



February 4, 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, 2020, previously announced on October 28, 2019. The changes are described below.

1 Revised Earnings Forecast for the Full Year of the Fiscal Year ending March 31, 2020 (April 1, 2019 to March 31, 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)	705.0	42.0	41.0	27.5	272.10
Revised forecast (B)	675.0	36.0	35.5	22.0	217.68
Change (B-A)	(30.0)	(6.0)	(5.5)	(5.5)	
Percentage change	(4.3)%	(14.3)%	(13.4)%	(20.0)%	
Previous fiscal year	730.1	44.5	47.8	32.4	312.36

2 Reasons for the Revision

Net sales are projected to be lower than the previous forecast. Contributing factors include the slowdown of the Chinese economy triggered by U.S.-China trade friction, causing further deterioration in the market conditions of nylon and lactam, a decrease in demand for calcia and magnesia, a decline in machinery shipments, and a reduction in coal sales volume.

Operating profit and ordinary profit will also underperform the previous forecasts due to the worsening market conditions for nylon and lactam and a decrease in sales volume for calcia and magnesia. Profit attributable to owners of the parent is expected to be lower than the previous forecast due partly to the impact of the impairment loss associated with the transfer of the golf course 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, 2020			The Previous Fiscal Year ended March 31, 2019
		Previous Forecast	Revised Forecast	Change	Result
Net sales	Chemicals	305.0	295.0	(10.0)	324.2
	Construction Materials	320.0	305.0	(15.0)	321.0
	Machinery	93.0	89.0	(4.0)	97.2
	Others	4.5	4.0	(0.5)	4.9
	Adjustment	(17.5)	(18.0)	(0.5)	(17.3)
	Total	705.0	675.0	(30.0)	730.1
Operating profit	Chemicals	20.5	15.5	(5.0)	24.6
	Construction Materials	16.5	15.5	(1.0)	14.4
	Machinery	5.0	5.0	0.0	5.4
	Others	0.7	0.8	0.1	0.8
	Adjustment	(0.7)	(0.8)	(0.1)	(0.7)
	Total	42.0	36.0	(6.0)	44.5

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.