127.0	(5.9)
<b>Total liabilities</b>	<b>351.1</b>	<b>341.5</b>	<b>(9.5)</b>
Shareholders' equity *	361.6	381.7	20.0
Non-controlling interests and others	20.0	20.1	0.1
<b>Total net assets</b>	<b>381.6</b>	<b>401.8</b>	<b>20.2</b>
<b>Total liabilities and net assets</b>	<b>732.7</b>	<b>743.3</b>	<b>10.7</b>

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

Note: The Company Group determined the provisional accounting treatment related to the business combination of a contract drag development and manufacturing organization in FY2023 1Q. The finalized accounting treatment is being applied in each reported figure for the end of FY2022.

# Consolidated Statements of Cash Flows

(Billions of yen)

Item	FY2022 2Q	FY2023 2Q	
A.Cash flows from operating activities	11.3	23.4	Profit before income taxes 10.8 Depreciation and amortization 13.0 etc.
B.Cash flows from investing activities	(5.7)	(17.6)	Acquisition of PP&E (14.3) Increase in short-term loans receivable (2.7) etc.
Free cash flows (A+B)	5.6	5.8	
C.Cash flows from financing activities	(14.9)	(9.1)	Decrease in interest-bearing debts (4.3) Dividends paid (4.8) etc.
D.Net increase/decrease in cash and cash equivalents	(51.2)	(2.2)	
E.Cash and cash equivalents at end of the quarter	27.5	28.5	

Note: The Company Group determined the provisional accounting treatment related to the business combination of the cement-related business in FY2022 4Q. The finalized accounting treatment is being applied in each reported figure for FY2022 2Q.

# **FY2023 Consolidated Forecasts**

---

## Scope of Consolidation

Item	End of FY2022 (A)	End of FY2023 (B)	Difference (B) - (A)	Notes
Number of consolidated subsidiaries	36	36	-	
Number of equity method affiliates	15	15	-	
Total	51	51	-	



# Environmental Factors

Item			FY2022 (A)	FY2023 (B)	Difference (B) - (A)	
Exchange Rate		Yen/\$	135.5	140.5 [140.0]	5.0	
Material Price	Naphtha	CIF	793	660 [670]	(133)	
		Domestic	Yen/KL	76,400	66,200 [67,200]	(10,200)
	Benzene (ACP)		\$/ t	1,038	880 [850]	(158)
	Australian Coal (CIF)		\$/ t	393.8	198.0 [188.0]	(195.8)
			Yen/t	53,337	27,819 [26,320]	(25,518)

[ ] : from 3Q to 4Q only

# Major P/L Items

(Billions of yen)

Item	FY2022 (A)	FY2023 (B)	Difference (B) - (A)	Percentage change
Net sales	494.7	484.0	(10.7)	(2.2)%
Operating profit	16.2	17.0	0.8	4.9%
Ordinary profit (loss)	(8.7)	26.5	35.2	—
Profit (loss) attributable to owners of parent	(7.0)	21.5	28.5	—

Item	End of FY2022 (A)	End of FY2023 (B)	Difference (B) - (A)
Total assets	732.7	760.0	27.3
Interest-bearing debt	218.1	218.0	(0.1)
Equity capital *1	361.6	385.0	23.4
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/50yen, Fiscal year-end/45yen

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

Note: The Company Group determined the provisional accounting treatment related to the business combination of a contract drag development and manufacturing organization in FY2023 1Q. The finalized accounting treatment is being applied in each reported figure for FY2022.

# Net Sales and Operating profit by Segment

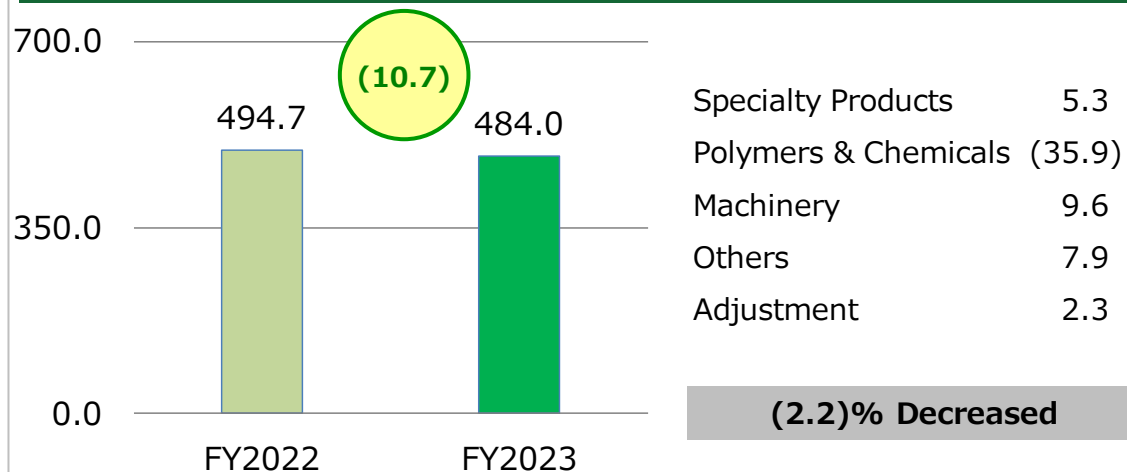
(Billions of yen)

