

October 12, 2004

Company Name: Ube Industries, Ltd.

Representative Name: Kazumasa Tsunemi,

Chairman of the Board and President

(Stock Code: 4208, Tokyo Stock Exchange, First Section)

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ANNOUNCEMENT OF REVISED EARNINGS FORECAST

The Company has revised its original forecast announced on May 14, 2004 for the first half of the fiscal year ending March, 2005 (from April 1, 2004 to September 30, 2004) as follows.

1. Revised Consolidated Forecast for the First Half of Fiscal 2004 (from April 1, 2004 to September 30, 2004).

(Units: ¥billions, %)

	Net Sales	Operating Profit	Ordinary Profit	Net Income for the Period
Original Forecast (A) (Announced May 14, 2004)	264.0	5.0	-1.5	-1.0
Revised Forecast (B)	271.0	9.0	3.0	0.5
Amount of Revision (B-A)	+7.0	+4.0	+4.5	+1.5
Percentage of Revision	+2.7%	+80.0%	--	--
Previous First Half (for fiscal 2003)	242.2	5.1	1.5	0.6

2. Revised Non-Consolidated Forecast for the First Half of Fiscal 2004 (from April 1, 2004 to September 30, 2004).

(Units: ¥billions, %)

	Net Sales	Operating Profit	Ordinary Profit	Net Income for the Period
Original Forecast (A) (Announced May 14, 2004)	118.0	3.0	0	0
Revised Forecast (B)	122.3	7.4	6.2	4.7
Amount of Revision (B-A)	+4.3	+4.4	+6.2	+4.7
Percentage of Revision	+3.6%	+146.7%	--	--
Previous First Half (for fiscal 2003)	108.1	4.0	2.3	0.7

3. Reasons for the Revision

(1) Consolidated

- Favorable sales of caprolactam, polyethylene, synthetic rubber, specialty products and specialty chemicals are now expected to boost sales by ¥7.0 billion above previous forecasts.

- The consolidated operating profit forecast has been revised by ¥4.0 billion upward. While sharp price rises in naphtha, benzene and other chemical-related raw materials, as well as a slower-than-expected recovery in the North American aluminum wheel business are a drag on profits, these negatives are being offset by strong shipments of specialty products as well as pharmaceutical bulk compounds and intermediates. In addition, most of the rise in raw materials prices is being absorbed by higher product prices, and the Company has achieved in further cost savings in cement and construction materials.
- The consolidated ordinary profit forecast has been revised upward by ¥4.5 billion, reflecting the upward revision in operating profits.
- The upward revision in forecast consolidated net income for the period was limited to ¥1.5 billion, owing to North American aluminum wheel-related losses that could not be recorded as deferred tax assets.

(2) Non-Consolidated (Parent-Only)

- Forecast non-consolidated sales were revised by ¥4.3 billion upward reflecting strong sales of caprolactam, polyethylene, synthetic rubber, specialty products and specialty chemicals.
- The Company's non-consolidated operating profit forecast has been revised upward by ¥4.4 billion on strong sales of specialty products as well as pharmaceutical bulk compounds and intermediates. In addition, the majority of higher naphtha, benzene and other profit reducing chemical-related raw material costs were passed on in product prices. Moreover, the Company was able to realize further cost savings in cement and construction materials.
- Forecast non-consolidated ordinary profits were revised by ¥6.2 billion upward. In addition to the positive factors as described above, an improvement is being seen at non-operating profits, including net interest paid.
- Reflecting the above, forecast non-consolidated net income for the period was revised by ¥4.7 billion upward.

(Reference) Full-Year Consolidated and Non-Consolidated Forecast

The Company's has revised its first-half consolidated and non-consolidated fiscal 2004 forecasts upward from previously announced forecasts in light of the above-described factors. On the other hand, full-year consolidated and non-consolidated forecasts remain unchanged,

as the Company continues to closely monitor the pace of recovery in its North American aluminum wheel business, future rises in raw material costs, and the trend in the digital consumer electronics market. Given these uncertainties, the Company intends to announce full-year revisions at a later date.

* Please note that the above forecasts are based on information presently available to the Company, and could, due to various factors beyond the Company's control, differ materially from actual results.