



Company name: Ube Industries, Ltd.
Representative: Hiroaki Tamura
President and Representative Director
Shares listed on: First Section of Tokyo Stock Exchange,
Fukuoka Stock Exchange
Security code number: 4208
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Ube Industries Announces Short-Form Merger of Subsidiary

TOKYO, November 9, 2007 — Ube Industries, Ltd. today announced that it will absorb a subsidiary, EUP Co., Ltd., by a merger. The decision was approved today at a meeting of the Board of Directors. Details of the merger are outlined below.

1. Purpose of Merger

EUP Co., Ltd. engages in recycling of waste plastics and other materials as prescribed under the Containers and Packaging Recycling Law, utilizing a process that produces synthesis gas for the chemicals industry. The company was established as a 50/50 joint venture by Ube Industries, Ltd. and Ebara Corporation and has been operating since fiscal 2001.

On September 30, 2007, EUP Co., Ltd. was made into a wholly-owned subsidiary of Ube Industries, Ltd. in order to streamline and improve the efficiency of its operations in unison with Ube Industries, Ltd. The move was designed to position the company to generate stable profits moving forward, taking into account the increasingly competitive nature of the business environment for EUP Co., Ltd.

By absorbing EUP Co., Ltd. through a merger, Ube Industries, Ltd. is aiming to further streamline the operations of the business unit.

2. Details of Merger

A. Schedule for Merger

Scheduled meeting by Board of Directors: November 9, 2007

Scheduled signing of merger agreement: November 9, 2007

General meeting of shareholders to approve the merger agreement:

Ube Industries, Ltd.: Ube Industries, Ltd. will not hold a general meeting of shareholders to approve the merger agreement, since it falls within the scope of a short-form merger as described in Article 796, Paragraph 3 of the Company Law.

EUP Co., Ltd.: EUP Co., Ltd. will not hold a general meeting of shareholders to approve the merger agreement, since it falls within the scope of a short-form merger as described in Article 784, Paragraph 1 of the Company Law.

Scheduled date of merger (date of effect): March 1, 2008

B. Method of Merger

Merger by absorption into Ube Industries, Ltd. and dissolution of EUP Co., Ltd.

C. Handling of Share Warrants and Warrant Bonds of Corporation Ceasing to Exist

EUP Co., Ltd. has not issued any share warrants or warrant bonds.

3. Company Data for Parties Involved in Merger (as of March 31, 2007)

(1)	Trade name	Ube Industries, Ltd. (absorbing corporation)	EUP Co., Ltd. (corporation ceasing to exist)																																		
(2)	Business description	Manufacturing, import and sales of chemicals, cement, machinery, aluminum wheels, coal, power and other	Gasification of organic wastes, creation and sales of synthesis gases																																		
(3)	Date established	March 1942	June 2000																																		
(4)	Head office address	1978-96, Kogushi, Ube, Yamaguchi Prefecture	1-2-1 Shibaura, Minato-ku, Tokyo																																		
(5)	Name and title of president and representative director	Hiroaki Tamura, President & Representative Director	Yoshio Kosaka, President & Representative Director																																		
(6)	Capitalization	58,399 million yen	49 million yen																																		
(7)	Number of shares issued	1,008,993,000	22,000																																		
(8)	Net assets	127,323 million yen	(429 million yen)																																		
(9)	Total assets	464,253 million yen	2,272 million yen																																		
(10)	Fiscal year end	March 31	March 31																																		
(11)	Major shareholders and ownership ratio	<table border="1"><tr><td>i.</td><td>Japan Trustee Services Bank, Ltd. (Trust account)</td><td>13.7%</td></tr><tr><td>ii.</td><td>The Master Trust Bank of Japan, Ltd. (Trust account)</td><td>7.6%</td></tr><tr><td>iii.</td><td>Japan Trustee Services Bank, Ltd. (Trust account 4)</td><td>3.8%</td></tr><tr><td>iv.</td><td>Sumitomo Life Insurance Company</td><td>1.8%</td></tr><tr><td>v.</td><td>Nipponkoa Insurance Co., Ltd.</td><td>1.6%</td></tr><tr><td>vi.</td><td>Nippon Life Insurance Company</td><td>1.6%</td></tr><tr><td>vii.</td><td>The Bank of Tokyo-Mitsubishi UFJ, Ltd.</td><td>1.5%</td></tr><tr><td>viii.</td><td>Mizuho Corporate Bank, Ltd.</td><td>1.2%</td></tr><tr><td>ix.</td><td>NikkoCiti Trust and Banking Corporation (Trust account)</td><td>1.2%</td></tr><tr><td>x.</td><td>The Norinchukin Bank</td><td>1.2%</td></tr></table>	i.	Japan Trustee Services Bank, Ltd. (Trust account)	13.7%	ii.	The Master Trust Bank of Japan, Ltd. (Trust account)	7.6%	iii.	Japan Trustee Services Bank, Ltd. (Trust account 4)	3.8%	iv.	Sumitomo Life Insurance Company	1.8%	v.	Nipponkoa Insurance Co., Ltd.	1.6%	vi.	Nippon Life Insurance Company	1.6%	vii.	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1.5%	viii.	Mizuho Corporate Bank, Ltd.	1.2%	ix.	NikkoCiti Trust and Banking Corporation (Trust account)	1.2%	x.	The Norinchukin Bank	1.2%	<table border="1"><tr><td>Ube Industries, Ltd. (Note)</td><td>50.0%</td></tr><tr><td>Ebara Corporation (Note)</td><td>50.0%</td></tr></table>	Ube Industries, Ltd. (Note)	50.0%	Ebara Corporation (Note)	50.0%
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Note: EUP Co., Ltd. became a wholly-owned subsidiary of Ube Industries, Ltd. on September 30, 2007 through the transfer of shares held by Ebara Corporation to Ube Industries, Ltd. EUP Co., Ltd. resolved its excess of debts as of November 1, 2007.

4. Corporate Data after Merger

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| (1) Trade name: | Ube Industries, Ltd. |
| (2) Business description: | No change from merger |
| (3) Head office address: | No change from merger |
| (4) Name and title of president
and representative director: | No change from merger |
| (5) Capitalization: | No change from merger |
| (6) Fiscal year end: | No change from merger |
| (7) Impact of merger on business
results of Ube Industries, Ltd.: | The impact of the merger on the FY2007 consolidated and
non-consolidated business results of Ube Industries, Ltd.
will be negligible. |