

October 3, 2024
 UBE Corporation
 UBE Machinery Corporation, Ltd.
 UBE Steel Co., Ltd.

Transfer of Management Rights in UBE Steel Co., Ltd.

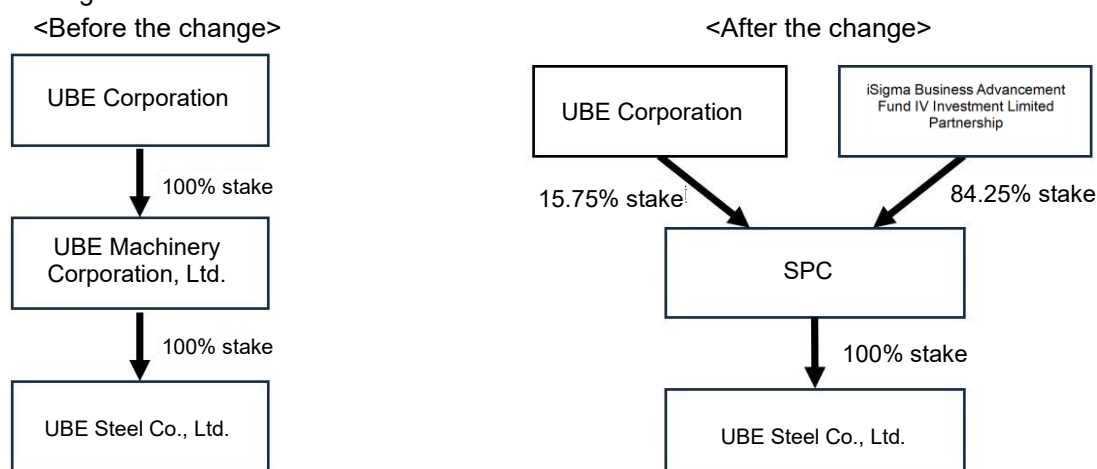
UBE Corporation (President: Masato Izumihara; Head Office: Minato-ku, Tokyo; hereinafter, “UBE”) has decided to transfer its management rights in UBE Steel Co., Ltd. (President: Hisao Yamane; Head Office: Ube City, Yamaguchi Prefecture; wholly-owned by UBE Machinery Corporation, Ltd.; hereinafter, “UBE Steel”), a steelmaking subsidiary of UBE Machinery Corporation, Ltd. (President: Hironori Miyauchi; Head Office: Ube City, Yamaguchi Prefecture; wholly-owned by UBE), to iSigma Capital Corporation (CEO: Hirotaka Hino; Head Office: Chiyoda-ku, Tokyo; hereinafter, “iSigma Capital”), which is wholly owned by Marubeni Corporation. UBE Steel will strive for further growth under the new management structure.

Upon the transfer of the management rights, UBE will invest 15.75% in the Special Purpose Company (SPC), which is established by iSigma Capital and holds all of UBE Steel shares. The remaining 84.25% of the shares will be invested by iSigma Business Advancement Fund IV Investment Limited Partnership, managed and operated by iSigma Capital.

■ Purpose of the investment

UBE Steel is engaged in steelmaking and casting as a manufacturer of carbon steel electric arc furnaces. While demand for iron and steel is expected to decrease in Japan, electric arc furnaces are recognized as a steel manufacturing process that contributes to carbon neutrality. Going forward, the business structure of the steel industry is expected to undergo drastic changes. As a result of considering a wide range of management strategies, including capital alliances, in light of this business environment, UBE has decided to transfer its management rights in UBE Steel to iSigma Capital. By organically combining the business foundation that UBE Steel has developed to date with the extensive networks within and outside Japan and management expertise of iSigma Capital and its parent company, Marubeni Corporation, UBE Steel will expand its sales channels and streamline logistics and procurement to enhance corporate value.

■ Investment diagram



<Overview of UBE Steel>

UBE Steel was founded in 1914 as a division of UBE Shinkawa Iron Works. It is currently engaged in steelmaking, which produces billets for steel, such as specialty steel and carbon steel, for the construction and automotive industries; casting, which produces cast steel and cast iron for the automotive, industrial machinery and infrastructure industries; and recycling.

Company name	UBE Steel Co., Ltd.
Address	1978-19 Okinoyama, Kogushi, Ube City, Yamaguchi Prefecture
Representative	Hisao Yamane
Businesses	Manufacture and sales of steel products and castings
Share capital	1 billion yen
Founded	March 1989
Employees	272 (as of April 1, 2024)
Shareholder	UBE Machinery Corporation, Ltd. (100%)
URL	https://www.ube.co.jp/ubs/english/index.html

<Overview of iSigma Capital Corporation (business operator engaging in a business specially permitted for qualified institutional investors)>

Founded	September 2000
Representative	Hiroataka Hino
Address	1-5-1 Otemachi, Chiyoda-ku, Tokyo
Share capital	300 million yen
Businesses	Operations related to private equity investment
Shareholder	Marubeni Corporation (100%)
URL	http://www.i-sigma-capital.co.jp/english/index.html

<Overview of iSigma Business Advancement Fund IV Investment Limited Partnership>

Founded	October 2022
Representative	Hiroataka Hino
Address	1-5-1 Otemachi, Chiyoda-ku, Tokyo
Unlimited liability partner	iSigma Capital Corporation (business operator engaging in a business specially permitted for qualified institutional investors)
Fund size	Approximately 50 billion yen

For inquiries please contact:

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