	Segment	FY2022 (A)	FY2023 (B)	Difference (B) - (A)	Percentage change
Net sales	Specialty Products	62.2	67.5	5.3	8.6%
	Polymers & Chemicals	293.4	257.5	(35.9)	(12.2)%
	Machinery	96.9	106.5	9.6	9.9%
	Others	73.1	81.0	7.9	10.8%
	Adjustment	(30.8)	(28.5)	2.3	—
	<b>Total</b>	<b>494.7</b>	<b>484.0</b>	<b>(10.7)</b>	<b>(2.2)%</b>
Operating profit	Specialty Products	10.2	13.0	2.8	26.9%
	Polymers & Chemicals	2.6	(2.0)	(4.6)	—
	Machinery	5.2	6.5	1.3	24.1%
	Others	2.6	4.0	1.4	54.1%
	Adjustment	(4.5)	(4.5)	(0.0)	—
	<b>Total</b>	<b>16.2</b>	<b>17.0</b>	<b>0.8</b>	<b>4.9%</b>

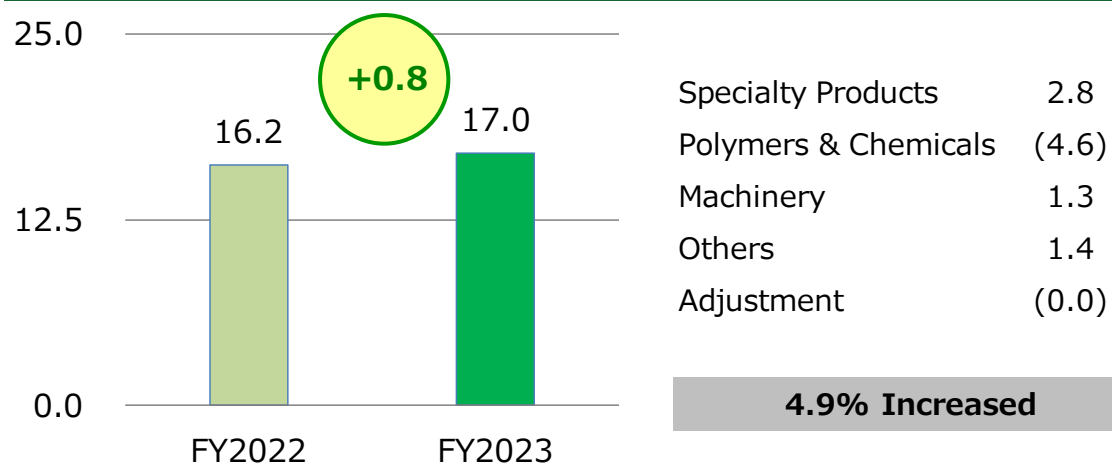
# Analysis – Total

(Billions of yen)

## Net sales



## Operating profit



## Revisions from the previous earnings forecasts published on May 12, 2023

Net sales: Downturn [545.0 → 484.0, (61.0)]

- Polymers & Chemicals: Lower sales volumes and lower sales prices of nylon polymers, caprolactam, and other products

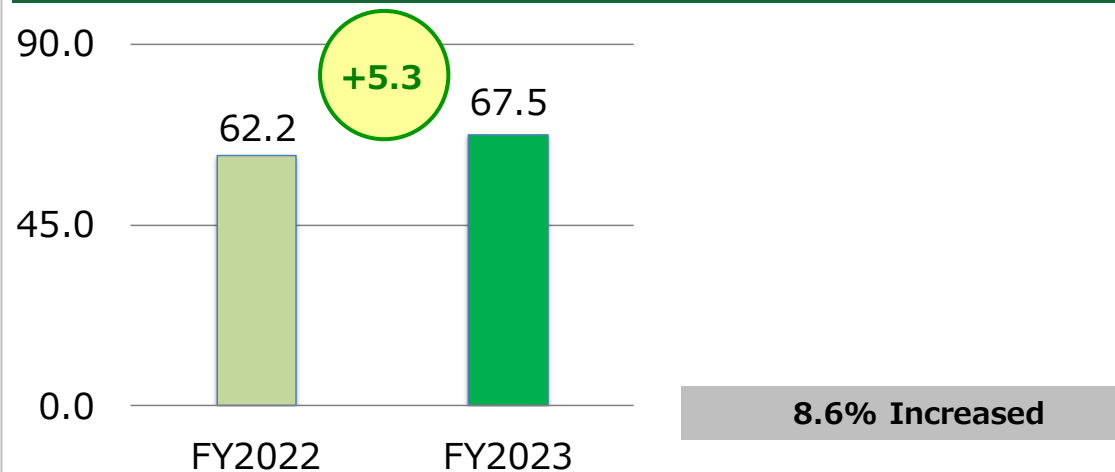
Operating profit: Downturn [30.0 → 17.0, (13.0)]

