



MEMBERSHIP

February 8, 2006

Summary of Consolidated Business Results for the First Three Quarters of Fiscal Year Ending March 31, 2006

Company name: Ube Industries, Ltd.
 Shares listed on: First Section of Tokyo Stock Exchange, Fukuoka Stock Exchange
 Security code number: 4208
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I. Notes Related to the Preparation of This Summary

1. Use of simplified accounting methods: Yes
(Partially used for calculation of income tax and other taxes)
2. Change in accounting methods from the previous consolidated fiscal year: Yes
Details are outlined in the attached document, "Changes in Accounting Methods."
3. Change in the scope of consolidation and application of equity method: Yes
Consolidated subsidiaries: Three subsidiaries newly excluded.

II. Summary of Business Results for the First Three Quarters of Fiscal Year Ending March 31, 2006 (April 1 - December 31, 2005)

1 Consolidated Operating Results

(In millions of yen - rounded off, except per share data)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Amount	Year-on-year Change	Amount	Year-on-year Change	Amount	Year-on-year Change	Amount	Year-on-year Change
3Qs ended December 31, 2005	433,541	+3.9%	30,609	+48.4%	25,916	+107.6%	12,774	+97.8%
3Qs ended December 31, 2004	417,110	+12.0%	20,631	+68.3%	12,482	+68.2%	6,457	+65.1%
Reference: Previous fiscal year ended March 31, 2005	562,708	+10.0%	32,312	+46.8%	23,634	+56.1%	9,223	-

	Net Income per Share (Yen)	Diluted Net Income per Share (Yen)
3Qs ended December 31, 2005	13.59	12.73
3Qs ended December 31, 2004	7.19	6.62
Reference: Previous fiscal year ended March 31, 2005	10.07	9.31

2. Qualitative Information Concerning Consolidated Business Performance

The business environment in the first three quarters of the fiscal year ending March 31, 2006 was generally favorable. Negative factors included increases in the cost of raw materials and fuel, and the impact of adjustments in the markets for IT and digital consumer products since the summer of 2004. However, Asian economies sustained their strong performance, while demand for cement in Japan increased year-on-year. The markets for IT and digital consumer products also began moving toward a full recovery. Amid these conditions, the Company recorded a year-on-year increase in sales, and earnings were up significantly.

Revenue was down in the machinery and metal products segment, due to the sale of the Company's ship repair business and the dissolution of its US aluminum wheel subsidiary. However, it was up in both the chemicals and plastics segment and energy and environment segment, as the Company raised prices to match increases in raw material costs and the purchase price of coal. Revenue was also up in the cement and construction materials segment and the specialty chemicals and products segment. Net sales were ¥433.5 billion for the first three quarters, up 3.9% or ¥16.4 billion year-on-year.

Operating income rose significantly to ¥30.6 billion for the first three quarters, up 48.4% or ¥9.9 billion year-on-year. These results were due to steady progress in the Company's efforts to raise prices in the chemicals and plastics segment to reflect increases in the cost of raw materials. In the machinery and metal products segment, the profit/loss situation improved for the North American aluminum wheel business.

Ordinary income was ¥25.9 billion, up 107.6% or ¥13.4 billion year-on-year. The results were due to an increase in operating income and improvements in the balance of dividends received and interest expenses, and in investment losses due to application of the equity method.

The rise in ordinary income boosted net income to ¥12.7 billion for the first three quarters, up 97.8% or ¥6.3 billion year-on-year.

Performance by segment is summarized below.

A. Chemicals and Plastics

Net sales in the segment were ¥128.1 billion for the first three quarters, up 4.7% or ¥5.7 billion year-on-year. A decrease in revenue from the splitting off and transfer of the polyethylene business was offset by an increase in product prices to reflect the higher cost of raw materials.

Operating income in the segment was ¥11.4 billion for the first three quarters, up 102.4% or ¥5.8 billion year-on-year. The results were due to an improvement in the spread between product prices and raw material costs, spurred by a favorable balance of supply and demand.

B. Specialty Chemicals and Products

Net sales in the segment were ¥65.1 billion in the first three quarters, up 4.1% or ¥2.5 billion year-on-year. Sales of specialty products were affected by adjustments in the markets for IT and digital consumer products, although both markets began moving toward a full recovery.

Operating income in the segment was ¥7.6 billion for the first three quarters, down 5.7% or ¥0.4 billion year-on-year. The segment continued to suffer the effects of adjustments in the markets for IT and digital consumer products.

C. Cement and Construction Materials

Net sales in the segment were ¥143.2 billion in the first three quarters, up 9.0% or ¥11.8 billion year-on-year. Contributing factors included accounting changes for industrial waste processing from cement production, which was changed from an expense deduction to a sales revenue calculation, as the resources recycling business was repositioned as a revenue-earning business. Other factors included strong demand for quicklime products and cement in Japan.

