

**Financial Results for the
3rd Quarter FY 2013**

February 5, 2014

UBE INDUSTRIES, LTD.

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※This"3rd Quarter(3Q)" date states information for 9 month totals.

FY13 3rd Quarter Consolidated Results

Scope of Consolidation

- Financial Results for the 3rd Quarter FY13 -

Item	End of FY12 (A)	End of FY13 3Q (B)	Change (B) - (A)	Notes
Number of consolidated subsidiaries	67	65	-2	Newly Included: 1 Newly Excluded: 3
Number of equity method affiliates	25	24	-1	Newly Excluded: 1
Total	92	89	-3	

Environmental Factors

- Financial Results for the 3rd Quarter FY13 -

(Billion Yen)

Item		FY12 3 Q (A)	FY13 3 Q (B)	Change (B) - (A)	Impacts on Consolidated OP Income	
Exchange Rate	Yen/\$	80.0	99.4	19.4	-0.2	
Material Price	(CIF) Naphtha (Domestic)	\$/ t	961	928	-33	0.4
		Yen/KL	55,400	65,700	10,300	(-2.5)
	Benzene (Average of US and Euro Contract Price)	\$/ t	1,277	1,284	7	-0.2 (-6.8)
	Australian Coal (CIF)	\$/ t	127.9	111.4	-16.5	1.8
	Yen/t	10,230	11,071	841	(-1.2)	

() :Including impacts from fluctuation of exchange rate

Major P/L & B/S Items

- Financial Results for the 3rd Quarter FY13 -

(Billion Yen)

Item	FY12 3 Q (A)	FY13 3 Q (B)	Change (B) - (A)
Sales	464.4	476.6	12.2
Operating income	23.1	16.4	-6.7
Ordinary income	22.0	11.9	-10.0
Net income	12.5	9.6	-2.9
Item	End of FY12 (A)	End of FY13 3Q (B)	Change (B) - (A)
Total assets	685.8	720.0	34.1
Debt	246.6	258.8	12.1
Net debt	210.6	225.6	14.9
Equity capital *1	215.5	243.0	27.5

*1: Equity capital = Net assets - Share subscription rights - Minority interests

Non Operating Items

- Financial Results for the 3rd Quarter FY13 -

(Billion Yen)

Item		FY12 3Q (A)	FY13 3Q (B)	Change (B) - (A)
Operating income		23.1	16.4	-6.7
Non operating income	Net interest expense	-1.9	-1.5	0.4
	Equity in earnings of unconsolidated subsidiaries and affiliated companies	1.1	-0.3	-1.5
	Foreign currency gain/loss	0.4	0.1	-0.2
	Others	-0.7	-2.6	-1.8
	Total	-1.1	-4.4	-3.2
Ordinary income		22.0	11.9	-10.0

Extraordinary Items

- Financial Results for the 3rd Quarter FY13 -

(Billion Yen)

Item		FY12 3Q (A)	FY13 3Q (B)	Change (B) - (A)
	Gain on transfer of business	0.2	-	-0.2
	Gain on negative goodwill	0.0	2.8	2.7
	Others	0.4	0.1	-0.2
	Extraordinary income	0.7	3.0	2.2
	Loss on disposal of PP&E	-0.9	-0.4	0.5
	Loss on stop of equipment	-	-0.8	-0.8
	Loss on impairment	-2.7	-0.0	2.6
	Others	-0.2	-0.0	0.2
	Extraordinary loss	-3.9	-1.3	2.5
	Net extraordinary income/loss	-3.2	1.6	4.8

Operating Income - Net Income

- Financial Results for the 3rd Quarter FY13 -

(Billion Yen)

Item	FY12 3 Q (A)	FY13 3 Q (B)	Change (B) - (A)
Operating income	23.1	16.4	-6.7
Non operating item	-1.1	-4.4	-3.2
Ordinary income	22.0	11.9	-10.0
Extraordinary item	-3.2	1.6	4.8
Income before income tax and minority interest	18.8	13.6	-5.2
Income tax and minority interest	-6.2	-3.9	2.2
Net income	12.5	9.6	-2.9
Net income per share(Yen/Share)	12.51yen	9.32yen	-3.19yen