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

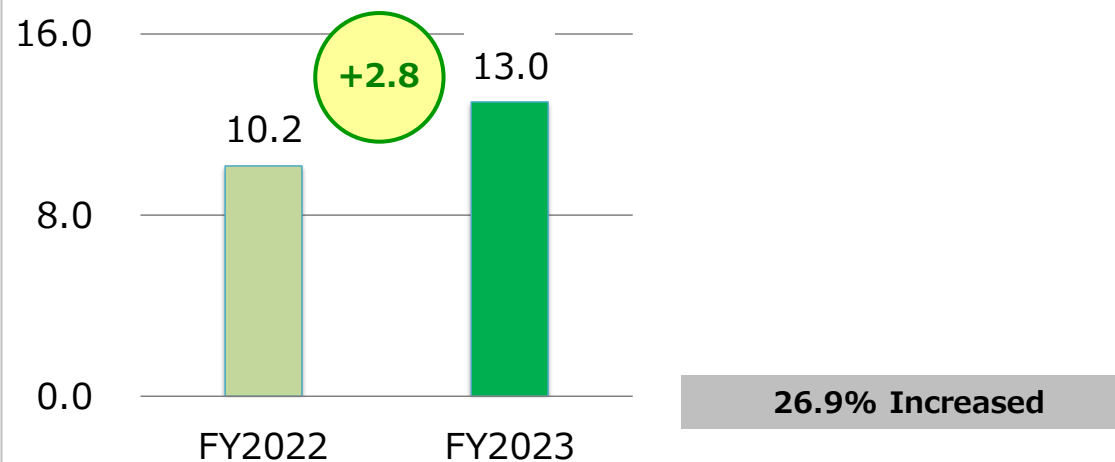
# Analysis – Specialty Products

(Billions of yen)

## Net sales



## Operating profit



## Revisions from the previous earnings forecasts published on May 12, 2023

Net sales: Downturn [71.5 → 67.5, (4.0)]