Operating income in the segment was ¥7.0 billion for the first three quarters, up 5.2% or ¥0.3 billion year-on-year. The negative impact of higher coal and other fuel costs was offset by a successful effort to raise the price of certain products, combined with an increase in processing of industrial waste.

D. Machinery and Metal Products

Net sales in the segment were ¥70.4 billion in the first three quarters, down 10.6% or ¥8.3 billion year-on-year. Contributing factors included a decrease in revenues from the sale of the Company's ship repair business in April 2005 and the dissolution of the US aluminum wheel subsidiary in March 2005.

Operating income in the segment posted a profit of ¥2.4 billion for the first three quarters, compared with the loss of ¥1.8 billion one year ago. Earnings were up by ¥4.2 billion. These results were due to the elimination of operating losses from the US aluminum wheel subsidiary and improvements in the profit/loss situation for the Canadian manufacturing subsidiary. Earnings were up in the machinery segment on the strength of increased sales of molding machines by Ube Machinery Corporation, Ltd.

E. Energy and Environment

Net sales in the segment were ¥23.5 billion in the first three quarters, up 24.1% or ¥4.5 billion year-on-year on the strength of higher coal prices.

Operating income in the segment was ¥1.6 billion for the first three quarters, up slightly by 5.8% year-on-year.

F. Other

Net sales in other segments in the first three quarters were ¥2.9 billion, with operating income of ¥0.4 billion, remaining steady year-on-year.

3. Consolidated Financial Position

	(In millions of yen - rounded off, except per share data)			
	Total Assets	Stockholders' Equity	Stockholders' Equity Ratio	Stockholder's Equity per Share (Yen)
At end 3Q ended December 31, 2005	711,823	124,394	17.5%	132.29
At end 3Q ended December 31, 2004	726,223	102,737	14.1%	109.39
Reference: Previous fiscal year ended March 31, 2005	706,686	108,383	15.3%	115.30

4. Qualitative Information on Changes in Consolidated Financial Position

Total assets were ¥711.8 billion for the first three quarters, up ¥5.1 billion from the end of the previous fiscal year. Cash and cash equivalents were down, but this decline was offset by an increase in notes and accounts receivables and inventories. Consequently, current assets were up ¥7.0 billion, while fixed assets were down ¥1.8 billion due to a decrease in tangible fixed assets.

Total liabilities were ¥569.3 billion for the first three quarters, down ¥11.2 billion from the end of the previous fiscal year. Contributing factors included a decrease in interest-bearing debt of ¥20.7 billion from the redemption of convertible bonds.

Total stockholders' equity was ¥124.3 billion for the first three quarters, up ¥16.0 billion from the end of the previous fiscal year. This increase was due to the net income of ¥12.7 billion and an increase of ¥3.9 billion in unrealized gain on holdings of other marketable securities.

Reference

Forecast of Consolidated Earnings for Fiscal Year Ending March 31, 2006 (April 1, 2005 - March 31, 2006)
(In millions of yen)

	Net Sales	Operating Income	Ordinary Income	Net Income
Fiscal year ending March 31, 2006	593,000	40,000	31,000	15,000

Reference

Forecast Net Income per Share 15.85Yen

This company has revised its full-year forecasts for the fiscal year ending March 31, 2006, previously announced on October 17, 2005. And the changes are described in details on another press release "Ube Industries Announces Revised Earnings Forecast" that is announced February 8, 2006.

The above earnings forecast is 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.

III. Summary of Consolidated Balance Sheet

(In millions of yen - rounded off)

	End of Current 3Q (As of Dec. 31, 2005)		End of Previous Fiscal Year (As of Mar. 31, 2005)		Change	End of Previous 3Q (As of December 31, 2005)	
	Amount	%	Amount	%		Amount	Amount
(Assets)							
I. Current assets	282,450	39.7	275,421	39.0	7,029	290,379	40.0
Cash and cash equivalents	22,461		34,407		-11,946	44,534	
Trade notes and accounts receivable	147,965		135,666		12,299	140,395	
Inventories	90,129		79,901		10,228	81,373	
Other	21,895		25,447		-3,552	24,077	
II. Fixed assets	429,360	60.3	431,243	61.0	-1,883	435,797	60.0
Property, plant and equipment	353,475		360,787		-7,312	367,077	
Intangible fixed assets	4,754		5,584		-830	5,681	
Investment and other assets	71,131		64,872		6,259	63,039	
III. Deferred assets	13	0.0	22	0.0	-9	47	0.0
Total assets	711,823	100.0	706,686	100.0	5,137	726,223	100.0
(Liabilities)							
I. Current liabilities	315,976	44.4	320,446	45.4	-4,470	355,254	48.9
Trade notes and accounts payable	103,498		91,373		12,125	96,514	
Short-term debts	147,385		149,712		-2,327	179,021	
Current portion of bonds	14,480		7,420		7,060	12,420	
Current portion of convertible bonds	-		19,811		-19,811	19,811	
Other liabilities	50,613		52,130		-1,517	47,488	
II. Long-term liabilities	253,391	35.6	260,161	36.8	-6,770	251,037	34.6
Bonds	2,620		16,300		-13,680	16,500	
Convertible notes	19,898		19,900		-2	19,908	
Long-term debts	192,802		184,812		7,990	175,972	
Accrued retirement benefits	10,476		11,280		-804	11,700	
Other	27,595		27,869		-274	26,957	
Total liabilities	569,367	80.0	580,607	82.2	-11,240	606,291	83.5
(Minority interests)							
Minority interests	18,062	2.5	17,696	2.5	366	17,195	2.4
(Stockholders' equity)							
I. Common stock	48,565	6.8	48,565	6.9	-	48,565	6.7
II. Capital surplus	18,494	2.6	18,437	2.6	57	18,415	2.5
III. Retained earnings	49,466	6.9	38,589	5.4	10,877	35,803	4.9
IV. Revaluation surplus on assets	488	0.1	520	0.1	-32	533	0.1
V. Unrealized gain on holdings of other marketable securities	10,797	1.5	6,857	1.0	3,940	6,227	0.9
VI. Accumulated foreign currency transition adjustments	-3,098	-0.4	-3,976	-0.6	878	-6,174	-0.9
VII. Treasury stock	-318	0.0	-609	-0.1	291	-632	-0.1
Total stockholders' equity	124,394	17.5	108,383	15.3	16,011	102,737	14.1
Total liabilities, minority interests and stockholders' equity	711,823	100.0	706,686	100.0	5,137	726,223	100.0

