



MEMBERSHIP

February 7, 2007

Summary of Consolidated Business Results for the First Three Quarters of Fiscal Year Ending March 31, 2007

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

- Use of simplified accounting methods: Yes
(Partially used for calculation of income tax and other taxes)
- Change in accounting methods from the previous consolidated fiscal year: None
- Change in the scope of consolidation and application of equity method: Yes
 Consolidated subsidiaries: Three subsidiaries newly included.
 Equity method: One subsidiary newly included, and two subsidiaries newly excluded.

II. Summary of Business Results for the First Three Quarters of Fiscal Year Ending March 31, 2007 (April 1, - December 31, 2006)

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, 2006	480,174	+10.8%	31,480	+2.8%	29,532	+14.0%	15,178	+18.8%
3Qs ended December 31, 2005	433,541	+3.9%	30,609	+48.4%	25,916	+107.6%	12,774	+97.8%
Reference: Previous fiscal year ended March 31, 2006	595,391	+5.8%	42,169	+30.5%	33,254	+40.7%	16,006	+73.5%

	Net Income per Share (Yen)	Diluted Net Income per Share (Yen)
3Qs ended December 31, 2006	15.08	14.48
3Qs ended December 31, 2005	13.59	12.73
Reference: Previous fiscal year ended March 31, 2006	16.83	15.93

2. Qualitative Information Concerning Consolidated Business Performance

The business environment in the first three quarters of the fiscal year ending March 31, 2007 was generally favorable in terms of demand, due to strong economies in Japan and the rest of Asia. However, the cost of raw materials and fuel hovered at high prices, which had a significant negative impact on costs. Amid these conditions, the Company recorded a significant year-on-year increase in revenues. Earnings also increased as the Company recorded higher operating income, ordinary income and net income.

Net sales rose significantly in the chemicals and plastics, cement and construction materials and machinery and metal products segments, due to strong shipments and other factors. Net sales were 480.1 billion yen for the first three quarters, up 10.8% or 46.6 billion yen year-on-year. The Company secured operating income of 31.4 billion yen, up 2.8% or 800 million yen year-on-year. Despite high prices for raw materials and fuel, their impact was offset by higher volumes primarily driven by strong shipments of machinery.

Ordinary income was 29.5 billion yen, up 14.0% or 3.6 billion yen year-on-year. The results were due to increases in

operating income combined with other factors including currency gains from subsidiaries in Thailand. The rise in ordinary income boosted net income to 15.1 billion yen for the first three quarters, up 18.8% or 2.4 billion yen year-on-year.

Performance by segment is summarized below.

A. Chemicals and Plastics

Net sales in the segment were 153.3 billion yen for the first three quarters, up 19.7% or 25.2 billion yen year-on-year. Shipments of caprolactam and synthetic rubber were strong due to vigorous demand in Asia centering on China. The volume of business from abroad was also higher due to the impact of the weakening yen. Operating income in the segment was 8.2 billion yen for the first three quarters, down 28.3% or 3.2 billion yen year-on-year. Although higher volumes boosted earnings, there was a narrower spread for caprolactam and nylon resins while heavy oil and other energy costs were higher.

B. Specialty Chemicals and Products

Net sales in the segment were 64.9 billion yen in the first three quarters, down 0.4% or 200 million yen year-on-year. Shipments of electrolytes and separators for lithium-ion rechargeable batteries were higher, as were shipments of specialty products such as gas separation membranes. However, net sales were impacted by the company's withdrawal from chemical treatment of aluminum capacitor foil. Operating income in the segment was 8.1 billion yen in the first three quarters, up 5.9% or 400 million yen year-on-year. The results were boosted by factors such as higher volumes for specialty products.

C. Cement and Construction Materials

Net sales in the segment were 155.9 billion yen in the first three quarters, up 8.8% or 12.6 billion yen year-on-year. Shipments of ready mix concrete were higher due to strong private demands in Japan. Net sales of quicklime products were also higher. Operating income in the segment was 8.4 billion yen in the first three quarters, up 20.8% or 1.4 billion yen year-on-year. Despite the impact of rising energy costs including coal, export prices for cement were higher while the company made progress in adjusting its prices in Japan. Other factors included higher revenue from increased processing of industrial waste and from quicklime products.

D. Machinery and Metal Products

Net sales in the segment were 81.4 billion yen in the first three quarters, up 15.6% or 11.0 billion yen year-on-year. The results were due to strong shipments of machinery including die casting machines for the automotive sector and vertical mills for the Chinese market. Operating income in the segment was 4.1 billion yen in the first three quarters, up 69.8% or 1.6 billion yen year-on-year. Income from the aluminum wheel business was down due to factors such as lower sales volumes from the North American operations and the strong Canadian dollar. However, income rose significantly due to higher net sales in the machinery business.

