

Consolidated Financial Report for the Fiscal Year Ended March 31, 2025

May 12, 2025

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(Amounts rounded down to the nearest million yen)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2025

(From April 1, 2024 to March 31, 2025)

(1) Consolidated Operating Results

(% indicates the rate of increase / decrease to the same period of previous year)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
April 2024 – March 2025	486,802 4.0%	18,045 (19.6)%	22,372 (38.4)%	(4,816) -
April 2023 – March 2024	468,237 (5.4)%	22,456 38.5%	36,333 -	28,981 -

(Note) Comprehensive Income: From April 1, 2024 to March 31, 2025: (6,346) Million Yen —
 From April 1, 2023 to March 31, 2024: 58,633 Million Yen —

	Net income per share (Yen)	Diluted net income per share (Yen)	Return on equity (%)	Ordinary profit to total assets (%)	Operating profit to net sales (%)
April 2024 – March 2025	(49.60)	-	(1.2)	2.7	3.7
April 2023 – March 2024	298.59	298.45	7.5	4.8	4.8

(Reference) Share of profit of entities accounted for using equity method: From April 1, 2024 to March 31, 2025: 7,641 Million Yen
 From April 1, 2023 to March 31, 2024: 12,343 Million Yen

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio (%)	Shareholders' equity per share (Yen)
March 31, 2025	865,669	412,013	45.6	4,067.90
March 31, 2024	789,034	429,355	51.8	4,210.11

(Reference) Shareholders' equity: As of March 31, 2025: 395,078 Million Yen
 As of March 31, 2024: 408,689 Million Yen

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

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
April 2024 – March 2025	35,837	(63,152)	105,851	115,442
April 2023 – March 2024	52,960	(33,316)	(15,712)	35,859

2. Cash Dividends

	Cash dividends per share (Yen)					Total dividends paid (Annual)	Dividend payout ratio (Consolidated) (%)	Dividend on net assets ratio (Consolidated) (%)
	First quarter	Second quarter	Third quarter	Year end	Annual			
April 2023 – March 2024	-	50.00	-	55.00	105.00	10,193	35.2	2.6
April 2024 – March 2025	-	55.00	-	55.00	110.00	10,682	-	2.7
April 2025 – March 2026 (Forecast)	-	55.00	-	55.00	110.00		38.8	

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2026

(From April 1, 2025 to March 31, 2026)

(% indicates the rate of increase / decrease to the same period of previous year)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	Net income per share(Yen)
April 2025 – September 2025	228,000	(6.2)%	8,000	32.3%	13,500	610.9%	10,000	- 102.96
April 2025 – March 2026	490,000	0.7%	25,000	38.5%	37,500	67.6%	27,500	- 283.15

(Notes)

(1) Changes in significant subsidiaries during the fiscal year ended March 31, 2025: Yes

Exclusion: 2 subsidiaries to be followed:

UBE Steel Co., Ltd.

API Corporation

(Note) For more details, please refer to “7. Consolidated Financial Statements (5) Notes to Consolidated Financial Statements

(Changes in significant subsidiaries during the fiscal year ended March 31, 2025)”.

(2) Changes in accounting policies applied, changes in accounting estimates and retrospective restatement

Changes in accounting policies applied due to revisions of accounting standards: Yes

Changes in accounting policies other than the above: No

Changes in accounting estimates: No

Retrospective restatement: No

(Note) For more details, please refer to “7. Consolidated Financial Statements (5) Notes to Consolidated Financial Statements

(Notes regarding changes in accounting policies)”.

(3) Number of shares outstanding (common stock)

	March 31, 2025	March 31, 2024
Numbers of shares outstanding at period end	106,200,107	106,200,107
Numbers of shares of treasury stock at period end	9,079,297	9,126,797

	April 2024 – March 2025	April 2023 – March 2024
Weighted-average number of shares outstanding during period	97,094,764	97,060,978

(Reference) Overview of Non-Consolidated Financial Results

(Amounts rounded down to the nearest million yen)

1. Non-Consolidated Financial Results for the Fiscal Year Ended March 31, 2025
(From April 1, 2024 to March 31, 2025)

(1) Non-Consolidated Operating Results (% indicates the rate of increase / decrease to the same period of previous year)

	Net sales		Operating profit		Ordinary profit		Net income	
April 2024 – March 2025	162,092	(1.2)%	1,009	(86.9)%	22,435	9.6%	9,748	(40.9)%
April 2023 – March 2024	164,040	(10.1)%	7,717	(27.4)%	20,472	(13.7)%	16,507	(13.6)%

	Net income per share (Yen)	Diluted net income per share (Yen)
April 2024 – March 2025	100.40	100.36
April 2023 – March 2024	170.08	170.00

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio (%)	Shareholders' equity per share (Yen)
March 31, 2025	637,068	202,920	31.8	2,089.11
March 31, 2024	463,599	203,181	43.8	2,092.43

(Reference) Shareholders' equity: As of March 31, 2025: 202,895 Million Yen

As of March 31, 2024: 203,119 Million Yen

[Shareholders' equity = Net assets – Share acquisition rights]

(Information regarding review procedures)

The financial information contained in this report is not subject to review procedures by independent auditors.

(Cautionary statement on forward-looking statements)

The description about the future in this document and the supplementary material, including the forecast of financial results, is based on certain assumptions that the Company Group considered reasonable as of the published date of this release and is not intended as a guarantee that the Company Group will achieve these targets. In addition, the actual results may differ materially from those projected herein depending on various factors. For assumptions used to project the financial results and instructions to use the projected financial results, please see the "(5) Forecast for the next fiscal year (April 1, 2025 to March 31, 2026)" on page 7.

4. Qualitative Information on Operating Results

(1) Overview of Operating Results

Overview

During the consolidated fiscal year under review, net sales increased, reflecting rising product price of elastomers resulting from the market price rises of a raw material and sales recovery of nylon polymers, caprolactam, ammonium sulfate, etc. in the overseas market in the Polymers & Chemicals Segment.

Operating profit decreased despite sales recovery of caprolactam and ammonium sulfate overseas and license revenue from C1 Chemicals, mainly due to sluggish sales of polyimide for some applications in the Specialty Products segment and the biennial inspection conducted at the ammonia product factory in the Polymers & Chemicals segment, and expenses related to the acquisition of the urethane systems business from LANXESS, Germany.

Ordinary profit decreased due to recording of share of loss of entities accounted for using equity method, which arose from the resolution of dissolution of an equity-method affiliate engaging in the Elastomer Business, despite effects of adjustment of the selling price conducted in the previous fiscal year in the Cement-related Business (an equity-method affiliate).

Profit attributable to owners of parent was a loss due to an extraordinary loss as a result of the decision of structural reform of the basic businesses including ammonia, caprolactam, and nylon polymers.