Sales by Segment

- Financial Results for the 3rd Quarter FY13 -

(Billion Yen)

Segment	FY12 3Q (A)	FY13 3Q (B)	Change (B) - (A)	Major Factors
Chemicals & Plastics	162.9	164.7	1.8	Caprolactam chain 2.1 Synthetic rubber -0.3
Specialty Chemicals & Products	46.9	47.0	0.1	Specialty products -0.6 Fine chemicals 0.7
Pharmaceutical	8.3	6.8	-1.5	
Cement & Construction Materials	155.9	168.0	12.0	Cement and Ready-mixed concrete 7.8 Construction materials and Quicklime related products 1.6, etc.
Machinery & Metal Products	50.9	53.0	2.1	
Energy & Environment	49.5	44.6	-4.8	Coal 3.8, Power -8.6
Others	19.3	21.3	1.9	
Adjustment	-29.5	-29.1	0.4	
Total	464.4	476.6	12.2	Increased by 2.6%

Operating Income by Segment

- Financial Results for the 3rd Quarter FY13 -

(Billion Yen)

Segment	FY12 3 Q (A)	FY13 3 Q (B)	Change (B) - (A)	Major Factors
Chemicals & Plastics	4.3	-2.0	-6.3	Caprolactam chain -5.3 Synthetic rubber -1.0
Specialty Chemicals & Products	1.5	0.2	-1.3	Specialty products -1.7 Fine chemicals 0.4
Pharmaceutical	2.7	1.2	-1.5	
Cement & Construction Materials	8.0	12.0	3.9	Cement and Ready-mixed concrete 3.8 Construction materials and Quicklime related products 0.1, etc.
Machinery & Metal Products	2.7	3.1	0.3	
Energy & Environment	4.2	1.3	-2.9	Coal -0.3, Power -2.6
Others	0.8	0.8	0.0	
Adjustment	-1.2	-0.2	0.9	
Total	23.1	16.4	-6.7	Decreased by 29.3%

Analysis of Operating Income

- Financial Results for the 3rd Quarter FY13 -

(Billion Yen)

Segment	Operating Income						
	FY12 3Q (A)	FY13 3Q (B)	Change (B) - (A)	Price *1	Sales Volume	Fixed Cost	Others *2
Chemicals & Plastics	4.3	-2.0	-6.3	-6.3	0.5	2.0	-2.5
Specialty Chemicals & Products	1.5	0.2	-1.3	-1.3	0.5	0.1	-0.6
Pharmaceutical	2.7	1.2	-1.5	-1.1	-0.9	0.0	0.5
Cement & construction Materials	8.0	12.0	3.9	1.4	2.4	0.5	-0.3
Machinery & Metal Products	2.7	3.1	0.3	-0.2	0.2	0.6	*3 -0.3
Energy & Environment	4.2	1.3	-2.9	-0.9	-2.7	0.5	0.1
Others	0.8	0.8	0.0	0.1	-0.1	0.3	-0.3
Adjustment	-1.2	-0.2	0.9	-	-	1.0	0.0
Total	23.1	16.4	-6.7	-8.3	-0.1	4.9	-3.3

*1: Including both selling and purchase change *2: Including inventory valuation changes -1.4

*3: Including marginal profit on machinery product -0.3

Consolidated Balance Sheet

- Financial Results for the 3rd Quarter FY13 -

(Billion Yen)

Item	End of FY12 (A)	End of FY13 3Q (B)	Change (B) - (A)
Current assets	287.3	316.7	29.3
Fixed assets	398.3	403.1	4.7
Total assets	685.8	720.0	34.1
Interest-bearing debts	246.6	258.8	12.1
Other liabilities	188.4	194.7	6.2
Total liabilities	435.1	453.6	18.4
Equity capital *1	215.5	243.0	27.5
Minority interests and others	35.2	23.3	-11.8
Total net assets	250.7	266.4	15.6
Total liabilities and net assets	685.8	720.0	34.1

*1: Equity capital = Net assets - Share subscription rights - Minority interests

Consolidated Statements of Cash Flows

- Financial Results for the 3rd Quarter FY13 -

(Billion Yen)