E. Energy and Environment

Net sales in the segment were 21.5 billion yen in the first three quarters, down 8.6% or 2.0 billion yen year-on-year. Contributing factors included lower sales volumes for imported coal. Operating income in the segment was 1.8 billion yen in the first three quarters, up 9.5% or 100 million yen year-on-year. The Company launched mixed combustion of wood biomass fuel for its coal power plant under the independent power producer (IPP) venture, which boosted income.

F. Other

Net sales in other segments were 2.9 billion yen in the first three quarters. Operating income in other segments was 600 million yen in the first three quarters, up 44.4% or 200 million yen year-on-year.

3. Consolidated Financial Position

	(In millions of yen - rounded off, except per share data)			
	Total Assets	Net Assets	Equity Ratio	Net Assets per Share (Yen)
At end 3Q ended December 31, 2006	721,445	185,075	22.7%	162.38
At end 3Q ended December 31, 2005	711,823	124,394	17.5%	132.29
Reference:				
Previous fiscal year ended March 31, 2006	700,437	149,763	21.4%	148.71

Note: With respect to the figures for the third quarter of the fiscal year ended March 2006 and the fiscal year ended March 2006, previously stated stockholders' equity, stockholders' equity ratio, and stockholders' equity per share, respectively, are stated in the columns for net assets, equity ratio, and net assets per share.

4. Qualitative Information on Changes in Consolidated Financial Position

Total assets were 721.4 billion yen for the first three quarters, up 21.0 billion yen from the end of the previous fiscal year. Notes and accounts receivables and inventories were higher to boost current assets to 24.9 billion yen. Meanwhile, fixed assets were down 3.9 billion yen due to a decrease in investments and other assets.

Total liabilities were 536.3 billion yen for the first three quarters, up 4.2 billion yen from the end of the previous fiscal year. Contributing factors included an increase of 6.8 billion yen in notes and accounts payables, and a decrease of 2.6 billion yen in interest-bearing debt.

Net assets were 185.0 billion yen for the first three quarters, up 16.7 billion yen from the end of the previous fiscal year (based on the sum of stockholder's equity and minority interests). Contributing to the results were increases in retained earnings (up 12.1 billion yen), accumulated foreign currency transition adjustments (up 4.1 billion yen) and minority interest (up 3.0 billion yen), while there was a decrease in unrealized gain on holdings of other marketable securities (down 2.4 billion yen).

Reference

Forecast of Consolidated Earnings for Fiscal Year Ending March 31, 2007 (April 1, 2006 - March 31, 2007)

(In millions of yen)

	Net Sales	Operating Income	Ordinary Income	Net Income
Current fiscal year ending March 31, 2007	650,000	43,000	37,000	19,000