As a result, the Company Group reports its consolidated results during the current term as follows:

(Billions of yen)

Item	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
April 2024– March 2025 ①	486.8	18.0	22.4	(4.8)
April 2023– March 2024 ②	468.2	22.5	36.3	29.0
Difference ① - ②	18.6	(4.4)	(14.0)	(33.8)
Percentage change	4.0%	(19.6)%	(38.4)%	—

Overview by Segment

Net sales

(Billions of yen)

Segment	April 2023 – March 2024 ①	April 2024 – March 2025 ②	Difference ② – ①	Percentage Change
Specialty Products	63.8	66.2	2.4	3.8%
Polymers & Chemicals	258.6	287.2	28.7	11.1%
Machinery	96.9	86.9	(10.0)	(10.3)%
Others	74.5	67.8	(6.7)	(9.0)%
Adjustment	(25.4)	(21.2)	4.2	—
Total	468.2	486.8	18.6	4.0%

Operating profit

(Billions of yen)

Segment	April 2023 – March 2024 ①	April 2024 – March 2025 ②	Difference ② – ①	Percentage Change
Specialty Products	12.1	11.7	(0.4)	(3.6)%
Polymers & Chemicals	2.5	1.9	(0.6)	(24.5)%
Machinery	7.2	7.9	0.7	10.0%
Others	4.5	3.2	(1.3)	(28.1)%
Adjustment	(3.8)	(6.6)	(2.8)	—
Total	22.5	18.0	(4.4)	(19.6)%

(Note1) UBE America Inc. and UBE CORPORATION AMERICA INC. have been reclassified from the “Others” segment to the “Polymers & Chemicals” segment from the fiscal year ending March 2025. Net sales and operating profit for the fiscal year ended March 2024 are figures reflecting the segment reclassification.

(Note2) Adjustment for operating profit includes corporate expenses (general expenses that are not distributed to each reportable segment) and internal transactions between the segments.

Specialty Products – Increases in net sales and decrease in operating profit

The Polyimide Business recorded a decrease in net sales due to sluggish sales of our varnishes for OLED panels in the Chinese market, although sales of films for large displays and raw material BPDA were strong.

The Separation Membrane Business recorded a decrease in net sales due to inventory adjustments and postponement of construction plans by some customers.

The Ceramics Business recorded an increase in net sales thanks to the strong sales of products for electric vehicle bearing applications.

The Separators Business recorded an increase in net sales due to an increase in sales volume in line with an increase in demand for products for hybrid vehicles.

The Specialty Products Segment as a whole recorded an increase in net sales thanks to steady performance of the Ceramics and Separators Businesses, etc., but operating profit resulted in a decrease due to weak performance of the Polyimide and Separation Membrane Businesses.

Polymers & Chemicals – Increases in net sales and decrease in operating profit

■ Performance Polymers & Chemicals Business

The Composites Business recorded a decrease in net sales due to weak sales of products not only for automotive components but also for non-automotive applications, such as industrial equipment.

The Nylon Polymer Business recorded an increase in net sales mainly due to recovery in demand for nylon film for food packaging overseas, resulting in increases in sales volume and selling prices.

The Caprolactam & Ammonium Sulfate Business recorded an increase in net sales due to an increase in sales volume along with a recovery in demand overseas for nylon fiber, etc.

The Industrial Chemicals Business recorded a decrease in net sales due to a decrease in sales volume resulting from the biennial inspection conducted at the ammonia product factory and sluggish demand for ammonia for industrial use in Japan.

The C1 Chemicals and High-Performance Coating Businesses recorded an increase in net sales due to license income from the C1 Chemicals Business and solid sales in Asia in the High-Performance Coating Business.

■ The Elastomer Business recorded an increase in net sales, despite moderate demand for automotive tires and other uses, thanks to a rise in product prices resulting from a rise in prices of butadiene, which is the main material.

■ The Polymers & Chemicals segment as a whole recorded an increase in net sales but a decrease in profit due largely to the biennial inspection conducted at the ammonia product factory and weak demand for ammonia for domestic industrial use, as well as sluggish sales of the Composites Business.

Machinery – Decrease in net sales and increase in operating profit

The Molding Machine Business recorded an increase in net sales due to robust sales of the products for the automobile industry and stable performance of after-sales services.

The Industrial Machines Business recorded a decrease in net sales due to fewer large projects in product sales compared to the previous fiscal year.

The Steel Products Business recorded a decrease in net sales due to transfer of management rights to another company on November 1, 2024, resulting in a decrease in sales volume.

The Machinery Segment as a whole recorded a decrease in net sales and an increase in operating profit, which was due to steady performance of the Molding Machine Business despite the impact of the transfer of management rights of the Steel Products Business.

Others – Decreases in both net sales and operating profit

The Pharmaceutical Business recorded a decrease in net sales due to a decrease in sales of contract pharmaceuticals despite strong sales of our own pharmaceuticals.

The Power Producer Business recorded a decrease in net sales due to a decrease in the volume of electricity sold resulting from a decline in electricity demand in Cement-Related Business (Mitsubishi UBE Cement Corporation) and other businesses.

The Others segment as a whole recorded decreases both in net sales and operating profit due largely to decreases in royalty income and sales volume of contract pharmaceuticals in the Pharmaceutical Business.

Cement-Related Business (Equity-Method Affiliate “Mitsubishi UBE Cement Corporation”)

Although sales volume of cement decreased in both the domestic and overseas (North America) markets, the adjustment of selling prices implemented in the previous fiscal year contributed to an increase in share of profit of entities accounted for using the equity method relating to the cement-related business.

Extraordinary income and losses, etc.

Impairment losses increased by 28,726 million yen from the previous fiscal year to 29,079 million yen due to structural reforms in the basic businesses.

Deferred tax assets were calculated based on the loss from the restructuring and the next medium-term management plan. As a result, income taxes-deferred increased by 7,257 million yen from the previous fiscal year to 8,589 million yen.

(2) Overview of Financial Condition

Total Assets

Total assets increased by 76,635 million yen or 9.7% compared to the end of the previous fiscal year, to 865,669 million yen.

Current assets increased by 62,699 million yen or 21.2% to 358,377 million yen mainly due to an increase in cash and deposits, despite a decrease in inventories, such as raw materials and supplies.

Non-current assets increased by 13,867 million yen or 2.8% to 507,068 million yen as intangible assets and deferred tax assets increased.

Deferred assets increased by 69 million yen or 44.5% to 224 million yen as bond issuance costs increased.

Liabilities

Liabilities increased by 93,977 million yen or 26.1% compared to the end of the previous fiscal year, to 453,656 million yen. The balance of interest-bearing debt increased by 117,104 million yen or 54.9% to 330,536 million yen.

