



MEMBERSHIP

November 2, 2007

Company name: Ube Industries, Ltd.  
 Representative: Hiroaki Tamura,  
 President and Representative Director  
 Security code: 4208 (shares listed on First Section of  
 Tokyo Stock Exchange and Fukuoka  
 Stock Exchange)  
 URL: <http://www.ube.co.jp/>  
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### Ube Industries Announces Revised First-Half Earnings Forecast

Ube Industries has revised its first-half forecast for the fiscal year ending March 31, 2008, previously announced on August 3, 2007, and its full-year forecast previously announced on May 10, 2007. The changes are described below.

#### 1. Revised Earnings Forecast for First Half of Fiscal Year Ending March 31, 2008 (April 1 to September 30, 2007)

##### (1) Revised Consolidated Earnings Forecast

(Unit: Millions of yen, %)

|  | Net Sales | Operating Income | Ordinary Income | Net Income | Net Income per Share (Yen) |
|--|-----------|------------------|-----------------|------------|----------------------------|
| Previous Forecast (A)                        | 328,500   | 17,000           | 13,000          | 6,000      | 5.96                       |
| Revised Forecast (B)                         | 335,100   | 22,200           | 18,600          | 7,800      | 7.75                       |
| Change (B – A)                               | 6,600     | 5,200            | 5,600           | 1,800      | -                          |
| Percent change                               | 2.0       | 30.6             | 43.1            | 30.0       | -                          |
| Previous first half ended September 30, 2006 | 310,690   | 17,842           | 16,805          | 8,916      | 8.86                       |

##### (2) Revised Non-Consolidated Earnings Forecast

(Unit: Millions of yen, %)

|  | Net Sales | Operating Income | Ordinary Income | Net Income | Net Income per Share (Yen) |
|--|-----------|------------------|-----------------|------------|----------------------------|
| Previous Forecast (A)                        | 153,500   | 7,500            | 7,000           | 4,500      | 4.46                       |
| Revised Forecast (B)                         | 158,500   | 10,700           | 10,600          | 4,800      | 4.76                       |
| Change (B – A)                               | 5,000     | 3,200            | 3,600           | 300        | -                          |
| Percent change                               | 3.3       | 42.7             | 51.4            | 6.7        | -                          |
| Previous first half ended September 30, 2006 | 138,468   | 7,396            | 7,516           | 1,310      | 1.30                       |

#### (Reasons for the Revisions)

The previous forecast for net sales has been revised upward due to increases in selling prices to reflect higher raw material costs in the chemicals and plastics segment, which is being driven by a favorable balance of supply and demand. Other factors include increases in the volume of coal handled by the Company and in coal prices.

The previous forecasts for operating income and ordinary income have been revised upward due to the above factors, and other factors such as price increases for ammonium sulfate as a by-product of caprolactam, which is being driven by rising demand for fertilizer. In addition, the Company is experiencing higher shipping volumes for pharmaceutical active ingredients and intermediates, as well as strong results from the machinery segment.

The previous forecast for net income has also been revised upward, despite recording an extraordinary loss related to Ube Board Co., Ltd., details of which were separately released today.

## 2. Revised Earnings Forecast for Full-Year of Fiscal Year Ending March 31, 2008

(April 1, 2007 to March 31, 2008)

### (1) Revised Consolidated Earnings Forecast

(Unit: Millions of yen, %)

|   | Net Sales | Operating Income | Ordinary Income | Net Income | Net Income per Share (Yen) |
|---|-----------|------------------|-----------------|------------|----------------------------|
| Previous Forecast (A)                     | 668,000   | 45,000           | 37,000          | 21,000     | 20.87                      |
| Revised Forecast (B)                      | 701,000   | 51,000           | 43,000          | 22,000     | 21.86                      |
| Change (B – A)                            | 33,000    | 6,000            | 6,000           | 1,000      | -                          |
| Percent change                            | 4.9       | 13.3             | 16.2            | 4.8        | -                          |
| Previous Fiscal Year ended March 31, 2007 | 655,608   | 46,862           | 43,154          | 22,013     | 21.88                      |

### (2) Revised Non-Consolidated Earnings Forecast

(Unit: Millions of yen, %)

|   | Net Sales | Operating Income | Ordinary Income | Net Income | Net Income per Share (Yen) |
|---|-----------|------------------|-----------------|------------|----------------------------|
| Previous Forecast (A)                     | 315,000   | 22,000           | 18,500          | 11,500     | 11.40                      |
| Revised Forecast (B)                      | 330,000   | 25,000           | 21,500          | 11,500     | 11.41                      |
| Change (B – A)                            | 15,000    | 3,000            | 3,000           | 0          | -                          |
| Percent change                            | 4.8       | 13.6             | 16.2            | 0.0        | -                          |
| Previous Fiscal Year ended March 31, 2007 | 296,429   | 22,583           | 20,487          | 6,189      | 6.14                       |

### (Reasons for the Revisions)

Despite uncertainty over factors such as trends in raw materials and fuel prices and foreign exchange trends, as well as the gradual recovery of housing starts in Japan that had been delayed by the introduction of changes to the Building Standard Law of Japan, the Company anticipates that the supply and demand situation will continue to be healthy overall in the second half of the fiscal year, throughout its business segments. Taking this into account, the previous forecasts for net sales and profits have been revised upward, reflecting the upward revision of both the consolidated and non-consolidated earnings forecasts for the first half of the fiscal year, and current factors such as trends in raw materials and fuel prices and foreign exchange trends.

Note: The above earnings forecast is based on information available to the Company at the time this document was prepared. Actual results can vary significantly from forecasts, due to changes in a wide variety of conditions.