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# Financial Results for the 3rd Quarter FY2025

## Explanatory material

February 4, 2026

3rd Quarter: April - December

# FY2025 3rd Quarter Consolidated Result

# Scope of Consolidation

| Item | End of FY2024 (A) | End of FY2025 3Q (B) | Difference (B) - (A) | Notes |
|---|---|---|---|---|
| Number of consolidated subsidiaries | 34 | 45 | 11 | ＋ UBE URETHANES AUSTRALIA PTY LTD<br>＋ UBE LATIN AMERICA LTDA.<br>＋ UBE URETHANES CANADA LTD.<br>＋ UBE China Holding Co., Ltd.<br>＋ UBE Urethanes Nantong Co., Ltd.<br>＋ Elfte LXS GmbH<br>＋ LANXESS SOLUTIONS INDIA PRIVATE LIMITED<br>＋ UBE URETHANES ITALY S.R.L.<br>＋ UBE Urethanes Netherlands B.V.<br>＋ UBE URETHANES UK LTD.<br>＋ UBE URETHANES USA LLC |
| Number of equity method affiliates | 17 | 17 | ― | |
| Total | 51 | 62 | 11 | |

# Environmental Factors

| Item | | | | FY2024 3Q (A) | FY2025 3Q (B) | Difference (B) - (A) |
|---|---|---|---|---|---|---|
| Exchange Rate | | | Yen/$ | 152.6 | 148.7 | (3.9) |
| Material Price | Naphtha | CIF | $/t | 703 | 611 | (92) |
| | | Domestic | Yen/KL | 76,400 | 64,800 | (11,600) |
| | Australian Coal (CIF) | | $/t | 161.0 | 137.8 | (23.2) |
| | | | Yen/t | 24,564 | 20,489 | (4,075) |

# Major P/L Items

(Billions of yen)

| Item | FY2024 3Q (A) | FY2025 3Q (B) | Difference (B) - (A) | Percentage change |
|---|---|---|---|---|
| Net sales | 359.6 | 332.2 | (27.5) | (7.6)% |
| EBITDA | 30.3 | 35.0 | 4.7 | 15.5% |
| Operating profit | 9.5 | 14.5 | 5.0 | 52.0% |
| Ordinary profit | 13.0 | 30.3 | 17.4 | 133.9% |
| Profit (loss) attributable to owners of parent | (19.1) | 21.1 | 40.2 | — |

# Segment Change

| Previous Segment | Businesses |
|---|---|
| Specialty Products | Polyimide<br>Separation membranes<br>Ceramics<br>Separators<br>Phenolic resin<br>Semiconductor gases |
| Polymers & Chemicals | Composites<br>Nylon polymers<br>Caprolactam and ammonium sulfate<br>Industrial chemicals<br>C1 chemicals<br>**High-performance coatings**<br>Elastomers |
| Machinery | |
| Others | **Pharmaceuticals**<br>Power<br>Sales companies, etc. |

| New Segment | Businesses |
|---|---|
| Specialty Products | Polyimide<br>Separation membranes<br>Ceramics<br>Separators<br>Phenolic resin<br>Semiconductor gases |
| **High Performance Urethane**<br>**(New)** | **Urethane systems (new)**<br>**High-performance coatings (transferred)** |
| **Pharmaceutical**<br>**(Established as an independent business segment)** | |
| Polymers & Chemicals | Composites<br>Nylon polymers<br>Caprolactam and ammonium sulfate<br>Industrial chemicals<br>C1 chemicals<br>Elastomers |
| Machinery | |
| Others | Power<br>Sales companies, etc. |

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# Net Sales and Operating Profit by Segment

(Billions of yen)

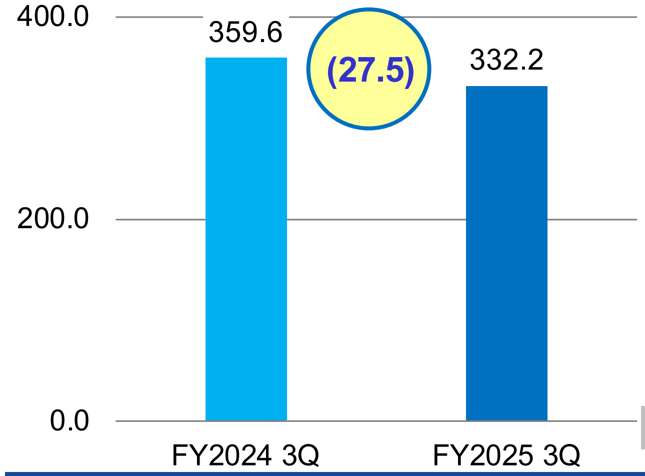
| | Segment | FY2024 3Q (A) | FY2025 3Q (B) | Difference (B) - (A) | Percentage change |
|---|---|---|---|---|---|
| Net sales | Specialty Products | 47.5 | 44.9 | (2.6) | (5.5)% |
| | High Performance Urethane | 11.4 | 31.5 | 20.1 | 175.7% |
| | Pharmaceutical | 25.2 | 14.5 | (10.7) | (42.3)% |
| | Polymers & Chemicals | 203.9 | 184.6 | (19.3) | (9.5)% |
| | Machinery | 62.4 | 46.7 | (15.7) | (25.1)% |
| | Others | 29.5 | 25.5 | (4.0) | (13.5)% |
| | Adjustment | (20.4) | (15.7) | 4.7 | - |
| | Total | 359.6 | 332.2 | (27.5) | (7.6)% |
| Operating profit | Specialty Products | 7.1 | 6.7 | (0.4) | (5.1)% |
| | High Performance Urethane | 0.1 | (1.4) | (1.5) | - |
| | Pharmaceutical | 0.9 | (0.9) | (1.8) | - |
| | Polymers & Chemicals | (2.4) | 8.1 | 10.5 | - |
| | Machinery | 4.9 | 3.9 | (1.1) | (21.4)% |
| | Others | 1.6 | 1.6 | 0.0 | 0.2% |
| | Adjustment | (2.7) | (3.4) | (0.7) | - |
| | Total | 9.5 | 14.5 | 5.0 | 52.0% |

Note: Starting from FY2025, the segments have been revised from the four segments of “Specialty Products,” “Polymers & Chemicals,” “Machinery,” and “Others” to the six segments of “Specialty Products,” “High Performance Urethane,” “Pharmaceutical,” “Polymers & Chemicals,” “Machinery,” and “Others.” The results for FY2024 3Q are figures reflecting the segment reclassification.