Current liabilities decreased by 502 million yen or 0.3% to 197,719 million yen mainly because of a decrease in notes and accounts payable, while short-term borrowings and commercial papers increased respectively.

Non-current liabilities increased by 94,479 million yen or 58.5% to 255,937 million yen, resulted mainly from an increase in bonds payable and long-term borrowings.

Net assets

Net assets decreased by 17,342 million yen or 4.0% compared to the end of the previous fiscal year, to 412,013 million yen.

Shareholders' equity decreased by 15,390 million yen or 4.4% to 338,226 million yen as retained earnings decreased due to dividends paid of 10,679 million yen and loss attributable to owners of parent of 4,816 million yen.

Accumulated other comprehensive income increased by 1,779 million yen or 3.2% to 56,852 million yen mainly because of increases in foreign currency translation adjustment and remeasurements of defined benefit plans, net of tax.

Non-controlling interests decreased by 3,693 million yen or 17.9% to 16,911 million yen.

As a result, shareholders' equity ratio decreased by 6.2 to 45.6% compared to the end of the previous fiscal year.

(3) Overview of cash flow

Cash flows from operating activities

Net cash provided by operating activities decreased by 17,123 million yen compared to the previous term, and totaled 35,837 million yen. This is the result of deducting income taxes paid from loss before income taxes, depreciation and amortization, impairment losses, increase (decrease) in working capital, etc.

Cash flows from investing activities

Net cash used in investment activities increased by 29,836 million yen compared to the previous term, and totaled 63,152 million yen. This is mainly due to expenditures for capital investment.

Cash flows from financing activities

Net cash provided by financing activities totaled 105,851 million yen (15,712 million yen of expenditure in the previous term). This was mainly due to borrowing of interest-bearing debt, etc.

As a result, cash and cash equivalents increased by 79,583 million yen or 221.9% to 115,442 million yen, including effect of exchange rate change on cash and cash equivalents, compared to the end of the previous fiscal year.

(4) Basic policy on profit-sharing and dividends for the current and the next term

We have a basic policy to pay the dividends stably, while aiming to further enhance shareholder returns in the future by investing aggressively to increase profits and shareholders' equity. It is also important for us to accumulate sufficient internal reserves to strengthen our financial standings and expand our business further. Considering the

above policy in a comprehensive manner, we develop the proposal for the stock dividends to be resolved at the general meeting of shareholders.

In the medium-term management plan “UBE Vision 2030 Transformation — 1st Stage,” of which the term starts from FY2022, we set the goal to achieve DOE (dividend on equity ratio) of 2.5% or more. In addition, the target of consolidated total return ratio, which shows the ratio of the dividends and acquisition of treasury shares combined to profit attributable to owners of parent, is set at 30% or more on a three-year-average. The Company Group paid the interim dividends of 55 yen per share in the current term and is currently planning to pay the year-end dividends of 55 yen per share.

For the next term, we plan to pay total annual dividends of 110 yen per share, broken up into interim dividends of 55 yen per share and year-end dividends of 55 yen per share.

(5) Forecast for the next fiscal year (April 1, 2025 to March 31, 2026)

On the assumption that the dollar-yen exchange rate would hover at a level of 150 yen /dollar and the prices of domestic product naphtha and Australian coal would be respectively around 72,900 yen per 1kl and 136.0 dollar per ton, from April 1, 2025 through March 31, 2026, we forecast the earnings as follows.

Net sales and operating profit are both expected to increase due mainly to steady growth in the Specialty Products segment, sales recovery in the Polymers & Chemicals segment, and contributions from the High Performance Urethanes segment, including the urethane systems business, which was acquired from LANXESS, Germany. Ordinary profit is expected to increase as the impact of share of loss of entities accounted for using the equity method resulting from a resolution to dissolve an equity method affiliate, which occurred in the previous fiscal year, will disappear. Profit attributable to owners of parent is expected to improve due to increases in operating profit and ordinary profit, as well as disappearance of the impact of the extraordinary loss related to business structural reform recorded in the previous fiscal year.

(Billions of yen)

Item	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
April 2025 – March 2026 ①	490.0	25.0	37.5	27.5
April 2024 – March 2025 ②	486.8	18.0	22.4	(4.8)
Difference ① - ②	3.2	7.0	15.1	32.3
Percentage change	0.7%	38.5%	67.6%	-

Overview by Segment

Net sales

(Billions of yen)

Segment	April 2024– March 2025 ①	April 2025 – March 2026 ②	Difference ② – ①	Percentage change
Specialty Products	66.2	71.0	4.8	7.3%
High Performance Urethans	15.6	51.0	35.4	226.6%
Pharmaceutical	31.5	24.0	(7.5)	(23.8)%
Polymers & Chemicals	273.6	257.0	(16.6)	(6.1)%
Machinery	86.9	76.0	(10.9)	(12.5)%
Others	39.2	35.5	(3.7)	(9.4)%
Adjustment	(26.1)	(24.5)	1.6	—
Total	486.8	490.0	3.2	0.7%

Operating profit

(Billions of yen)

Segment	April 2024 – March 2025 ①	April 2025 – March 2026 ②	Difference ② – ①	Percentage change
Specialty Products	11.7	13.5	1.8	15.7%
High Performance Urethans	(0.2)	2.0	2.2	-
Pharmaceutical	1.2	1.0	(0.2)	(13.1)%
Polymers & Chemicals	(0.7)	6.0	6.7	-
Machinery	7.9	6.5	(1.4)	(17.5)%
Others	2.1	2.0	(0.1)	(2.8)%
Adjustment	(3.8)	(6.0)	(2.2)	—
Total	18.0	25.0	7.0	38.5%

(Note 1) Starting from fiscal year ending March 2026, the segments have been increased from the four segments of “Specialty Products,” “Polymers & Chemicals,” “Machinery,” and “Others” to the six segments of “Specialty Products,” “High Performance Urethanes,” “Pharmaceutical,” “Polymers & Chemicals,” “Machinery,” and “Others.” In addition, the high-performance coating business of UBE CORPORATION EUROPE S.A.U. has been reclassified from the “Polymers & Chemicals” segment to the “High Performance Urethanes” segment, UBE Fine Chemicals(Asia) Co.,Ltd. has been reclassified from the “Polymers & Chemicals” to “High Performance Urethanes,” and the high-performance coating business of UBE CORPORATION AMERICA INC. has been reclassified from “Polymers & Chemicals” to “High Performance Urethanes.” The results for the fiscal year ended March 2025 are reference figures after the segment reclassification.

(Note 2) Adjustment for operating profit includes corporate expenses (general expenses that are not distributed to each reportable segment) and internal transactions between the segments.