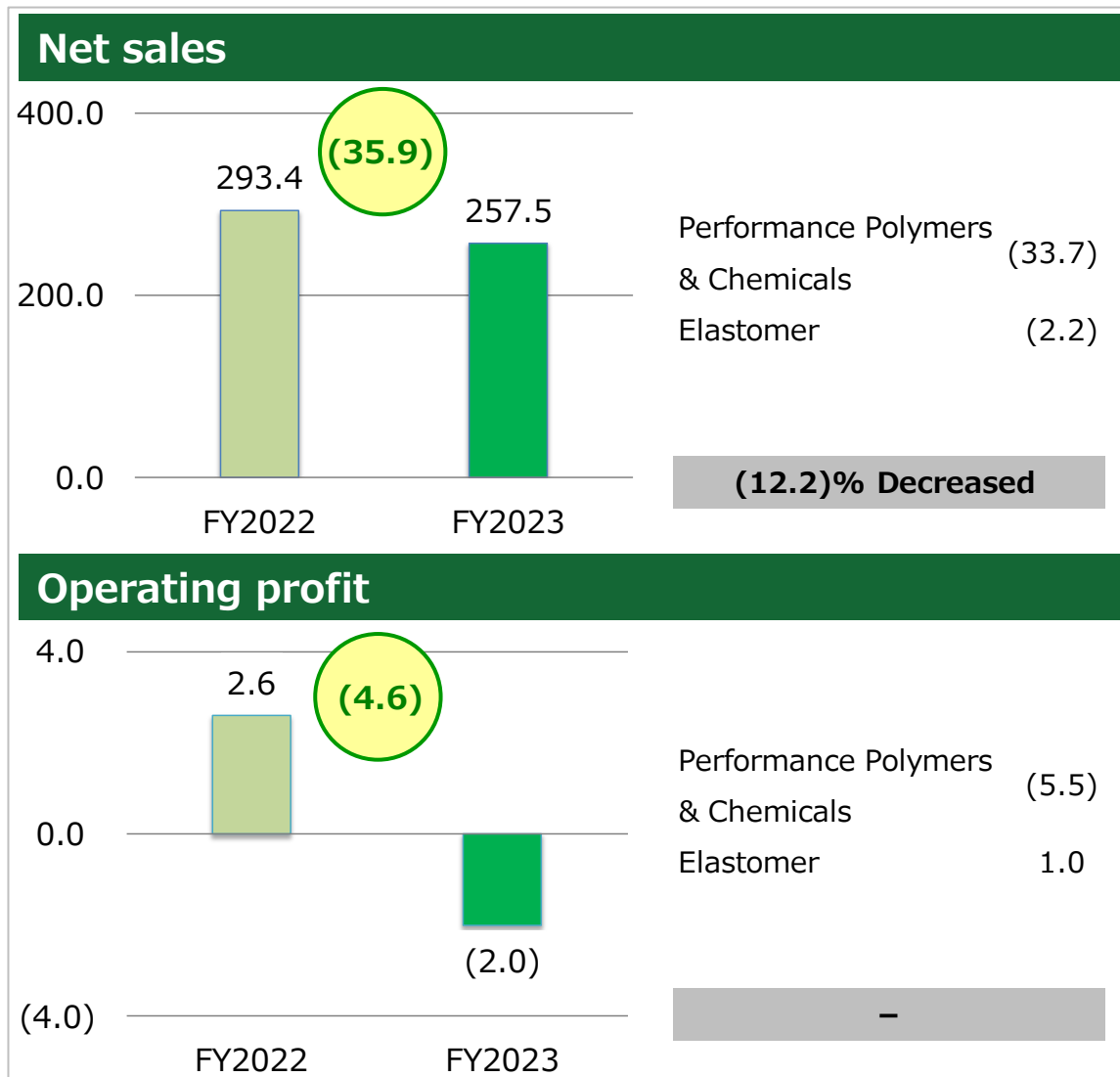
- Decreased sales volume of separators due to the negative impact of production reduction in the automobile industry

Operating profit: Upturn [12.5 → 13.0, +0.5]

- Strong sales of separation membranes and ceramics

# Analysis – Polymers & Chemicals

(Billions of yen)



**Revisions from the previous earnings forecasts published on May 12, 2023**

Net sales: Downturn [313.0 → 257.5, (55.5)]

- Lower sales volumes and lower sales prices of nylon polymers, caprolactam, and other products

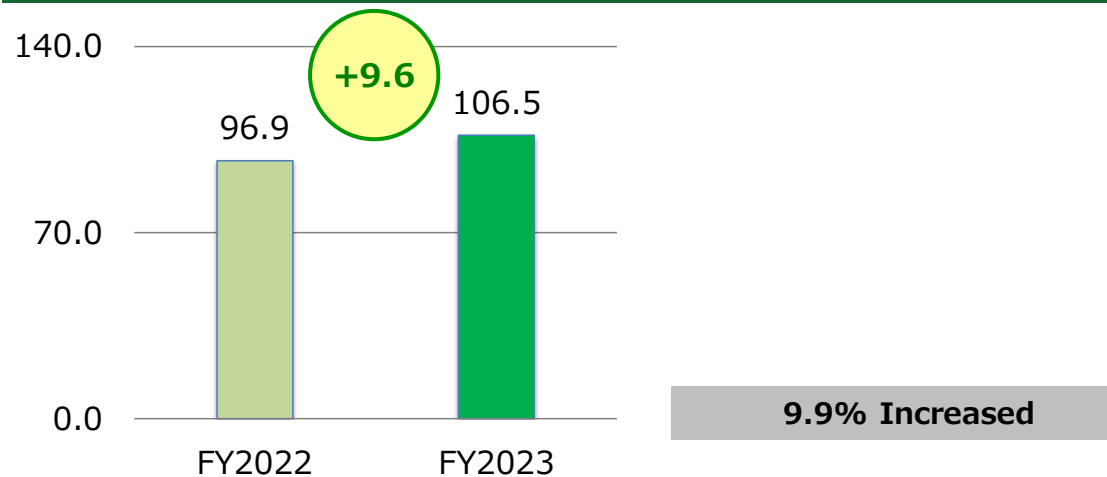
Operating profit: Downturn [12.0 → (2.0), (14.0)]

- Lower sales volumes and narrowing price spread of nylon polymers, caprolactam, and other products