# Analysis – Total

(Billions of yen)

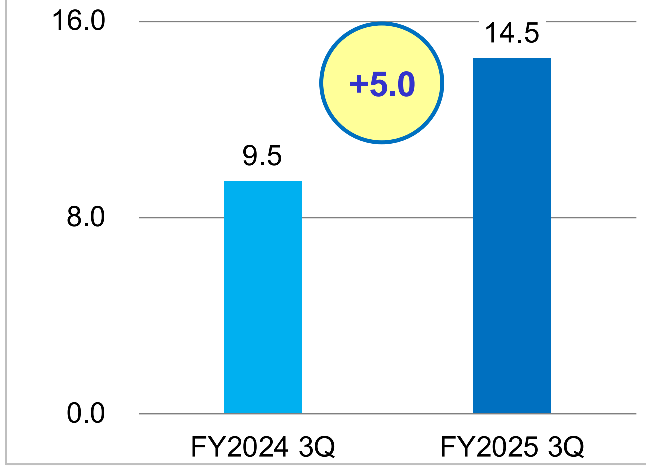
## Net Sales




| | |
|---|---|
| Specialty Products | (2.6) |
| High Performance Urethane | 20.1 |
| Pharmaceutical | (10.7) |
| Polymers & Chemicals | (19.3) |
| Machinery | (15.7) |
| Others | (4.0) |
| Adjustment | 4.7 |

**(7.6)% Decreased**

## Operating profit




| | |
|---|---|
| Specialty Products | (0.4) |
| High Performance Urethane | (1.5) |
| Pharmaceutical | (1.8) |
| Polymers & Chemicals | 10.5 |
| Machinery | (1.1) |
| Others | 0.0 |
| Adjustment | (0.7) |

**52.0% Increased**

## Qualitative Information

Net sales: Down

- High Performance Urethane: Acquisition of the urethane systems business in April 2025
- Polymers & Chemicals: Sluggish sales of nylon polymers, caprolactam, etc.
- Machinery: Exclusion of the steel products business from the scope of consolidation following the transfer of its management rights to another company in FY2024 3Q

Operating profit: Up

- Polymers & Chemicals: Decrease in depreciation expenses due to impairment losses on ammonia, caprolactam, and nylon polymer businesses recognized in the previous fiscal year
- Polymers & Chemicals: Ammonia plant without large-scale maintenance
- Polymers & Chemicals: Decline in raw material prices of elastomers

## Difference of operating profit

| | |
|---|---|
| Price *1 | 6.0 |
| Volume | (3.3) |
| Fixed Cost and Others *2 | 2.3 |
| **Total** | **5.0** |

*1: Including both selling and purchase changes

*2: Including inventory valuation changes

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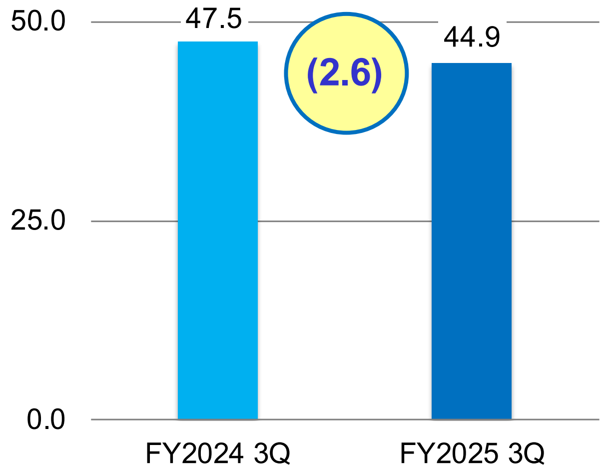
# Analysis – Specialty Products

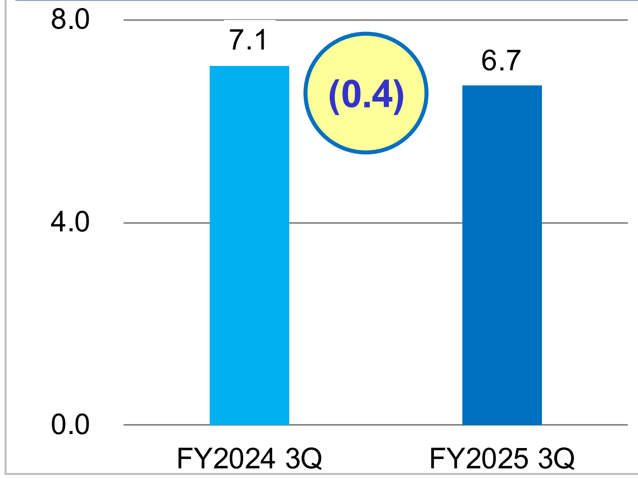
(Billions of yen)

## Net Sales




(5.5)% Decreased

## Operating profit




(5.1)% Decreased

## Qualitative Information

Net sales: Down

- Polyimide: Sluggish varnish sales due to declining sales of smartphones in which our products are used, despite film sales remaining at the same level as the corresponding period of the previous year
- Separation membranes: Continued impact of inventory adjustments by certain customers on $CO_2$ separation membranes for biomethane production despite firm sales of nitrogen membranes
- Ceramics: Decline in sales of products for bearings and substrates due to xEV market slowdown
- Separators: Increase in sales volume due to rising demand for hybrid vehicles

Operating profit: Down

- Weak sales of polyimide, separation membranes, and ceramics

## Difference of operating profit

| | |
|---|---|
| Price *1 | 1.8 |
| Volume | (1.7) |
| Fixed Cost and Others *2 | (0.5) |
| **Total** | **(0.4)** |

*1: Including both selling and purchase changes

*2: Including inventory valuation changes

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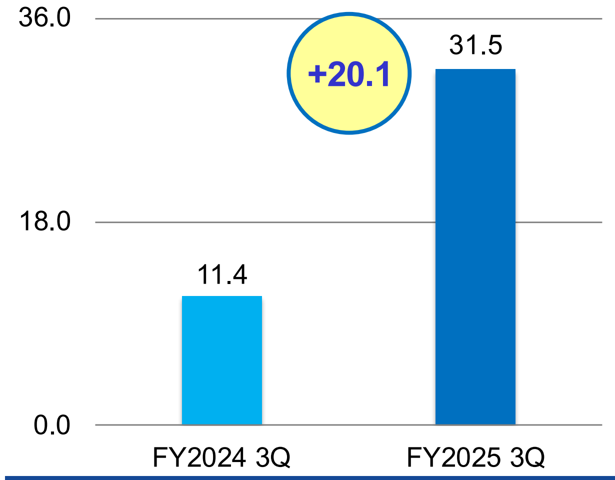
# Analysis – High Performance Urethane

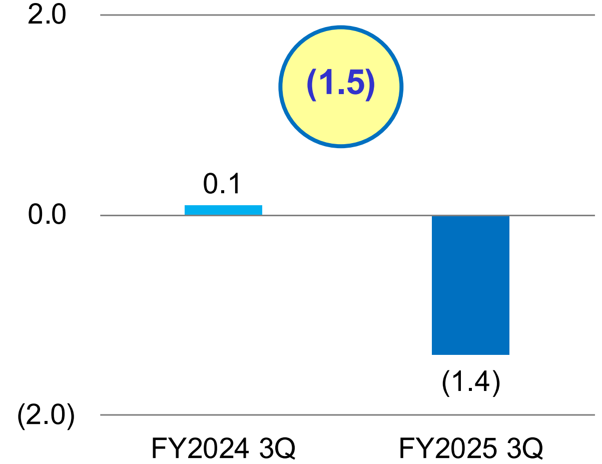
(Billions of yen)

## Net Sales




175.7% Increased

## Operating profit

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## Qualitative Information

Net sales: Up

- Urethane systems: Acquired in April 2025, with 3Q cumulative results reflecting the six-month performance for April through September because the companies engaged in this business have a December fiscal year-end. Continued focus on the solid U.S. business.