5. Management policy

(1) Basic policy for management of the Company

In order to achieve our goal in the future, which is defined in “UBE Vision 2030 Transformation,” the Company Group implemented a three-year medium-term management plan “UBE Vision 2030 Transformation—1st Stage,” a concrete action plan that is in effect from FY2022 up through FY 2024 and set the following basic policy and numeric targets.

◆Vision for 2030

A corporate group centered on specialty chemicals that contributes to the global environment, human health, and an enriched future society

Pursuing the achievement of the vision for the future, we will shift to a business structure focused on specialty chemical products that have a “low energy burden,” are “resistant to swings in market conditions,” and are “highly profitable.” Implementing the policies for transformation of business structure, promotion of energy saving activities, and process improvements, we will strive to achieve the goals about reduction of GHG emissions and contribute to the realization of a sustainable society by promoting the development and practical application of environmentally friendly products and technologies.

◆Basic policy

- i.) Pursuing global profit growth driven by specialty chemicals
- ii.) Structural changes in response to global environmental issues
- iii.) Enhancing human capital for sustainable growth
- iv.) Enhancing corporate value and creating customer value by promoting DX
- v.) Further improving governance

◆Numeric targets

< Key Figures >		< Key Indicators >	
	Target for FY 2024		Target for FY 2024
Operating profit	40.0 billion yen Of which, specialty business: 24.0 billion yen	Return on sales – ROS	8.0%
Ordinary profit	47.0 billion yen	Return on equity – ROE	8.0%

(2) Challenges that the Company should address

In FY2024, the final year of the medium-term management plan, although we fell far short of the numerical targets, we have steadily advanced with growth investments in polyimide raw material BPDA, polyimide films, separation membranes, ceramics, DMC and EMC, etc. In addition, we are taking measures for future growth, such as the acquisition of the urethane systems business from LANXESS, Germany.

Furthermore, we have decided to downsize and shut down our production facilities in Japan and Thailand for ammonia, caprolactam, and nylon polymers, which have large fluctuations in profit and loss and high greenhouse gas (GHG) emissions.

By steadily implementing these measures and realizing results, we aim to achieve further growth as a specialty company.

The new medium-term management plan starting from FY2025 will be announced at a later date.

6. Basic policy on adoption of accounting standard

Considering comparability of consolidated financial statements in terms of the covered periods and respective companies, the Company Group has a policy to prepare consolidated financial statement based on the Japanese accounting standard.

In regard to adoption of the international accounting standard, we will make appropriate response with consideration to internal and external circumstances at the time.

7. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	36,359	115,969
Notes receivable - trade	4,686	6,271
Accounts receivable - trade	97,354	96,469
Contract assets	5,738	3,877
Merchandise and finished goods	58,017	57,697
Work in process	29,503	26,136
Raw materials and supplies	46,428	38,156
Other	17,668	13,939
Allowance for doubtful accounts	(75)	(137)
Total current assets	295,678	358,377
Non-current assets		
Property, plant and equipment		
Buildings and structures	154,309	157,753
Accumulated depreciation and impairment	(102,604)	(105,939)
Buildings and structures, net	51,705	51,814
Machinery, equipment and vehicles	509,489	514,910
Accumulated depreciation and impairment	(416,988)	(442,596)
Machinery, equipment and vehicles, net	92,501	72,314
Land	37,243	37,431
Leased assets	5,025	6,157
Accumulated depreciation and impairment	(1,444)	(1,995)
Leased assets, net	3,581	4,162
Construction in progress	27,211	46,820
Other	43,136	44,525
Accumulated depreciation and impairment	(33,219)	(34,365)
Other, net	9,917	10,160
Total property, plant and equipment	222,158	222,701
Intangible assets		
Leased assets	544	261
Goodwill	1,448	2,418
Other	6,577	8,983
Total intangible assets	8,569	11,662
Investments and other assets		
Investment securities	223,923	225,502
Long-term loans receivable	122	120
Retirement benefit asset	18,622	19,590
Deferred tax assets	11,881	19,752
Other	8,201	7,958
Allowance for doubtful accounts	(275)	(217)
Total investments and other assets	262,474	272,705
Total non-current assets	493,201	507,068
Deferred assets		
Bond issuance costs	155	224
Total deferred assets	155	224
Total assets	789,034	865,669

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	62,068	48,258
Short-term borrowings	63,370	70,838
Commercial papers	—	8,996
Current portion of bonds payable	10,000	10,000
Lease liabilities	518	561
Accounts payable - other	28,108	28,221
Income taxes payable	4,154	4,427
Contract liabilities	15,040	13,008
Provision for bonuses	5,141	4,600
Provision for loss on orders received	258	104
Other	9,564	8,706
Total current liabilities	198,221	197,719
Non-current liabilities		
Bonds payable	60,000	80,000
Long-term borrowings	75,572	155,646
Lease liabilities	3,972	4,495
Deferred tax liabilities	1,430	857
Provision for retirement benefits for directors (and other officers)	190	128
Provision for special repairs	2,783	2,191
Provision for loss on business restructuring	231	86
Retirement benefit liability	7,289	4,711
Asset retirement obligations	1,224	1,220
Other	8,767	6,603
Total non-current liabilities	161,458	255,937
Total liabilities	359,679	453,656
Net assets		
Shareholders' equity		
Share capital	58,435	58,435
Capital surplus	40,370	40,363
Retained earnings	276,409	260,914
Treasury shares	(21,598)	(21,486)
Total shareholders' equity	353,616	338,226
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	8,885	7,555
Deferred gains or losses on hedges	64	12
Foreign currency translation adjustment	39,418	41,331
Remeasurements of defined benefit plans	6,706	7,954
Total accumulated other comprehensive income	55,073	56,852
Share acquisition rights	62	24
Non-controlling interests	20,604	16,911
Total net assets	429,355	412,013
Total liabilities and net assets	789,034	865,669

(2) Consolidated Statements of Income / Consolidated Statements of Comprehensive Income

• Consolidated Statements of Income

(Millions of yen)