IV. Summary of Consolidated Income Statement

	(In millions of yen - rounded off)			
	First Three Quarters (Apr. 1 - Dec. 31, 2005)	Same Period Last Year (Apr. 1 - Dec. 31, 2004)	Change	Previous Fiscal Year (Apr. 1, 2004 - Mar. 31, 2005)
Net sales	433,541	417,110	16,431	562,708
Cost of sales	347,127	339,120	8,007	453,250
Gross profit	86,414	77,990	8,424	109,458
Selling, general and administrative expense	55,805	57,359	-1,554	77,146
Operating income	30,609	20,631	9,978	32,312
Non-operating income	7,874	6,022	1,852	10,962
Non-operating expenses	12,567	14,171	-1,604	19,640
Ordinary income	25,916	12,482	13,434	23,634
Extraordinary gains	400	1,490	-1,090	2,201
Extraordinary losses	5,309	1,539	3,770	15,050
Income before income taxes	21,007	12,433	8,574	10,785
Income tax, inhabitants tax and enterprise tax	7,649	5,639	2,010	639
Minority interests in income of consolidated subsidiaries	-584	-337	-247	923
Net income	12,774	6,457	6,317	9,223

V. Changes in Accounting Method

Net revenue earned from industrial waste processing for cement production was changed from a sales cost deduction item to a sales revenue calculation. The accounting change was due to a repositioning of the resources recycling business as a revenue-earning business and sales item. Related costs for industrial waste processing from cement production are now calculated under the cost of sales and selling, general and administrative expenses. The accounting changes were directly responsible for an increase in net sales of ¥6,703 million in the first three quarters. The cost of sales increased by ¥6,371 million and selling, general and administrative expenses increased by ¥332 million, again due to the accounting changes. Operating income, ordinary income and income before income taxes and minority interest were not affected.

VI. Information by Business Segment

First Three Quarters (April 1 - December 31, 2005)

(In millions of yen - rounded off)

	Net Sales			Operating Expenses	Operating Income
	(1) Outside Customers	(2) Inter-Segment Sales and Transfers	Total		
Chemicals and plastics	128,120	5,367	133,487	122,009	11,478
Specialty chemicals and products	65,192	122	65,314	57,621	7,693
Cement and construction materials	143,263	2,778	146,041	139,010	7,031
Machinery and metal products	70,417	585	71,002	68,570	2,432
Energy and environment	23,584	6,024	29,608	27,942	1,666
Other	2,965	739	3,704	3,251	453
Total	433,541	15,615	449,156	418,403	30,753
Elimination or corporate	–	(15,615)	(15,615)	(15,471)	(144)
Consolidated	433,541	–	433,541	402,932	30,609

Same Period Last Year (April 1 - December 31, 2004)

(In millions of yen - rounded off)

	Net Sales			Operating Expenses	Operating Income
	(1) Outside Customers	(2) Inter-Segment Sales and Transfers	Total		
Chemicals and plastics	122,347	4,818	127,165	121,493	5,672
Specialty chemicals and products	62,604	523	63,127	54,970	8,157
Cement and construction materials	131,437	2,438	133,875	127,191	6,684
Machinery and metal products	78,808	748	79,556	81,366	(1,810)
Energy and environment	19,007	6,878	25,885	24,310	1,575
Other	2,907	746	3,653	3,171	482
Total	417,110	16,151	433,261	412,501	20,760
Elimination or corporate	–	(16,151)	(16,151)	(16,022)	(129)
Consolidated	417,110	–	417,110	396,479	20,631