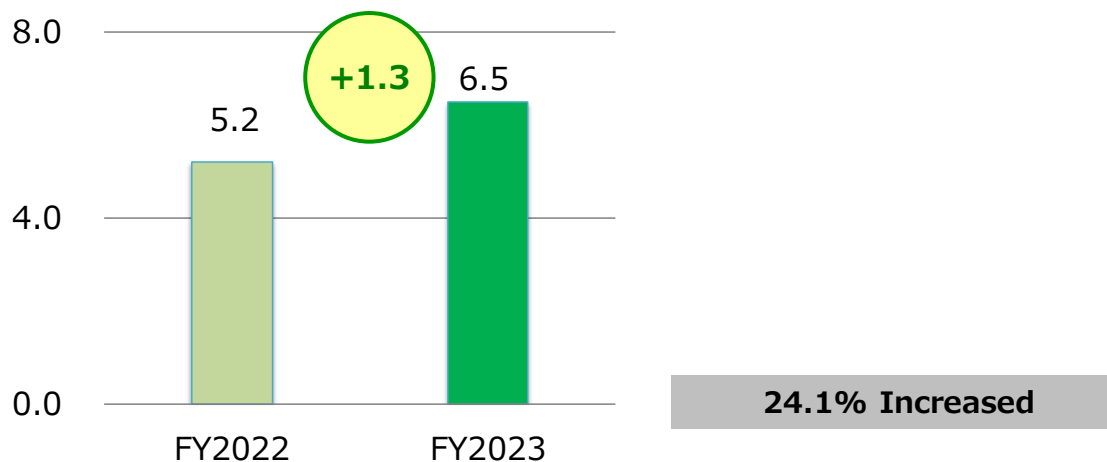
# Analysis – Machinery

(Billions of yen)

## Net sales



## Operating profit



## Revisions from the previous earnings forecasts published on May 12, 2023

Net sales: Downturn [108.5 → 106.5, (2.0)]

- Decreased sales volume of steel products due to declining demand

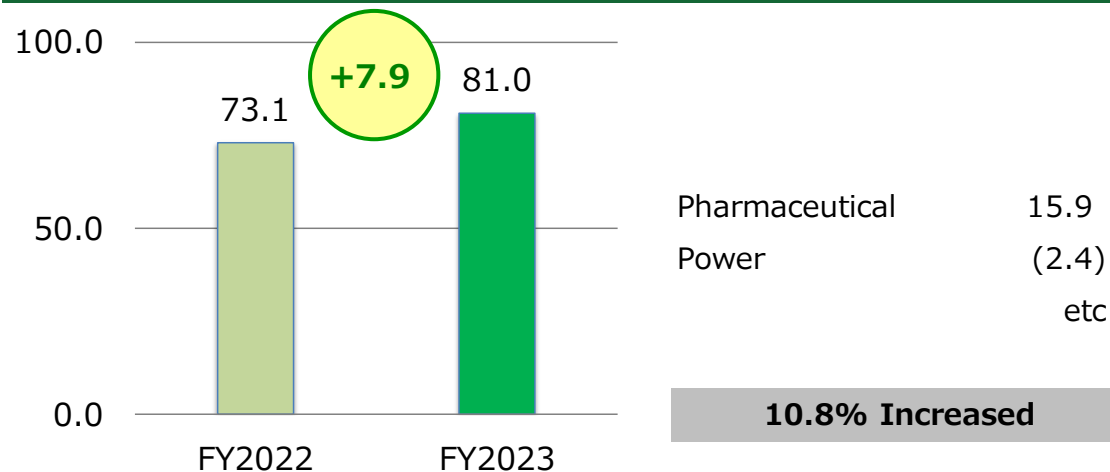
Operating profit: Downturn [6.0 → 6.5, +0.5]