	April 1, 2023 – March 31, 2024	April 1, 2024 – March 31, 2025
Net sales	468,237	486,802
Cost of sales	381,526	395,869
Gross profit	86,711	90,933
Selling, general and administrative expenses	64,255	72,888
Operating profit	22,456	18,045
Non-operating income		
Interest income	361	749
Dividend income	3,622	528
Rental income	851	895
Share of profit of entities accounted for using equity method	12,343	7,641
Foreign exchange gains	1,526	—
Other	874	727
Total non-operating income	19,577	10,540
Non-operating expenses		
Interest expenses	1,042	1,730
Rental expenses	509	445
Foreign exchange losses	—	178
Loss on disposal of non-current assets	636	560
Other	3,513	3,300
Total non-operating expenses	5,700	6,213
Ordinary profit	36,333	22,372
Extraordinary income		
Gain on sale of non-current assets	54	336
Gain on sale of investment securities	293	2,975
Gain on change in equity	712	—
Gain on liquidation of subsidiaries and associates	—	311
Total extraordinary income	1,059	3,622
Extraordinary losses		
Loss on disposal of non-current assets	1,970	1,017
Loss on sale of investment securities	—	2,903
Impairment losses	353	29,079
Loss on valuation of investment securities	1	34
Loss on related business	—	3,851
Total extraordinary losses	2,324	36,884
Profit (loss) before income taxes	35,068	(10,890)
Income taxes - current	7,364	6,914
Income taxes - deferred	(1,332)	(8,589)
Total income taxes	6,032	(1,675)
Profit (loss)	29,036	(9,215)
Profit (loss) attributable to non-controlling interests	55	(4,399)
Profit (loss) attributable to owners of parent	28,981	(4,816)

	April 1, 2023 – March 31, 2024	April 1, 2024 – March 31, 2025
Profit (loss)	29,036	(9,215)
Other comprehensive income		
Valuation difference on available-for-sale securities	3,129	(1,725)
Deferred gains or losses on hedges	44	(3)
Foreign currency translation adjustment	9,918	3,468
Remeasurements of defined benefit plans, net of tax	5,194	1,138
Share of other comprehensive income of entities accounted for using equity method	11,312	(9)
Total other comprehensive income	29,597	2,869
Comprehensive income	58,633	(6,346)
Comprehensive income attributable to owners of parent	57,530	(3,037)
Comprehensive income attributable to non-controlling interests	1,103	(3,309)

(3) Consolidated Statements of Changes in Net Assets

• For the fiscal year ended March 31, 2024 (From April 1, 2023 to March 31, 2024)

(Millions of yen)

	Shareholders' Equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of the year	58,435	40,371	257,957	(21,676)	335,087
Changes during the year					
Cash dividends			(9,220)		(9,220)
Profit or loss attributable to owners of parent			28,981		28,981
Purchase of treasury stock				(7)	(7)
Disposal of treasury stock		(1)		85	84
Effect of changes in retained earnings of equity-method affiliates			(Note) (1,309)		(1,309)
Net changes of items other than shareholders' equity					
Total changes during the year	-	(1)	18,452	78	18,529
Balance at the end of the year	58,435	40,370	276,409	(21,598)	353,616

(Millions of yen)

	Accumulated Other Comprehensive Income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of the year	2,698	(143)	23,740	229	26,524	71	19,949	381,631
Changes during the year								
Cash dividends								(9,220)
Profit or loss attributable to owners of parent								28,981
Purchase of treasury stock								(7)
Disposal of treasury stock								84
Effect of changes in retained earnings of equity-method affiliates								(1,309)
Net changes of items other than shareholders' equity	6,187	207	15,678	6,477	28,549	(9)	655	29,195
Total changes during the year	6,187	207	15,678	6,477	28,549	(9)	655	47,724
Balance at the end of the year	8,885	64	39,418	6,706	55,073	62	20,604	429,355

(Note) The decrease is due to the partial transfer of shares of an affiliate by Mitsubishi UBE Cement Corporation, an equity-method affiliate of the Company.

• For the fiscal year ended March 31, 2025 (From April 1, 2024 to March 31, 2025)

(Millions of yen)

	Shareholders' Equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of the year	58,435	40,370	276,409	(21,598)	353,616
Changes during the year					
Cash dividends			(10,679)		(10,679)
Profit or loss attributable to owners of parent			(4,816)		(4,816)
Purchase of treasury stock				(6)	(6)
Disposal of treasury stock		(7)		118	111
Net changes of items other than shareholders' equity					
Total changes during the year	—	(7)	(15,495)	112	(15,390)
Balance at the end of the year	58,435	40,363	260,914	(21,486)	338,226

(Millions of yen)

	Accumulated Other Comprehensive Income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of the year	8,885	64	39,418	6,706	55,073	62	20,604	429,355
Changes during the year								
Cash dividends								(10,679)
Profit or loss attributable to owners of parent								(4,816)
Purchase of treasury stock								(6)
Disposal of treasury stock								111
Net changes of items other than shareholders' equity	(1,330)	(52)	1,913	1,248	1,779	(38)	(3,693)	(1,952)
Total changes during the year	(1,330)	(52)	1,913	1,248	1,779	(38)	(3,693)	(17,342)
Balance at the end of the year	7,555	12	41,331	7,954	56,852	24	16,911	412,013

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	April 1, 2023 – March 31, 2024	April 1, 2024 – March 31, 2025
Cash flows from operating activities		
Profit (loss) before income taxes	35,068	(10,890)
Depreciation and amortization	26,572	27,171
Impairment losses	353	29,079
Loss on retirement of non-current assets	538	672
Amortization of goodwill	130	247
Interest and dividend income	(3,983)	(1,277)
Interest expenses	1,042	1,730
Share of loss (profit) of entities accounted for using equity method	(12,343)	(7,641)
Loss (gain) on sale of investment securities	(293)	(72)
Loss (gain) on valuation of investment securities	1	34
Loss (gain) on change in equity	(712)	—
Loss on related business	—	3,851
Loss (gain) on sale of non-current assets	(44)	(301)
Increase (decrease) in allowance for doubtful accounts	(23)	9
Increase(decrease) in defined benefit asset and liability	(7,607)	(3,372)
Increase (decrease) in remeasurements of defined benefit plans	5,205	1,175
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(6)	(45)
Increase (decrease) in other provisions	1,317	(874)
Decrease (increase) in trade receivables	1,652	(414)
Decrease (increase) in inventories	(3,013)	10,418
Increase (decrease) in trade payables	(7,813)	(10,740)
Increase (decrease) in accounts payable - other	931	(567)
Increase (decrease) in contract liabilities	5,614	(1,737)
Decrease (increase) in other current assets	2,461	(495)
Increase (decrease) in other current liabilities	2,863	(846)
Increase (decrease) in other non-current liabilities	(54)	(1,677)
Other, net	4,038	(4,990)
Subtotal	51,894	28,448
Interest and dividends received	5,843	14,163
Interest paid	(1,035)	(1,676)
Income taxes paid	(3,742)	(5,098)
Net cash provided by (used in) operating activities	52,960	35,837
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(30,972)	(58,930)
Proceeds from sale of property, plant and equipment	283	540
Purchase of investment securities	(41)	(51)
Proceeds from sale of investment securities	406	3,647
Purchase of shares of subsidiaries and associates	(1,070)	(10,715)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	(1,855)
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	368	—
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	—	(695)
Proceeds from withdrawal of investments in subsidiaries and associates	—	1,672
Proceeds from withdrawal of investments in silent partnerships	300	—
Decrease (increase) in short-term loans receivable	(2,660)	3,244
Other, net	70	(9)
Net cash provided by (used in) investing activities	(33,316)	(63,152)