Operating profit: Down

- Recorded post-merger integration (PMI) expenses related to the acquisition of the urethane systems business
- Weak sales of high-performance coatings business

## Difference of operating profit

| | |
|---|---|
| Price *1 | (0.6) |
| Volume | (0.1) |
| Fixed Cost and Others *2 | (0.8) |
| **Total** | **(1.5)** |

*1: Including both selling and purchase changes

*2: Including inventory valuation changes

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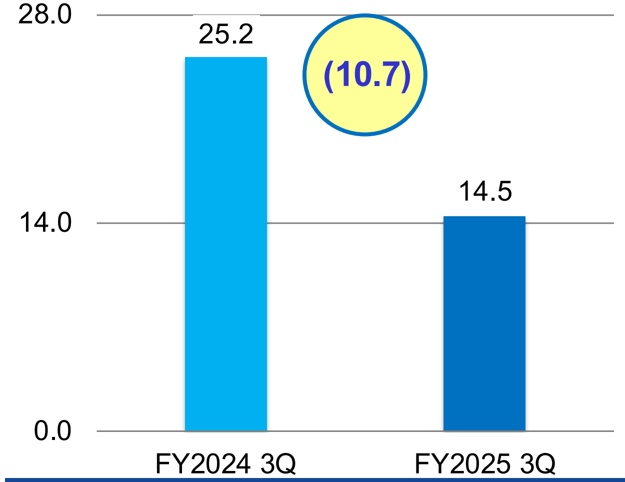
# Analysis – Pharmaceutical

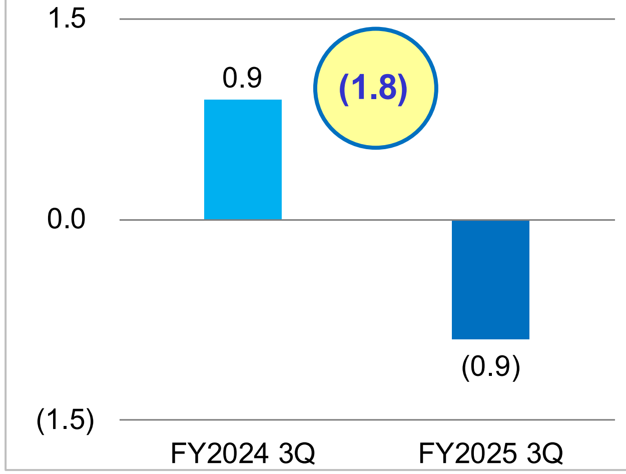
(Billions of yen)

## Net Sales




(42.3)% Decreased

## Operating profit

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## Qualitative Information

Net sales: Down

- Reduction in sales volume of contract pharmaceuticals

Operating profit: Down

- Reduction in sales volume of contract pharmaceuticals

## Difference of operating profit

| | |
|---|---|
| Price *1 | 0.3 |
| Volume | (3.0) |
| Fixed Cost and Others *2 | 0.9 |
| **Total** | **(1.8)** |

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

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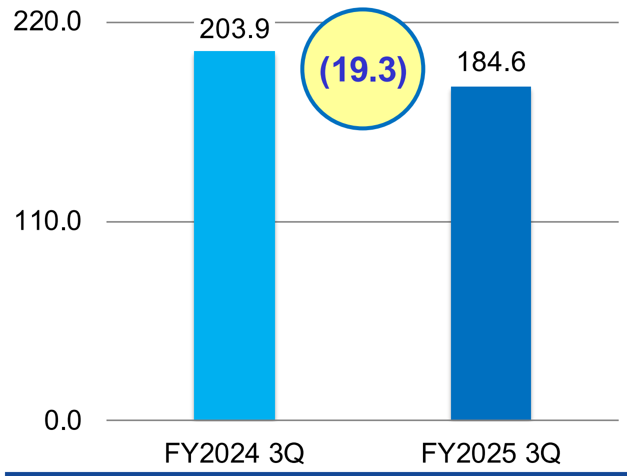
# Analysis – Polymers & Chemicals

(Billions of yen)

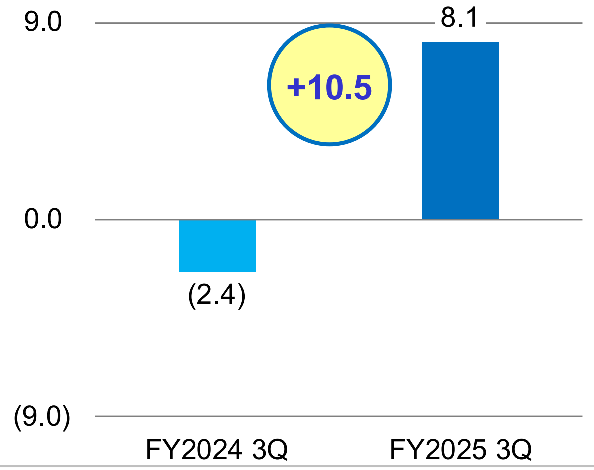
## Net Sales




| | |
|---|---|
| Performance Polymers & Chemicals | (16.7) |
| Elastomer | (2.6) |

**(9.5)% Decreased**

## Operating profit




| | |
|---|---|
| Performance Polymers & Chemicals | 7.6 |
| Elastomer | 2.8 |

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## Qualitative Information

Net sales: Down

- Nylon polymers: Decreases in sales volume and sales prices because of sluggish demand for food packaging films in the overseas market
- Caprolactam & ammonium sulfate: Decline in sales volume and selling prices due to intensified competition

Operating profit: Up

- Decrease in depreciation expenses due to impairment losses on ammonia, caprolactam, and nylon polymers recognized in the previous fiscal year
- Reduced repair costs and increased sales volume due to no large-scale biennial maintenance at the ammonia plant
- Decline in raw material prices of elastomers