- Strong sales of industrial machines

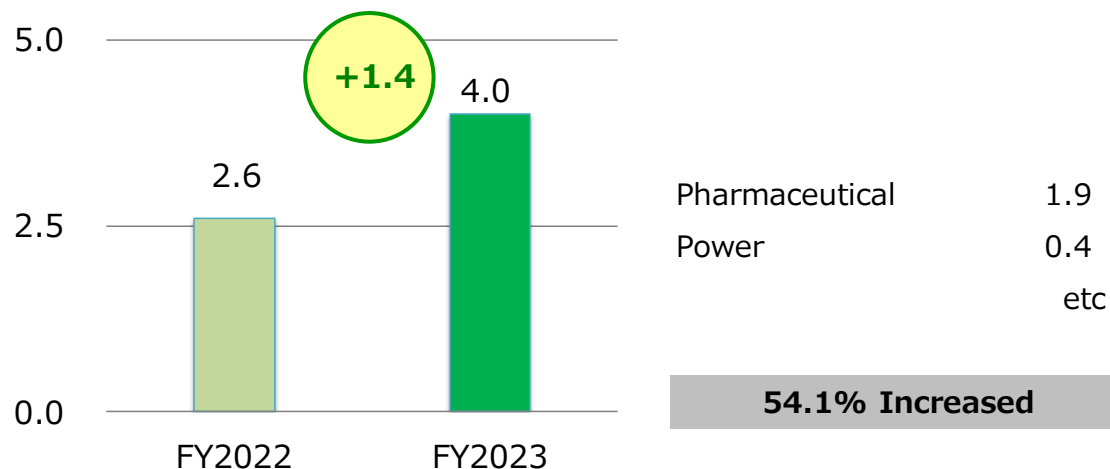
# Analysis – Others

(Billions of yen)

## Net sales



## Operating profit



## Revisions from the previous earnings forecasts published on May 12, 2023

Net sales: Downturn (88.5 → 81.0, (7.5)]

- Decline in sales price of electricity due to lower coal prices
- Lower sales volume of sales subsidiaries

Operating profit: Upturn (3.5 → 4.0, +0.5)

- Increase in royalty revenues of pharmaceutical



# Operating Profit – Profit attributable to owners of parent

(Billions of yen)

Item	FY2022 (A)	FY2023 (B)	Difference (B) - (A)
Operating profit	16.2	17.0	0.8
Non-operating income (expenses)	(25.0)	9.5	34.5
Share of profit (loss) of entities accounted for using equity method related to Mitsubishi UBE Cement Corporation	(24.6)	10.5	35.1
Ordinary profit (loss)	(8.7)	26.5	35.2
Extraordinary income (losses)	6.1	(2.0)	(8.1)
Profit (loss) before income taxes	(2.7)	24.5	27.2
Income taxes and profit (loss) attributable to non-controlling interests	(4.4)	(3.0)	1.4
Profit (loss) attributable to owners of parent	(7.0)	21.5	28.5
Net income per share	(72.54) yen	221.51 yen	294.05 yen

Note: The Company Group determined the provisional accounting treatment related to the business combination of a contract drag development and manufacturing organization in FY2023 1Q. The finalized accounting treatment is being applied in each reported figure for FY2022.

# Reference

---

## Difference of Net sales

(Billions of yen)

Segment	Previous forecasts 2023/5/12 (A)	Revised forecasts 2023/11/2 (B)	Difference (B) - (A)	Major factors
Specialty Products	71.5	67.5	(4.0)	
Polymers & Chemicals	313.0	257.5	(55.5)	Performance Polymers & Chemicals (47.5) Elastomer (8.0)
Machinery	108.5	106.5	(2.0)	
Others	88.5	81.0	(7.5)	Pharmaceutical 1.3 Power (4.3) etc.
Adjustment	(36.5)	(28.5)	8.0	
Total	545.0	484.0	(61.0)	

# Difference of Operating profit

(Billions of yen)

Segment	Previous forecasts 2023/5/12 (A)	Revised forecasts 2023/11/2 (B)	Difference (B) - (A)	Major factors
Specialty Products	12.5	13.0	0.5	
Polymers & Chemicals	12.0	(2.0)	(14.0)	Performance Polymers & Chemicals (14.5) Elastomer 0.5
Machinery	6.0	6.5	0.5	
Others	3.5	4.0	0.5	Pharmaceutical 1.4 etc.
Adjustment	(4.0)	(4.5)	(0.5)	
<b>Total</b>	<b>30.0</b>	<b>17.0</b>	<b>(13.0)</b>	

## Progress of Major P/L Items

(Billions of yen)

Item	FY2022 Results (A)		FY2023 Results (B)		Difference (B) - (A)	
		2Q Progress		2Q Progress		2Q
Net sales	494.7	244.8 49.5%	484.0	218.1 45.1%	(10.7)	(26.7)
Operating profit	16.2	8.5 52.6%	17.0	5.2 30.7%	0.8	(3.3)
Ordinary profit (loss)	(8.7)	(2.7) (-%)	26.5	11.3 42.7%	35.2	14.0
Profit (loss) attributable to owners of parent	(7.0)	(1.3) (-%)	21.5	9.0 41.9%	28.5	10.3

Note 1: The Company Group determined the provisional accounting treatment related to the business combination of the cement-related business in FY2022 4Q. The finalized accounting treatment is being applied in each reported figure for FY2022 2Q.

Note 2: The Company Group determined the provisional accounting treatment related to the business combination of a contract drag development and manufacturing organization in FY2023 1Q. The finalized accounting treatment is being applied in each reported figure for FY2022.