	April 1, 2023 – March 31, 2024	April 1, 2024 – March 31, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(3,653)	20,118
Net increase (decrease) in commercial papers	(3,000)	8,996
Proceeds from long-term borrowings	10,582	99,993
Repayments of long-term borrowings	(19,289)	(31,097)
Proceeds from issuance of bonds	9,949	29,881
Redemption of bonds	—	(10,000)
Purchase of treasury shares	(8)	(6)
Dividends paid	(9,191)	(10,649)
Dividends paid to non-controlling interests	(448)	(726)
Other, net	(654)	(659)
Net cash provided by (used in) financing activities	(15,712)	105,851
Effect of exchange rate change on cash and cash equivalents	1,224	1,047
Net increase (decrease) in cash and cash equivalents	5,156	79,583
Cash and cash equivalents at beginning of period	30,703	35,859
Cash and cash equivalents at end of period	35,859	115,442

(5) Notes to Consolidated Financial Statements

(Note to events and conditions which indicate there could be substantial doubt about going concern assumption)
None.

(Changes in significant subsidiaries during the fiscal year ended March 31, 2025)

UBE Steel Co., Ltd., which had been a consolidated subsidiary, was excluded from the scope of the consolidation due to the sale of its shares during the consolidated fiscal year under review.

During the consolidated fiscal year under review, the Company absorbed API Corporation, which had been a consolidated subsidiary.

(Notes regarding changes in accounting policies)

(Application of the “Accounting Standard for Current Income Taxes,” etc.)

We have applied the “Accounting Standard for Current Income Taxes”(ASBJ Statement No. 27, October 28, 2022; hereinafter referred to as the “2022 revised Accounting Standard”), etc. from the beginning of the fiscal year ended March 31, 2025.

Revisions regarding the classification of income taxes, etc. (taxes imposed on other comprehensive income) are in accordance with the transitional treatment prescribed in the proviso of Paragraph 20-3 of the 2022 revised Accounting Standard and the proviso of paragraph 65-2 (2) of the Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022; hereinafter referred to as the “2022 revised Guidance”). Note that this change in accounting policy has no impact on the consolidated financial statements.

In addition, with regard to revisions related to the treatment in consolidated financial statements when gains or losses on sales of subsidiaries’ shares, etc. between consolidated companies are deferred for tax purposes, the 2022 revised Guidance has been applied from the beginning of the fiscal year ended March 31, 2025. This change in accounting policy has been applied retrospectively. The consolidated financial statements for the previous consolidated fiscal year presented herein are those after the retrospective application of the change. Note that this change in accounting policy has no impact on the consolidated financial statements for the previous consolidated fiscal year.

(Changes in presentation)

(Consolidated Statements of Cash Flows)

“Increase (decrease) in other non-current liabilities,” which was included in “Other, net” under “Cash flows from operating activities” in the preceding consolidated fiscal year, is presented independently from the consolidated fiscal year under review because its quantitative significance has increased. To reflect this change in the presentation method, certain reclassifications have been made to the consolidated financial statements for the preceding consolidated fiscal year.

As a result, 3,984 million yen presented as “Other, net” in the consolidated statement of cash flows for the preceding consolidated fiscal year has been reclassified as “Increase (decrease) in other non-current liabilities” of (54) million yen and “Other, net” of 4,038 million yen.

(Notes to Consolidated Statements of Income)

Impairment Losses

Our group has implemented impairment processing for the following assets.

(Millions of yen)

Location	Applications	Type of Assets	Impairment Losses
Ube, Yamaguchi	(Idle Assets) Idle Land	Land	6
Ube, Yamaguchi, etc.	(Business Assets) Ammonia and Caprolactam Related Manufacturing Equipment	Machinery and Structures, etc.	8,845
Ube, Yamaguchi	(Business Assets) Phenolic Resin Powder Products Manufacturing Equipment	Buildings and Machinery, etc.	21
Gifu, Gifu	(Business Assets) Laminates Manufacturing Equipment	Buildings and Machinery, etc.	67
Koriyama, Fukushima	(Business Assets) RASEN COMPOSE and Cartridge Filters Related Manufacturing Equipment	Buildings and Machinery, etc.	55
Rayong, Thailand	(Business Assets) Caprolactam and Nylon Related Manufacturing Equipment	Buildings and Machinery, etc.	18,725
Castellon, Spain	(Business Assets) Cyclohexanone and 1,6-Hexanediol Related Manufacturing Equipment	Machinery, etc.	1,360
Total			29,079

The Company Group groups its assets with its business units and divisions as the smallest units. Regarding idle assets, rental assets, and assets planned for disposal, we determine the necessity of impairment on an individual property basis.

For two idle assets with decreased market value, we reduced the book value of these assets to their recoverable amount and recorded the decrease as an impairment loss of 6 million yen under extraordinary losses. The breakdown is 6 million yen for land. The recoverable amount is measured based on the net realizable value, and the market value is calculated based on an appraisal value.

Regarding the ammonia and caprolactam-related manufacturing equipment, we decided to cease operations after a certain period. Consequently, we reduced the book value of the manufacturing equipment to its recoverable amount and recorded the decrease as an impairment loss of 8,845 million yen under extraordinary losses. The breakdown is 6,665 million yen for machinery, 1,056 million yen for structures, and 1,124 million yen for others. The recoverable amount is measured based on the utility value, but since future cash flows are negative, the utility value is considered zero. Additionally, since the undiscounted future cash flows are negative, the discount rate is omitted.

For the phenolic resin powder product manufacturing equipment, we decided to withdraw from the business. Consequently, we reduced the book value of the manufacturing equipment to a residual value and recorded the decrease as an impairment loss of 21 million yen under extraordinary losses. The breakdown is 12 million yen for buildings, 6 million yen for machinery, and 3 million yen for others.

Regarding the laminates manufacturing equipment of UBE EXSYMO CO., LTD., due to deteriorating profitability, we reduced the book value of the manufacturing equipment to its recoverable amount and recorded the decrease as an impairment loss of 67 million yen under extraordinary losses. The breakdown is 24 million yen for machinery, 17 million yen for buildings, and 26 million yen for others. The recoverable amount is measured based on the utility value, but since future cash flows are negative, the utility value is considered zero. Additionally, since the undiscounted future cash flows are negative, the discount rate is omitted.

For the RASEN COMPOSE and cartridge filters related manufacturing equipment of UBE EXSYMO CO., LTD., we decided to withdraw from the business and ceased operations. Consequently, we reduced the book value of the manufacturing equipment to a residual value and recorded the decrease as an impairment loss of 55 million yen under extraordinary losses. The breakdown is 27 million yen for buildings, 25 million yen for machinery, and 3 million yen for others.