## Difference of operating profit

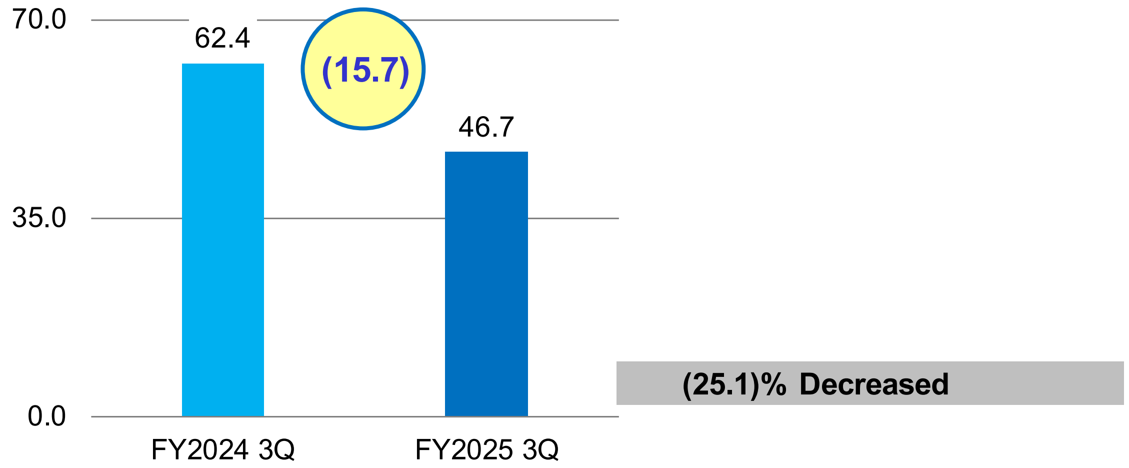
| | |
|---|---|
| Price *1 | 5.3 |
| Volume | 1.4 |
| Fixed Cost and Others *2 | 3.8 |
| **Total** | **10.5** |

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

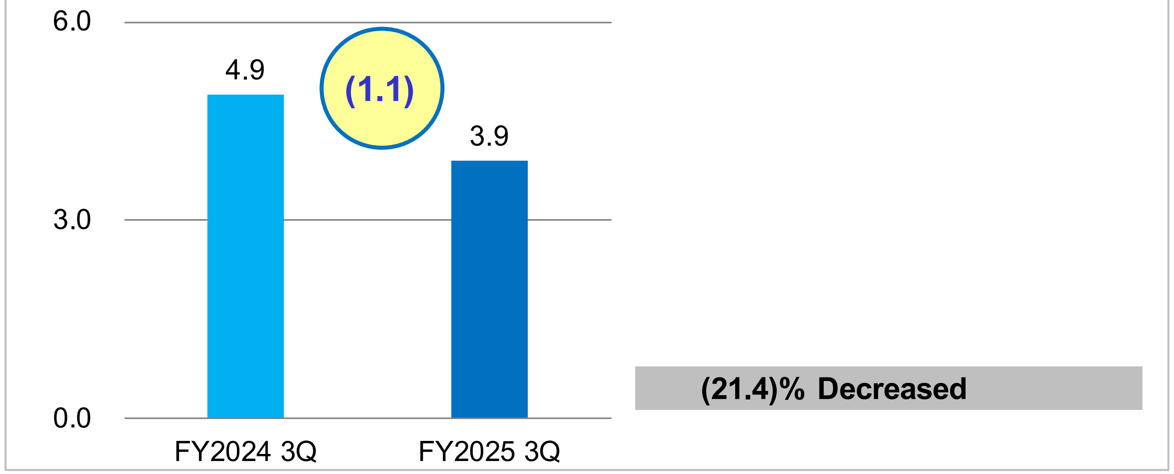
# Analysis – Machinery

(Billions of yen)

## Net Sales




## Operating profit




## Qualitative Information

Net sales: Down

- Exclusion of the steel products business from the scope of consolidation following the transfer of its management rights to another company in FY2024 3Q

Operating profit: Down

- Sluggish product sales in the molding machine business
- Decline in product sales in the industrial machines business

## Difference of operating profit

Marginal profit on machinery product: (3.1)

(Since machinery products are manufactured on an individual order basis, no analysis of differences in price and volume is conducted.)

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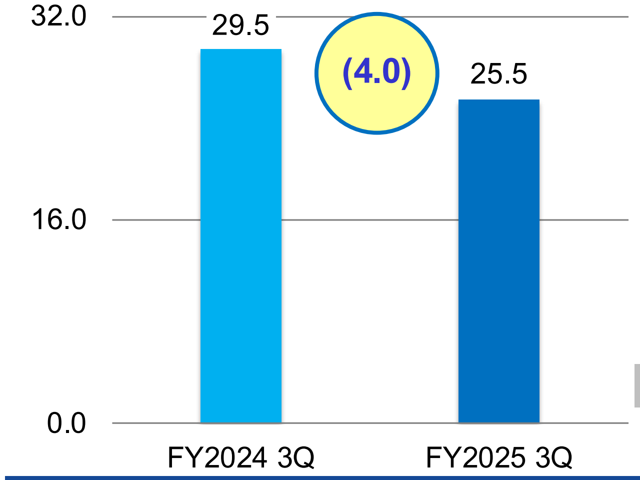
# Analysis – Others

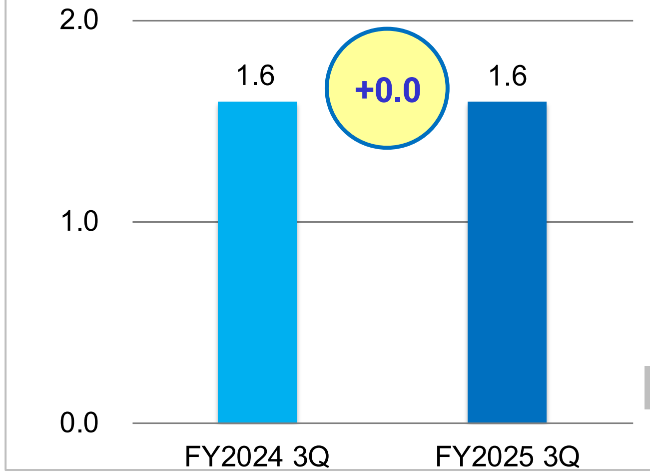
(Billions of yen)

## Net Sales




(13.5)% Decreased

## Operating profit




0.2% Increased

## Qualitative Information

Net sales: Down

- Power: Decline in electricity selling prices due to falling coal prices

Operating profit: Up

- Reduced repair expenses resulting from the absence of large-scale biennial maintenance at an in-house power plant

## Difference of operating profit

| | |
|---|---|
| Price [*1] | (0.8) |
| Volume | 0.2 |
| Fixed Cost and Others | 0.7 |
| **Total** | **0.0** |

*1: Including both selling and purchase changes

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# Operating Profit – Profit (Loss) Attributable to Owners of Parent