Reference
Forecast Net Income per Share 18.88 Yen

III. Summary of Consolidated Balance Sheet

		(In millions of yen - rounded off)						
		3Q Ended December 31,2006		Previous Fiscal Year Ended March 31,2006		Change	3Q Ended December 31,2005	
(Assets)		Amount	%	Amount	%	Amount	Amount	%
I.	Current assets	293,525	40.7	268,559	38.3	24,966	282,450	39.7
	Cash and cash equivalents	19,358		20,623		-1,265	22,461	
	Notes and accounts receivable	162,128		147,823		14,305	147,965	
	Inventories	86,920		81,459		5,461	90,129	
	Other	25,119		18,654		6,465	21,895	
II.	Fixed assets	427,914	59.3	431,870	61.7	-3,956	429,360	60.3
	Tangible fixed assets	358,520		357,519		1,001	353,475	
	Intangible fixed assets	4,115		4,812		-697	4,754	
	Investment and other fixed assets	65,279		69,539		-4,260	71,131	
III.	Deferred assets	6	0.0	8	0.0	-2	13	0.0
Total assets		721,445	100.0	700,437	100.0	21,008	711,823	100.0
(Liabilities)								
I.	Current liabilities	320,524	44.4	291,293	41.6	29,231	315,976	44.4
	Notes and accounts payable	103,918		97,070		6,848	103,498	
	Short-term debts	158,817		123,951		34,866	147,385	
	Current portion of bonds	1,650		14,460		-12,810	14,480	
	Other liabilities	56,139		55,812		327	50,613	
II.	Long-term liabilities	215,846	29.9	240,781	34.4	-24,935	253,391	35.6
	Bonds	1,190		2,520		-1,330	2,620	
	Convertible bonds	19,898		19,898		-	19,898	
	Long-term debts	157,695		181,117		-23,422	192,802	
	Accrued retirement benefits	8,597		10,118		-1,521	10,476	
	Other	28,466		27,128		1,338	27,595	
Total liabilities		536,370	74.3	532,074	76.0	4,296	569,367	80.0
(Net Assets)								
I.	Stockholders' equity	151,196	21.0	-	-	-	-	-
	Common stock	58,399	8.1	-	-	-	-	-
	Capital surplus	28,336	3.9	-	-	-	-	-
	Retained earnings	64,829	9.0	-	-	-	-	-
	Treasury stock	-368	0.0	-	-	-	-	-
II.	Valuation and currency conversion differences	12,225	1.7	-	-	-	-	-
	Unrealized gain on holdings of other marketable securities	9,095	1.3	-	-	-	-	-
	Deferred hedging gain/loss	-97	0.0	-	-	-	-	-
	Revaluation surplus on assets	340	0.0	-	-	-	-	-
	Accumulated foreign currency transition adjustments	2,887	0.4	-	-	-	-	-
III.	Minority interests	21,654	3.0	-	-	-	-	-
Total net assets		185,075	25.7	-	-	-	-	-
Total liabilities and Net assets		721,445	100.0	-	-	-	-	-
(Minority interests)								
	Minority interests	-	-	18,600	2.6	-	18,062	2.5
(Stockholders' equity)								
I.	Common stock	-	-	58,399	8.3	-	48,565	6.8
II.	Capital surplus	-	-	28,294	4.0	-	18,494	2.6
III.	Retained earnings	-	-	52,708	7.5	-	49,466	6.9
IV.	Revaluation surplus on assets	-	-	365	0.1	-	488	0.1
V.	Unrealized gain on holdings of other marketable securities	-	-	11,588	1.7	-	10,797	1.5
VI.	Accumulated foreign currency translation adjustments	-	-	-1,265	-0.2	-	-3,098	-0.4
VII.	Treasury stock, at cost	-	-	-326	0.0	-	-318	0.0
Total stockholders' equity		-	-	149,763	21.4	-	124,394	17.5
Total liabilities, minority interests and stockholders' equity		-	-	700,437	100.0	-	711,823	100.0

IV. Summary of Consolidated statements of Operations

(In millions of yen - rounded off)

	First Three Quarters (From April 1 to December 31, 2006)	Same Period Last Year (From April 1 to December 31, 2005)	Change	Previous Fiscal Year (From April 1, 2005 to March 31, 2006)
Net sales	480,174	433,541	46,633	595,391
Cost of sales	389,459	347,127	42,332	474,997
Gross profit	90,715	86,414	4,301	120,394
Selling, general and administrative expenses	59,235	55,805	3,430	78,225
Operating income	31,480	30,609	871	42,169
Non-operating income	9,910	7,874	2,036	9,936
Non-operating expenses	11,858	12,567	-709	18,851
Ordinary income	29,532	25,916	3,616	33,254
Extraordinary gains	2,156	400	1,756	701
Extraordinary losses	7,181	5,309	1,872	7,321
Income before income taxes and minority interest	24,507	21,007	3,500	26,634
Income tax, inhabitants tax and enterprise tax	8,478	7,649	829	9,665
Minority interest	851	584	267	963
Net income	15,178	12,774	2,404	16,006

V. Information by Business Segment

First Three Quarters (From April 1 to December 31, 2006)

(In millions of yen - rounded off)

	(1) Outside Customers	Net Sales (2) Inter-Segment Sales and Transfers	Total	Operating Expenses	Operating Income
Chemicals and Plastics	153,379	5,783	159,162	150,934	8,228
Specialty Chemicals and Products	64,943	1,233	66,176	58,026	8,150
Cement and Construction Materials	155,917	2,705	158,622	150,132	8,490
Machinery and Metal Products	81,424	826	82,250	78,121	4,129
Energy and Environment	21,547	6,679	28,226	26,401	1,825
Other	2,964	869	3,833	3,179	654
Total	480,174	18,095	498,269	466,793	31,476
Elimination or Corporate Consolidated	-	-18,095	-18,095	-18,099	4
	480,174	-	480,174	448,694	31,480

Same Period Last Year (April 1 to December 31, 2005)

(In millions of yen - rounded off)

	(1) Outside Customers	Net Sales (2) Inter-Segment Sales and Transfers	Total	Operating Expenses	Operating Income
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 Consolidated	-	-15,615	-15,615	-15,471	-144
	433,541	-	433,541	402,932	30,609