Regarding the caprolactam and nylon-related manufacturing equipment of UBE Chemicals (Asia) Public Company Limited, the decision was made to cease operations after a certain period. Consequently, the book value of the manufacturing equipment was reduced to its recoverable amount, and the decrease was recorded as an impairment loss of 18,725 million yen under extraordinary losses. The breakdown is 16,431 million yen for machinery, 374 million yen for buildings, and 1,920 million yen for others. The recoverable amount is measured based on fair value less costs of disposal, with fair value evaluated based on the market value, such as the selling price.

For the cyclohexanone and 1,6-hexanediol-related manufacturing equipment of UBE CORPORATION EUROPE S.A.U., the decision was made to withdraw from the business and cease operations. Consequently, the book value of the manufacturing equipment was reduced to a residual value, and the decrease was recorded as an impairment

loss of 1,360 million yen under extraordinary losses. The breakdown is 1,216 million yen for machinery and 144 million yen for others.

(Segment Information)

1. Segment Information

(1) Summary of reportable segments

The reportable segments of UBE are defined as individual units, where separate financial information is available and which are subject to regular review by the Board of Directors of the Company to evaluate their results and decide the allocation of management resources.

The Company Group consolidated the segments of which products and services have similar economic characteristic and markets, and classified them into the reportable segments consisting of "Specialty Products," "Polymers & Chemicals," "Machinery" and "Others" segments.

Main products and services of each reportable segment are as follows;

Reportable segment	Main products and services
Specialty Products	Polyimide, Separation membrane, Ceramics, Separators, etc.
Polymers & Chemicals	Composite, Nylon polymer, Caprolactam, Ammonium sulfate, Industrial chemicals, C1 Chemicals (DMC, EMC, etc.), High-Performance Coating, Elastomer (Synthetic rubber), etc.
Machinery	Molding Machinery(Die Casting Machines, Extrusion Presses, and Injection Molding Machines), Industrial Machinery(Kiln, Chemical Equipment, Vertical mill, Bulk handling machine, Water screening equipment, Crushers), Bridges and Steel Structures, etc.
Others	Pharmaceuticals (APIs and intermediates), electric power supply business, leasing and control of real estate,etc.

From the consolidated fiscal year under review, UBE America Inc. and UBE CORPORATION AMERICA INC., which are consolidated subsidiaries, have been reclassified from "Others" to " Polymers & Chemicals" in terms of business management categories. Additionally, the segment information for the previous consolidated fiscal year has been disclosed based on the revised classification method.

(2) Calculation method of net sales, income or loss, assets, liabilities and other items by the reportable segment

The accounting method applied for the reportable segments is subject to the account policy adopted for preparation of consolidated financial statement.

Reportable segment profit consists of figures based on operating profit.

Intersegment sales or transfers are based on market prices.

(3) Information concerning Net Sales and Operating Profit or Loss, Assets, Liabilities and other items by Reportable Business Segment

For the fiscal year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(Millions of yen)

	Reported segment					Adjustment (Note 1)	Amount recorded in consolidated statements of income (Note 2)
	Specialty Products	Polymers & Chemicals	Machinery	Others	Total		
Net sales							
External sales	46,142	244,620	96,476	80,999	468,237	—	468,237
Internal sales or transfers	17,608	13,939	410	(6,520)	25,437	(25,437)	—
Total	63,750	258,559	96,886	74,479	493,674	(25,437)	468,237
Segment profit (Operating profit)	12,110	2,541	7,168	4,464	26,283	(3,827)	22,456
Assets	80,089	293,438	93,047	81,444	548,018	241,016	789,034
Other items							
Depreciation and amortization (Note 3)	3,817	14,409	2,389	3,916	24,531	2,041	26,572
Investment in equity- method affiliates	4,843	24,700	—	3,679	33,222	173,710	206,932
Increase in property, plant and equipment and intangible assets (Note 4)	7,932	14,768	2,558	4,795	30,053	6,009	36,062

(Note 1) Adjustments are applied to the followings:

- i.) (3,827) million yen for adjustment for segment profit includes (199) million yen for the elimination of transaction between the segments and (3,628) million yen for company-wide cost that is not allocated to each reported segment. Company-wide cost consists mainly of administration and general expense that is not attributed to each reported segment.
- ii.) Adjustment for segment assets of 241,016 million yen includes assets of the Cement-related business of 175,158 million yen, eliminations of inter-segment receivables of (34,807) million yen, and corporate assets not belonging to specific segments of 100,665 million yen.
- iii.) 2,041 million yen for adjustment for depreciation and amortization consists of depreciation and amortization of company-wide assets that is not attributed to each reported segment.
- iv.) Adjustment for investment in equity-method affiliates of 173,710 million yen is investment in the Cement-related business.
- v.) 6,009 million yen for adjustment for the increase in property, plant and equipment and intangible assets consists of a company-wide assets increase that is not attributed to each reported segment.

(Note 2) Segment profit is adjusted with operating profit recorded in the consolidated financial statement.

(Note 3) Depreciation and amortization includes amortization of long-term prepaid expenses.

(Note 4) The increase in property, plant and equipment and intangible assets includes increases in long-term prepaid expenses.

For the fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reported segment					Adjustment (Note 1)	Amount recorded in consolidated statements of income (Note 2)
	Specialty Products	Polymers & Chemicals	Machinery	Others	Total		
Net sales							
External sales	50,250	270,315	86,362	79,875	486,802	—	486,802
Internal sales or transfers	15,907	16,915	514	(12,095)	21,241	(21,241)	—
Total	66,157	287,230	86,876	67,780	508,043	(21,241)	486,802
Segment profit (Operating profit)	11,668	1,919	7,883	3,208	24,678	(6,633)	18,045
Assets	94,028	370,888	78,991	82,253	626,160	239,509	865,669
Other items							
Depreciation and amortization (Note 3)	4,095	14,319	2,023	3,914	24,351	2,820	27,171
Investment in equity- method affiliates	5,133	24,685	—	4,872	34,690	176,939	211,629
Increase in property, plant and equipment and intangible assets (Note 4)	14,236	34,101	2,932	4,006	55,275	5,383	60,658

(Note 1) Adjustments are applied to the followings:

- i.) (6,633) million yen for adjustment for segment profit includes (403) million yen for the elimination of transaction between the segments and (6,230) million yen for company-wide cost that is not allocated to each reported segment. Company-wide cost consists mainly of administration and general expense that is not attributed to each reported segment.
- ii.) Adjustment for segment assets of 239,509 million yen includes assets of the Cement-related business of 178,413 million yen, eliminations of inter-segment receivables of (123,561) million yen, and corporate assets not belonging to specific segments of 184,657 million yen.
- iii.) 2,820 million yen for adjustment for depreciation and amortization consists of depreciation and amortization of company-wide assets that is not attributed to each reported segment.
- iv.) Adjustment for investment in equity-method affiliates of 176,939 million yen is investment in the Cement-related business.
- v.) 5,383 million yen for adjustment for the increase in property, plant and equipment and intangible assets consists of a company-wide assets increase that is not attributed to each reported segment.