(Billions of yen)

| Item | FY2024 3Q (A) | FY2025 3Q (B) | Difference (B) - (A) |
|---|---|---|---|
| Operating profit | 9.5 | 14.5 | 5.0 |
| Non-operating income (expenses) | 3.4 | 15.9 | 12.4 |
| Net interests expenses | (0.1) | (1.7) | (1.6) |
| Share of profit (loss) of entities accounted for using equtiy method | 5.4 | 12.8 | 7.4 |
| Share of profit of entities accounted for using equtiy method related to Mitsubishi UBE Cement Group | 12.9 | 10.5 | (2.4) |
| Foreign exchange gains | 0.2 | 3.9 | 3.7 |
| Others | (2.1) | 0.9 | 3.0 |
| Ordinary profit | 13.0 | 30.3 | 17.4 |
| Extraordinary income (losses) | (36.0) | (2.2) | 33.8 |
| Profit (loss) before income taxes | (23.0) | 28.2 | 51.1 |
| Income taxes and profit (loss) attributable to non-controlling interests | 3.9 | (7.1) | (10.9) |
| Profit (loss) attributable to owners of parent | (19.1) | 21.1 | 40.2 |
| Net income per share | (196.93) yen | 216.99 yen | 413.92 yen |

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# Consolidated Balance Sheet

(Billions of yen)

| Item | End of FY2024 (A) | End of FY2025 3Q (B) | Difference (B) - (A) |
|---|---|---|---|
| Current assets | 358.4 | 319.6 | (38.7) |
| Fixed assets | 507.6 | 609.6 | 102.0 |
| Total assets | 866.2 | 929.5 | 63.3 |
| Interest-bearing debt | 330.5 | 360.3 | 29.8 |
| Other liabilities | 123.4 | 125.6 | 2.2 |
| Total liabilities | 453.9 | 485.9 | 32.1 |
| Shareholders' equity * | 395.1 | 424.8 | 29.7 |
| Non-controlling interests and others | 17.2 | 18.7 | 1.5 |
| Total net assets | 412.3 | 443.5 | 31.2 |
| Total liabilities and net assets | 866.2 | 929.5 | 63.3 |

* Shareholders' equity = Net assets – Share acquisition rights – Non-controlling interests

Note: The Company Group determined the provisional accounting treatment related to the business combination of a material-recycled plastic manufacturer in the consolidated first three quarters of the fiscal year ending March 2026. The finalized accounting treatment is being applied in each reported figure for the fiscal year ended March 2025.

# Consolidated Statements of Cash Flows

(Billions of yen)

| Item | FY2024 3Q | FY2025 3Q | |
|---|---|---|---|
| A.Cash flows from operating activities | 5.4 | 32.5 | Profit before income taxes 28.2<br>Depreciation and amortization 19.0<br>Share of profit (loss) of entities accounted for using equtiy method (12.8), etc. |
| B.Cash flows from investing activities | (57.4) | (117.5) | Acquisition of PP&E and intangible asset (51.1)<br>Purchase of shares of subsidiaries resulting in change in scope of consolidation (71.5), etc. |
| Free cash flows (A+B) | (52.0) | (85.0) | |
| C.Cash flows from financing activities | 44.2 | 15.8 | Increase in interest-bearing debts 27.2<br>Dividends paid (11.4), etc. |
| D.Net increase / decrease in cash and cash equivalents | (6.2) | (65.2) | |
| E.Cash and cash equivalents at end of the period | 29.6 | 50.2 | |

# Reference

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# Full-year Outlook: Segment Breakdown for 1H / 2H

(Billions of yen)

| Segment | Net Sales | | | Operating profit | | |
|---|---|---|---|---|---|---|
| | First-half results | Second-half forecast | Total | First-half results | Second-half forecast | Total |
| Specialty Products | 29.8 | 39.2 | 69.0 | 4.3 | 8.2 | 12.5 |
| High Performance Urethane | 17.0 | 33.5 | 50.5 | (0.6) | 1.6 | 1.0 |
| Pharmaceutical | 10.5 | 12.5 | 23.0 | (0.5) | 0.5 | 0.0 |
| Polymers & Chemicals | 118.5 | 138.5 | 257.0 | 4.2 | 5.3 | 9.5 |
| Machinery | 29.8 | 44.2 | 74.0 | 1.9 | 4.6 | 6.5 |
| Others | 16.7 | 18.8 | 35.5 | 1.0 | 0.5 | 1.5 |
| Adjustment | (9.6) | (9.4) | (19.0) | (2.1) | (3.9) | (6.0) |
| Total | 212.7 | 277.3 | 490.0 | 8.3 | 16.8 | 25.0 |

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# Progress of Major P/L Items

(Billions of yen)

| Item | FY2024 Results (A) | | FY2025 Forecast (B) | | Difference (B) - (A) | |
|---|---|---|---|---|---|---|
| | | 3Q Progress | | 3Q Progress | | 3Q |
| Net sales | 486.8 | 359.6<br>73.9% | 490.0 | 332.2<br>67.8% | 3.2 | (27.5) |
| EBITDA | 45.5 | 30.3<br>66.6% | 55.0 | 35.0<br>63.6% | 9.5 | 4.7 |
| Operating profit | 18.0 | 9.5<br>52.8% | 25.0 | 14.5<br>58.0% | 7.0 | 5.0 |
| Ordinary profit | 22.4 | 13.0<br>58.0% | 37.5 | 30.3<br>80.9% | 15.1 | 17.4 |
| Profit (loss) attributable to owners of parent | (4.8) | (19.1)<br>—% | 27.5 | 21.1<br>76.6% | 32.3 | 40.2 |

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# Net Sales

(Billions of yen)

| Segment | FY2025 1Q | FY2025 2Q | FY2025 3Q | FY2025 4Q | FY2025 Total | Full-year (forecast) | Progress |
|---|---|---|---|---|---|---|---|
| Specialty Products | 15.0 | 14.8 | 15.1 | — | 44.9 | 69.0 | 65.1% |
| High Performance Urethane | 3.2 | 13.9 | 14.5 | — | 31.5 | 50.5 | 62.4% |
| Pharmaceutical | 4.3 | 6.2 | 4.1 | — | 14.5 | 23.0 | 63.2% |
| Polymers & Chemicals | 59.7 | 58.8 | 66.1 | — | 184.6 | 257.0 | 71.8% |
| Machinery | 14.5 | 15.3 | 17.0 | — | 46.7 | 74.0 | 63.2% |
| Others | 8.6 | 8.1 | 8.9 | — | 25.5 | 35.5 | 71.9% |
| Adjustment | (4.8) | (4.8) | (6.1) | — | (15.7) | (19.0) | —% |
| Total | 100.5 | 112.2 | 119.4 | — | 332.2 | 490.0 | 67.8% |