Item	FY12 3Q	FY13 3Q	
A.Cash flows from operating activities	24.1	15.6	Income before tax and minority interests 13.6 Depreciation and amortization 24.0 Working capital -10.2, Payment of Tax and others -6.8, Gain on negative goodwill -2.8, etc.
B.Cash flows from investing activities	-28.7	-28.3	Acquisition of PP&E -25.6, Acquisition of equity of affiliated company -2.6, etc.
Free cash flows (A+B)	-4.5	-12.7	
C.Cash flows from financing activities	7.8	4.6	Increase/Decrease in interest-bearing debts 10.7 Dividends paid -5.8, etc.
D.Net increase/decrease in cash and cash equivalents	3.7	-2.7	Includes increase by change of affiliated companies' accounting period 3.2
E.Cash and cash equivalents at end of the quarter	36.8	33.2	

FY13 Consolidated Forecasts

Management Indices

- FY13 Consolidated Forecasts -

(Billion Yen)

Item	FY12 (A)		FY13 (B)		Change (B) - (A)	
		3Q (Progress)	(B)	3Q (Progress)		3Q
Sales	626.0	464.4 (74.2%)	647.0	476.6 (73.7%)	21.0	12.2
Operating income	29.9	23.1 (77.4%)	26.0	16.4 (63.1%)	-3.9	-6.7
Ordinary income	28.0	22.0 (78.7%)	19.5	11.9 (61.5%)	-8.5	-10.0
Net income	8.2	12.5 (152.1%)	12.5	9.6 (77.0%)	4.3	-2.9
Item	End of FY12 (A)		End of FY13 (B)		Change (B) - (A)	
Total assets	685.8		700.0		14.2	
Debt	246.6		240.0		-6.6	
Net debt	210.6		210.0		-0.6	
Equity capital *1	215.5		237.0		21.5	
Dividend(Yen /Share)	5.0		5.0		0.0	

*1: Equity capital = Net assets - Share subscription rights - Minority interests

Appendix

Major Subsidiaries

- Financial Results for the 3rd Quarter FY13 -

(Billion Yen)

Subsidiaries and Affiliates		Business	Sales FY13 3Q	Operating income change from FY12 3Q
Chemicals & Plastics	UBE CHEMICALS (ASIA) PUBLIC CO., LTD	Manufacture and sales of caprolactam and polyamide resin	31.3	↓
	UBE CHEMICAL EUROPE, S.A.	Manufacture and sales of caprolactam.	24.7	↓
	THAI SYNTHETIC RUBBERS CO., LTD.	Manufacture and sales of polybutadiene	10.5	↑
	UBE ENGINEERING PLASTICS, S.A.	Manufacture and sales of polyamide resin	9.1	↑
	UBE AMMONIA INDUSTRY, LTD.	Manufacture and sales of ammonia	10.1	↑
	UBE FILM, LTD.	Manufacture and sales of plastic-film products	6.8	→
Specialty Chemicals & Products	UBE EXSYMO CO.,LTD	Manufacture and sales of electronics & IT materials, FRP,	9.4	↓
Cement & Construction Materials	UBE CONSTRUCTION MATERIALS SALES	Sales of construction materials	41.5	↑
	UBE MATERIAL INDUSTRIES,LTD.	Manufacture and sales of Mangesium, Limestone products	29.3	↓
	UBE SHIPPING & LOGISTICS, LTD.	Domestic shipping, harbor transportation, shipping-agent services and customs clearing	15.2	↑
	KANTO UBE CONCRETE CO., LTD.	Manufacture and sales of ready-mixed concrete	9.0	→
Machinery & Meta	UBE MACHINERY CORPORATION, L	Manufacture and sales of industrial machinery and bridges	24.5	↑
	UBE STEEL CO., LTD.	Manufacture and sales of cast iron, steel produ	14.5	→
Energy & Environ	UBE C&A CO., LTD.	Sales of imported steaming coal from Australia and other countries	22.5	↓

Note: ↑ ↓ :Represent an increase or decrease of over 0.1 billion JPY



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