# Net Sales

(Billions of yen)

Segment	FY2023					Full-year (forecast)	Progress
	1Q	2Q	3Q	4Q	Total		
Specialty Products	15.8	15.5	–	–	31.3	67.5	46.3%
Polymers & Chemicals	60.3	59.8	–	–	120.2	257.5	46.7%
Machinery	20.6	22.1	–	–	42.7	106.5	40.0%
Others	18.9	19.0	–	–	38.0	81.0	46.9%
Adjustment	(6.4)	(7.6)	–	–	(14.0)	(28.5)	– %
<b>Total</b>	<b>109.2</b>	<b>108.9</b>	<b>–</b>	<b>–</b>	<b>218.1</b>	<b>484.0</b>	<b>45.1%</b>

# Operating Profit

(Billions of yen)

Segment	FY2023					Full-year (forecast)	Progress
	1Q	2Q	3Q	4Q	Total		
Specialty Products	3.0	2.6	–	–	5.7	13.0	43.5%
Polymers & Chemicals	(1.6)	(0.8)	–	–	(2.4)	(2.0)	– %
Machinery	0.9	1.3	–	–	2.2	6.5	33.1%
Others	0.9	0.5	–	–	1.4	4.0	35.5%
Adjustment	(0.6)	(1.0)	–	–	(1.6)	(4.5)	– %
<b>Total</b>	<b>2.6</b>	<b>2.6</b>	<b>–</b>	<b>–</b>	<b>5.2</b>	<b>17.0</b>	<b>30.7%</b>

## 2Q on 1Q – Net Sales

(Billions of yen)

Segment	FY2022 1Q (A)	FY2023 2Q (B)	Difference (B) - (A)	Major factors
Specialty Products	15.8	15.5	(0.3)	
Polymers & Chemicals	60.3	59.8	(0.5)	Performance Polymers & Chemicals (1.7) Elastmer 1.2
Machinery	20.6	22.1	1.5	
Others	18.9	19.0	0.1	Pharmaceutical (0.3) etc.
Adjustment	(6.4)	(7.6)	(1.1)	
Total	109.2	108.9	(0.4)	



## 2Q on 1Q – Operating Profit

(Billions of yen)

Segment	FY2022 1Q (A)	FY2023 2Q (B)	Difference (B) - (A)	Major factors
Specialty Products	3.0	2.6	(0.4)	
Polymers & Chemicals	(1.6)	(0.8)	0.8	Performance Polymers & Chemicals 0.4 Elastmer 0.3
Machinery	0.9	1.3	0.4	
Others	0.9	0.5	(0.4)	Pharmaceutical (0.4)
Adjustment	(0.6)	(1.0)	(0.4)	
<b>Total</b>	<b>2.6</b>	<b>2.6</b>	<b>(0.0)</b>	

# Net Sales and Operating Profit by Business Portfolio

(Billions of yen)

	Business portfolio	FY2022	FY2023	Difference (B) - (A)	FY2023	Progress
		2Q (A)	2Q (B)		full-year (forecast)	
Net sales	Specialty business	65.1	73.8	8.7	157.5	46.8%
	Basic business	123.5	93.2	(30.3)	199.0	46.8%
	Machinery business	45.3	42.7	(2.6)	106.5	40.0%
	Other businesses (incl. adjustment)	10.9	8.5	(2.5)	21.0	40.4%
	Total	244.8	218.1	(26.7)	484.0	45.1%
Operating profit	Specialty business	8.9	8.3	(0.7)	20.5	40.4%
	Basic business	(0.2)	(3.2)	(3.0)	(5.0)	–
	Machinery business	1.2	2.2	0.9	6.5	33.1%
	Other businesses (incl. adjustment)	(1.4)	(2.0)	(0.6)	(5.0)	–
	Total	8.5	5.2	(3.3)	17.0	30.7%

# Mitsubishi UBE Cement

(Billions of yen)

## ■ Major P/L Items

### Mitsubishi UBE Cement Corporation and Consolidated Subsidiaries

Item	FY2022 2Q	FY2023 2Q	FY2023 full-year
Net Sales	281.4	298.9	600.0 [670.0]
Overseas business	65.9	92.8	185.0 [ - ]
Operating profit (loss)	(20.0)	21.6	33.0 [25.0]
Overseas business	3.2	18.0	24.0 [ - ]
Ordinary profit (loss)	(18.6)	22.5	33.5 [25.5]
Profit (loss) attributable to owners of parent	(26.3)	13.1	19.0 [14.5]

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

Share of profit (loss) of entities accounted for using equity method	(12.7)	6.9	10.5 [8.0]
--	--------	-----	------------