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# Operating Profit

(Billions of yen)

| Segment | FY2025 | | | | | Full-year (forecast) | Progress |
|---|---|---|---|---|---|---|---|
| | 1Q | 2Q | 3Q | 4Q | Total | | |
| Specialty Products | 1.9 | 2.4 | 2.4 | ― | 6.7 | 12.5 | 53.5% |
| High Performance Urethane | (0.4) | (0.1) | (0.8) | ― | (1.4) | 1.0 | ―% |
| Pharmaceutical | (0.6) | 0.1 | (0.4) | ― | (0.9) | 0.0 | ―% |
| Polymers & Chemicals | 1.3 | 2.9 | 3.9 | ― | 8.1 | 9.5 | 85.1% |
| Machinery | 1.1 | 0.8 | 2.0 | ― | 3.9 | 6.5 | 59.4% |
| Others | 0.5 | 0.5 | 0.6 | ― | 1.6 | 1.5 | 106.1% |
| Adjustment | (0.8) | (1.2) | (1.4) | ― | (3.4) | (6.0) | ―% |
| Total | 3.0 | 5.3 | 6.2 | ― | 14.5 | 25.0 | 58.0% |

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# 3Q on 2Q － Net Sales

(Billions of yen)

| Segment | FY2025 2Q (A) | FY2025 3Q (B) | Difference (B) - (A) | Major factors |
|---|---|---|---|---|
| Specialty Products | 14.8 | 15.1 | 0.2 | |
| High Performance Urethane | 13.9 | 14.5 | 0.6 | |
| Pharmaceutical | 6.2 | 4.1 | (2.1) | |
| Polymers & Chemicals | 58.8 | 66.1 | 7.3 | Performance Polymers & Chemicals 7.4<br>Elastomer (0.0) |
| Machinery | 15.3 | 17.0 | 1.7 | |
| Others | 8.1 | 8.9 | 0.8 | |
| Adjustment | (4.8) | (6.1) | (1.3) | |
| Total | 112.2 | 119.4 | 7.2 | |

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# 3Q on 2Q － Operating Profit

(Billions of yen)

| Segment | FY2025 2Q (A) | FY2025 3Q (B) | Difference (B) - (A) | Major factors |
|---|---|---|---|---|
| Specialty Products | 2.4 | 2.4 | 0.1 | |
| High Performance Urethane | (0.1) | (0.8) | (0.7) | |
| Pharmaceutical | 0.1 | (0.4) | (0.5) | |
| Polymers & Chemicals | 2.9 | 3.9 | 1.0 | Performance Polymers & Chemicals 1.4<br>Elastomer (0.4) |
| Machinery | 0.8 | 2.0 | 1.1 | |
| Others | 0.5 | 0.6 | 0.0 | |
| Adjustment | (1.2) | (1.4) | (0.1) | |
| Total | 5.3 | 6.2 | 1.0 | |

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# Net Sales and Operating Profit by Business Portfolio

(Billions of yen)

| | Business portfolio | FY2024 3Q (A) | FY2025 3Q (B) | Difference (B) - (A) |
|---|---|---|---|---|
| Net sales | Specialty business | 134.8 | 139.1 | 4.4 |
| | Restructuring business | 148.5 | 135.2 | (13.3) |
| | Machinery business | 62.4 | 46.7 | (15.7) |
| | Other businesses (incl. adjustment) | 13.9 | 11.1 | (2.8) |
| | Total | 359.6 | 332.2 | (27.5) |
| Operating profit | Specialty business | 17.0 | 14.8 | (2.2) |
| | Restructuring business | (10.0) | (2.0) | 7.9 |
| | Machinery business | 4.9 | 3.9 | (1.1) |
| | Other businesses (incl. adjustment) | (2.4) | (2.2) | 0.2 |
| | Total | 9.5 | 14.5 | 5.0 |

Note: Starting from FY2025, portfolio classification has been changed. The results for FY2024 3Q are figures reflecting the portfolio reclassification.

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# Mitsubishi UBE Cement

## ■ Major P/L Items (Billions of yen)

Mitsubishi UBE Cement Corporation and consolidated subsidiaries

| Item | | FY2024 3Q | FY2025 3Q | FY2025 full-year forecast*1 |
|---|---|---|---|---|
| Net sales | Domestic business | 287.3 | 277.9 | 375.0 (371.0) |
| | Overseas business | 144.0 | 126.3 | 165.0 (169.0) |
| | Total | 431.3 | 404.2 | 540.0 (540.0) |
| Operating profit | Domestic business | 15.1 | 19.9 | 26.0 (24.0) |
| | Overseas business | 28.0 | 20.7 | 25.0 (27.0) |
| | Total | 43.1 | 40.5 | 51.0 (51.0) |
| Ordinary profit | | 45.0 | 42.5 | 51.0 (51.0) |
| Profit attributable to owners of parent | | 24.8 | 20.2 | 22.0 (26.0) |

## ■ Share of profit of entities accounted for using equity method in UBE's Consolidated Statements of Income

| | | |
|---|---|---|
| Share of profit of entities accounted for using equity method | 12.9 | 10.5 |

## ■ Environmental Factors

| Item | | FY2024 3Q | FY2025 3Q | FY2025 full-year forecast*1 |
|---|---|---|---|---|
| Total demand for cement in Japan | (million tons) | 25.15 | 23.39 | 31.00 (31.00) |
| Cement sales volumes in Japan | (million tons) | 5.96 | 5.69 | 7.42 (7.48) |
| Cement sales volumes in the U.S. | (million tons) | 1.24 | 1.13 | 1.52 (1.58) |
| Ready-mixed concrete sales volumes in the U.S. | (million cy) | 4.90 | 4.31 | 5.56 (5.83) |
| Coal price*2 | ( $ /t) | 138 | 106 | 108 (112) |
| Exchange rate | (Yen/$) | 153 | 149 | 149 (148) |

*1 The figures in parentheses are the forecast announced on November 7, 2025.
*2 The above thermal coal prices are reference indices and differ from actual procurement prices.

**(Reference) Consolidated Balance Sheet at the end of FY2025 3Q (Billions of yen)**

| | | | | | |
|---|---|---|---|---|---|
| Total assets | 834.7 | Interest-bearing debt | 188.0 | Shareholder's equity | 372.0 |
| Shareholder's equity ratio | 44.6% | D/E ratio | 0.51 Times | | |

- Businesses in Japan: Although the power business was affected by periodic maintenance in 1Q, the overall domestic business recorded lower net sales but higher operating profit compared to the same period of the previous fiscal year, supported by the impact of cement price increases and lower thermal energy costs. In 4Q, the cement business is expected to continue performing well in terms of profit, and for the full year, the Company forecasts lower net sales but higher profit compared with the previous fiscal year.
- Businesses outside Japan: The U.S. business recorded lower net sales and lower operating profit year on year due to continued weak demand amid persistently high interest rates. The Australian coal business also posted lower net sales and lower operating profit year on year, reflecting the decline in selling prices. For the full year, business conditions are expected to remain similar to those through 3Q, and both the U.S. and Australian businesses are projected to record lower net sales and lower profit compared with the previous fiscal year.
- Recognition of a ¥4.6 billion impairment loss as an extraordinary loss associated with the conversion of Kyushu Plant Kanda District 2 into a recycling promotion base.