- In the domestic cement business, despite the completion of the 5,000-yen price hike, business structure improvement, and measures to expand the use of low-cost thermal energy, the business continues to face difficult conditions, including lower sales volume due to declining domestic demand and higher costs due to the weak yen. The company aims to achieve profitability in FY2023 by further improving profitability.
- The environment and energy business and domestic group companies are performing well.
- In the U.S. business, ready-mixed concrete sales volume in FY2023 2Q increased due to the resumption of construction work that had been delayed by bad weather in FY2022, and price hikes penetrated early, resulting in a significant increase in profit. In the second half of FY2023, although profit will be decreased compared to the first half due to lower ready-mixed concrete sales and higher costs, profit is expected to increase year-on-year thanks to the effects of price hikes. As a result, a large increase in profits is expected for the full year as well.

## ■ Quantitative information

Item	FY2022 2Q	FY2023 2Q	FY2023 full-year
Total demand for cement in Japan (million tons)	18.60	17.39	36.00 [38.00]
Cement sales volumes in Japan (million tons)	4.57	4.15	8.65 [9.28]
Cement sales volumes in the U.S. (million tons)	0.92	0.93	1.80 [1.69]
Ready-mixed concrete sales volumes in the U.S. (million cy)	3.68	3.81	7.00 [7.48]
Thermal coal price (reference) (\$/t)	398	154	177 [370]
Exchange rate (Yen/\$)	134	141	145 [130]

\* The above thermal coal prices are reference indices and differ from actual procurement prices.

[ ]: forecast released May 12, 2023

(Reference) Consolidated Balance Sheet as of September 30, 2023

Total assets	784.1	Interest-bearing debt	203.4	Shareholder's equity	345.8
Shareholder's equity ratio	44.1%	D/E ratio	0.59 times		

# Consolidated Key Indicators

(Billions of yen)

Item	FY2022 2Q	FY2023 2Q	FY2023 full-year (forecast)	FY2022 full-year
Capital investment	14.6	12.8	41.0	29.3
Depreciation and amortization	12.5	13.0	24.5	25.5
Research and development expenses	5.0	5.1	11.0	10.4
Adjusted operating profit (loss)	(2.3)	11.8	28.0	(5.5)
Interest-bearing debt	189.3	214.6	218.0	218.1
Shareholders' equity	376.7	381.7	385.0	361.6
Total assets	730.7	743.3	760.0	732.7
D/E ratio (times)	0.50	0.56	0.57	0.60
Shareholders' equity ratio (%)	51.6	51.3	50.7	49.4
Return on sales - ROS (%)	3.5	2.4	3.5	3.3
Return on assets - ROA (%)	–	–	3.7	(0.7)
Return on equity – ROE (%)	–	–	5.8	(1.9)
Number of employees	7,693	8,041	8,120	8,028

Note 1: The Company Group determined the provisional accounting treatment related to the business combination of the cement-related business in FY2022 4Q. The finalized accounting treatment is being applied in each reported figure for FY2022 2Q.

Note 2: The Company Group determined the provisional accounting treatment related to the business combination of a contract drag development and manufacturing organization in FY2023 1Q. The finalized accounting treatment is being applied in each reported figure for FY2022 full-year.

# Consolidated Major Subsidiaries

(Billions of yen)

Subsidiaries	Business	Net Sales FY2023 2Q	Difference of operating profit from FY2022 2Q
UBE Corporation Europe, S.A. Unipersonal	Manufacture and sales of nylon, caprolactam, ammonium sulfate and fine chemical products	25.3	↓
UBE Chemicals (Asia) Public Company Limited	Manufacture and sales of nylon, caprolactam and ammonium sulfate	17.8	↓
THAI SYNTHETIC RUBBERS COMPANY LIMITED	Manufacture and sales of polybutadiene rubber	10.4	↑
Ube Film, Ltd.	Manufacture and sales of plastic film products	5.6	↑
UBE EXSYMO CO., LTD.	Manufacture and sales of polypropylene molded products, fibers, fiber-reinforced plastics and electronic and information materials	6.1	↓
UBE Machinery Corporation, Ltd.	Manufacture, sales, and service of molding machines, industrial machinery and bridge, etc.	22.7	↑
UBE Steel Co., Ltd	Manufacture and sales of cast iron and steel products and rolled steel billets	14.2	↑

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

## **Announcement of 3rd quarter Financial Results**

- **Announcement of 3rd Quarter Financial Results**
  - **February 5, 2024 15:00**
  
- **3rd Quarter Financial Results Briefing**
  - **February 5, 2024 18:00 – 18:45**

**(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 2023 UBE Corporation All Rights Reserved