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# Consolidated Key Indicators

(Billions of yen)

| Item | FY2024 3Q | FY2025 3Q | FY2025 full-year (forecast) | FY2024 full-year |
|---|---|---|---|---|
| Capital investment | 41.2 | 45.4 | 86.0 | 60.7 |
| Depreciation and amortization | 20.6 | 19.0 | 27.0 | 27.2 |
| Research and development expenses | 7.3 | 8.5 | 12.5 | 9.9 |
| Adjusted operating profit * | 15.9 | 28.0 | 42.0 | 27.0 |
| Interest-bearing debt | 267.3 | 360.3 | 380.0 | 330.5 |
| Shareholders' equity | 387.1 | 424.8 | 410.0 | 395.1 |
| Total assets | 793.0 | 929.5 | 950.0 | 866.2 |
| D/E ratio (times) | 0.69 | 0.85 | 0.93 | 0.84 |
| Shareholders' equity ratio (%) | 48.8 | 45.7 | 43.2 | 45.6 |
| Return on sales - ROS (%) | 2.7 | 4.4 | 5.1 | 3.7 |
| Return on assets - ROA (%) | — | — | 4.6 | 3.3 |
| Return on equity – ROE (%) | — | — | 6.8 | (1.2) |
| Return on invested capital - ROIC (%) | — | — | 4.4 | 3.0 |

* Adjusted operating profit: Operating profit + Interest and dividend income + Share of profit (loss) of entities accounted for using equity method

Note: The Company Group determined the provisional accounting treatment related to the business combination of a material-recycled plastic manufacturer in the consolidated first three quarters of the fiscal year ending March 2026. The finalized accounting treatment is being applied in each reported figure for the fiscal year ended March 2025.

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# Consolidated Major Subsidiaries

(Billions of yen)

| Subsidiaries | Business | Net Sales FY2025 3Q | Difference of operating profit from FY2024 3Q* |
|---|---|---|---|
| UBE CORPORATION EUROPE S.A.U. | Manufacture and sales of composites, nylon polymers, caprolactam, ammonium sulfate, high-performance coatings and other products | 41.4 | ↑ |
| UBE Chemicals (Asia) Public Company Limited | Manufacture and sales of composites, nylon polymers, caprolactam and ammonium sulfate | 28.4 | ↓ |
| THAI SYNTHETIC RUBBERS COMPANY LIMITED | Manufacture and sales of polybutadiene rubber (synthetic rubber) | 17.1 | ↑ |
| UBE FILM, LTD. | Manufacture and sales of plastic film products | 8.1 | ↑ |
| UBE EXSYMO CO., LTD. | Manufacture and sales of electronic and information communication-related products | 9.3 | ↑ |
| UBE MACHINERY CORPORATION, Ltd. | Manufacture and sales of molding machines, industrial machinery and bridge, etc. After-sales services for molding machines and industrial machinery | 33.9 | ↓ |

* ↑↓ represent an increase or decrease of over 0.1 billion JPY

# Response to Tokyo Stock Exchange's Request for "Action to Implement Management that is Conscious of Cost of Capital and Stock Price"

UBE / UBE Corporation

Growing profit

Improving profitability

$$\text{PBR} = \frac{\text{ROE}}{\text{Cost of equity} - \text{Expected growth rate}}$$

Cost of equity: Estimated around 8% based on the capital asset pricing model (CAPM)

**Market cost of equity**
Current: Approx. 12%
(Equivalent to a PER of around 8.5x)

Mitigating impact of market volatility

Increasing expected growth rate

Implementing and accelerating strategies

Enhancing adaptability to changes in the business environment

Reducing business continuity risks
Increasing expected growth rate

## Expanding specialty businesses

- Driving steady profit growth by expanding capacity in line with market growth and leveraging strategies such as M&A in peripheral areas
- Strengthening initiatives for creating new businesses in focus domains

## Business restructuring

- Steadily implementing structural reforms for the ammonia, caprolactam, and nylon polymer businesses

✓ **Improving profitability to increase ROE (ROIC)**
✓ **Reducing the cost of shareholders' equity by shifting to a business portfolio that is less sensitive to market fluctuations and generates lower GHG emissions**

## Practicing sustainability management

- Empowering women and increasing highly specialized mid-career hires, etc. to increase workplace diversity and foster an innovative culture
- Implementing systematic human resource development to drive the growth of specialty businesses
- Driving greater operational efficiency and sophistication through DX

- Meeting the 2030 GHG emissions reduction target: 50% (vs. FY2013) (On track to achieve)
- Expanding environmentally friendly products and technologies

✓ **Strengthening the management foundation to achieve sustainable growth over the medium to long term**

Growing profit

Improving profitability

$$\text{PBR} = \frac{\text{ROE}}{\text{Cost of equity} - \text{Expected growth rate}}$$

Cost of equity: Estimated around 8% based on the capital asset pricing model (CAPM)

**Market cost of equity**
Current: Approx. 12%
(Equivalent to a PER of around 8.5x)

Mitigating impact of market volatility

Increasing expected growth rate

## Expanding specialty businesses

- Driving steady profit growth by expanding capacity in line with market growth and leveraging strategies such as M&A in peripheral areas
- Strengthening initiatives for creating new businesses in focus domains

| Capital investments and financing | | Capacity | Status |
|---|---|---|---|
| ✓ Polyimide | Film manufacturing facilities | Up 20% | Commercial operation to begin promptly after certification |
| ✓ Separation membranes | Hollow-fiber and module manufacturing facilities | Up 80% | Commercial operation has started in November 2025 |
| ✓ Ceramics | Ceramics manufacturing facilities | Up 50% | Plant under construction |
| ✓ Separators | Separators manufacturing facilities | Up 30% | Plant under construction |
| ✓ C1 chemicals | U.S. DMC/EMC plant construction | 100,000 tonnes / 40,000 tonnes | Plant under construction |
| ✓ Urethane systems | Business acquisition | – | Acquired on April 1, 2025 |

## Business restructuring

- Steadily implementing structural reforms for the ammonia, caprolactam, and nylon polymer businesses

| Measures | | Decided Initiatives |
|---|---|---|
| ✓ Thailand | Caprolactam | Production shutdown in March 2026 (previously "by the end of March 2027") |
| | Nylon polymer | Production reduction* in March 2026 (previously "by the end of March 2027")* |
| ✓ Japan | Caprolactam | Production shutdown in March 2027 |
| | Nylon polymer | Production shutdown in March 2027 |
| | Ammonia | Production shutdown in March 2028 |

*Reducing from current two lines to one line

- ✓ **Improving profitability to increase ROE (ROIC)**
- ✓ **Reducing the cost of shareholders' equity by shifting to a business portfolio that is less sensitive to market fluctuations and generates lower GHG emissions**

UBE / UBE Corporation

$$\text{PBR} = \frac{\text{ROE}}{\text{Cost of equity} - \text{Expected growth rate}}$$

Cost of equity: Estimated around 8% based on the capital asset pricing model (CAPM)

**Market cost of equity**
Current: Approx. 12%
(Equivalent to a PER of around 8.5x)

**Enhancing adaptability to changes in the business environment**

**Reducing business continuity risks**
**Increasing expected growth rate**

## Practicing sustainability management

- Empowering women and increasing highly specialized mid-career hires, etc. to increase workplace diversity and foster an innovative culture
- Implementing systematic human resource development to drive the growth of specialty businesses
- Driving greater operational efficiency and sophistication through DX

| KPI | FY2024 results | FY2030 Target |
|---|---|---|
| ✓ Percentage of women in the workforce*1 | 16.0% | 25.0% |
| ✓ Percentage of women in management position*1 | 5.8% | 10.0% |
| ✓ Percentage of mid-career hires (Career-track employees)*1 | 51.3% | －% |
| ✓ Non-Japanese national hires*1 | 5 | － |
| ✓ Investment in off-the-job training per person*2 | JPY 205,000 | JPY 300,000 |

- Meeting the 2030 GHG emissions reduction target: 50% (vs. FY2013) (On track to achieve)
- Expanding environmentally friendly products and technologies

| KPI | FY2024 results | FY2030 Target | FY2035 Target |
|---|---|---|---|
| ✓ GHG emissions 50% reduction (vs. FY2013) | 32% reduction (3,200 kt-$CO_2$e/y) | 50% reduction*3 (2,370 kt-$CO_2$e/y) | 70% reduction (1,420 kt-$CO_2$e/y) |
| ✓ Percentage of environmentally friendly products and technologies in consolidated net sales | 45% | 60% | －% |

*1 Consolidated basis in Japan *2 Non-consolidated basis
*3 Expecting a 65% reduction (1,660 kt-$CO_2$e/y) in fiscal 2028 due to the shutdown and downsizing of ammonia, caprolactam, and nylon polymer production.

✓ **Strengthening the management foundation to achieve sustainable growth over the medium to long term**

The Group will maintain a stable dividend as a basic policy, setting the dividend on equity (DOE) at 2.5% or higher.
Based on the progress of the medium-term management plan, the Group will aim to further raise the DOE during the latter three years.

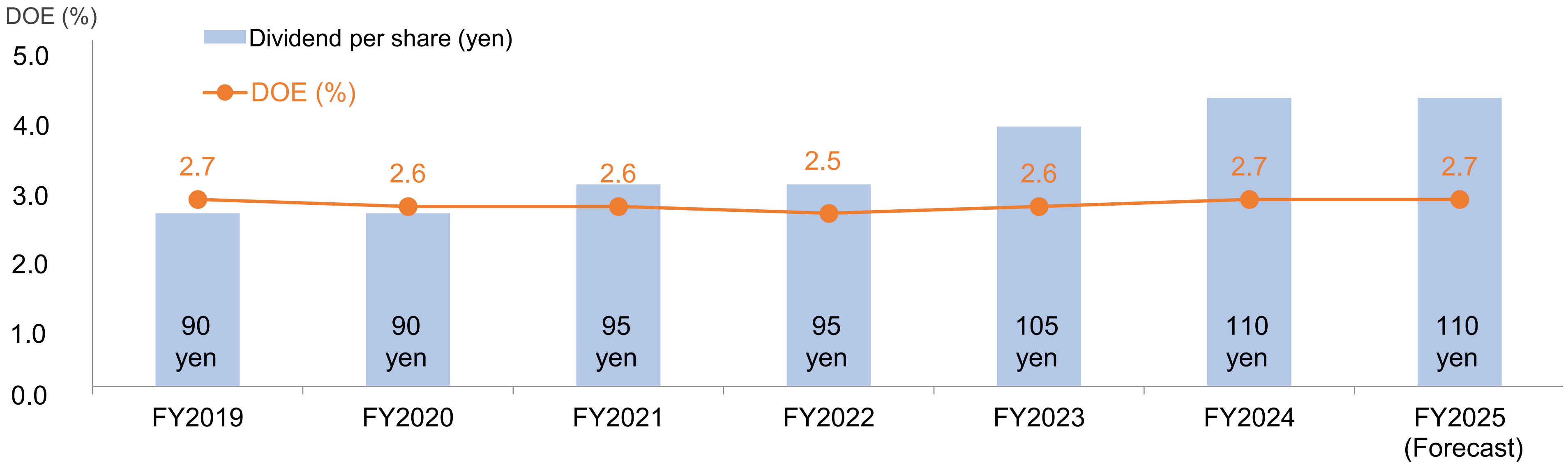
**Previous medium-term management plan 1st Stage (FY2022-2024)**

Dividend on equity (DOE): 2.5% or above

Consolidated total return ratio*: 30% or higher
(average over three years)

**Current medium-term management plan 2nd Stage (FY2025-2030)**

**Dividend on equity (DOE): 2.5% or higher**
**(Aiming for progressive dividends)**



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# Quarterly Factors Causing Fluctuation in Profits/Losses

| Quarter | Segment | Factor |
|---|---|---|
| Q1 | Polymers & Chemicals | Regular maintenance and repairs conducted at the ammonia plant (Ube area) in even-numbered years have a negative impact on operating profit of the Polymers & Chemicals segment. |
| | Company-wide | Regular maintenance and repairs conducted at the private power plant (Ube area) in even-numbered years have a negative impact on the company’s operating profit. |
| Latter half of Q2 through Q3 | Polymers & Chemicals | Sales volume of caprolactam, a raw material for nylon, increases due to demand for fall and winter apparel. This has a positive impact on the operating profit of the caprolactam business. |
| Q4 | Polymers & Chemicals | Annual maintenance and repairs conducted at the synthetic rubber plant (Chiba area) have a negative impact on the operating profit of the elastomer business. |
| | Machinery | Sales and profits are recorded mainly in the fourth quarter. This has a positive impact on the operating profit of the molding and industrial machines businesses. |

- **UBE Corporation**
  - Announcement of FY2025 Financial Results
    - May 13, 2026 15:30
  - FY2025 Financial Results Briefing
    - May 13, 2026 18:15 – 19:00
  - FY2026 Management Overview Briefing
    - May 20, 2026 10:00 – 11:30
- **Mitsubishi UBE Cement Corporation**
  - 3rd Quarter FY2025 Financial Results Briefing
    - February 17, 2026 16:00 – 16:40

(Note) This schedule is subject to change without notice due to circumstances.

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