(Note 2) Segment profit is adjusted with operating profit recorded in the consolidated financial statement.

(Note 3) Depreciation and amortization includes amortization of long-term prepaid expenses.

(Note 4) The increase in property, plant and equipment and intangible assets includes increases in long-term prepaid expenses.

2. Related Information

For the fiscal year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(1) Information by product and service

This information is omitted, because the same information is provided in the Segment information section.

(2) Information by region

① Net sales

(Millions of yen)

Japan	Asia	Europe	Others	Total
232,213	126,342	62,308	47,374	468,237

(Note) The company classifies sales based on the location of the customer.

② Tangible assets

(Millions of yen)

Japan	Thailand	Spain	United States	Others	Total
149,909	40,378	24,740	6,921	210	222,158

(3) Information by major customer

This information is omitted, because net sales to certain external customers account for less than 10% of net sales in consolidated income statement.

For the fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(1) Information by product and service

This information is omitted, because the same information is provided in the Segment information section.

(2) Information by region

① Net sales

(Millions of yen)

Japan	Asia	Europe	Others	Total
226,017	138,394	65,011	57,380	486,802

(Note) The company classifies sales based on the location of the customer.

② Tangible assets

(Millions of yen)

Japan	Thailand	Spain	United States	Others	Total
150,932	21,967	23,906	25,676	220	222,701

(Change in presentation)

From the fiscal year under review, tangible assets of the United States, which were included in the "Others" section in the preceding consolidated fiscal year, are presented separately because their significance has increased. To reflect this change in the presentation method, certain reclassifications have been made in presentation for the preceding consolidated fiscal year.

As a result, 7,131 million yen of "Other" for the preceding consolidated fiscal year has been reclassified as 6,921 million yen for the "United States" and 210 million yen for "Others."

(3) Information by major customer

This information is omitted, because net sales to certain external customers account for less than 10% of net sales in consolidated income statement.

3. Information Concerning Impairment Loss of Fixed Assets by Reportable Segment

Fiscal year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(Millions of yen)

	Specialty Products	Polymers & Chemicals	Machinery	Others	Company wide / elimination	Total
Impairment loss	180	121	—	15	37	353

(Note) The amount in the “Company wide / elimination” section consists of impairment losses relating to company-wide assets that are not attributed to each reported Segment.

Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(Millions of yen)

	Specialty Products	Polymers & Chemicals	Machinery	Others	Company wide / elimination	Total
Impairment loss	143	28,961	—	2	(27)	29,079

(Note) The amount in the “Company wide / elimination” section consists mainly of impairment losses on company-wide assets that are not attributed to each reported segment and the elimination of unrealized gains on property, plant and equipment.

4. Information about amortization of goodwill and balance of unamortized goodwill by reportable segment

Fiscal year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(Millions of yen)

	Specialty Products	Polymers & Chemicals	Machinery	Others	Company wide / elimination	Total
Amortization of goodwill	—	181	22	37	—	240
Balance at the end of the term	—	1,094	27	327	—	1,448

Amortization of negative goodwill and unamortized balances arising from business combinations, etc. before April 1, 2010 are as follows:

(Millions of yen)

	Specialty Products	Polymers & Chemicals	Machinery	Others	Company wide / elimination	Total
Amortization of goodwill	110	—	—	—	—	110
Balance at the end of the term	—	—	—	—	—	—

Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(Millions of yen)

	Specialty Products	Polymers & Chemicals	Machinery	Others	Company wide / elimination	Total
Amortization of goodwill	—	189	22	36	—	247
Balance at the end of the term	—	2,122	5	291	—	2,418

5. Information concerning gain on negative goodwill by reportable segment

Fiscal year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

None.

Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

None.

(Information of per share)

	April 1, 2023 – March 31, 2024	April 1, 2024 – March 31, 2025
Shareholders' equity per share (Yen)	4,210.11	4,067.90
Net income or loss per share (Yen)	298.59	(49.60)
Diluted net income per share (Yen)	298.45	—

(Note) 1. Diluted net income per share in the consolidated fiscal year under review is not presented, because net income per share in the current term was negative although there are dilutive shares.

2. Basis of calculation of net income or loss per share and diluted net income per share is as follows:

	April 1, 2023 – March 31, 2024	April 1, 2024 – March 31, 2025
Net income per share		
Profit or loss attributable to owners of parent (Millions of yen)	28,981	(4,816)
Profit or loss not attributable to shareholders of common stock (Millions of yen)	—	—
Profit or loss attributable to shareholders of common stock of parent (Millions of yen)	28,981	(4,816)
Weighted-average number of shares outstanding during period of common stock (Thousand shares)	97,060	97,094
Diluted net income per share		
Adjustments of profit attributable to owners of parent (Millions of yen)	—	—
Increase in the number of common shares (Thousand shares)	43	—
Of which, share acquisition rights	43	—
Descriptions of potentially dilutive common shares that were not included in the computation of diluted net income per share because of their anti-dilutive effect	—	

(Material subsequent events)

Business combination through acquisition

On October 3, 2024, UBE entered into a share transfer agreement (the “Agreement”) with LANXESS Deutschland GmbH (“LANXESS”) for the acquisition of all shares of LANXESS’s subsidiaries that engage in the urethane systems business (the “Target Business”), and it completed the acquisition procedures on April 1, 2025.

(1) Overview of the business combination

(i) Name of the acquired company and its business activities

Name of the acquired company

LANXESS Solutions Australia Pty Ltd
Sistemas de Uretanos do Brasil Ltda.
Urethane Systems Canada Ltd.
Chemtura China Holding Co., Ltd.
LANXESS Advanced Materials (Nantong) Co., Ltd.
Elfte LXS GmbH
LANXESS SOLUTIONS INDIA PRIVATE LIMITED
Lanxess Solutions Italy S.r.l.
LANXESS Sales Netherlands B.V.
LANXESS Urethanes UK LTD
Urethane Systems USA LLC

Business activities

Manufacture and sale of polyurethane products (i.e., prepolymers for thermosetting urethan elastomers)

(ii) Reason for the business combination

UBE aims to achieve growth driven by specialty chemicals and contribution to the global environment. We are proceeding with a transformation of our group’s business structure by expanding our specialty businesses through

aggressive investment while downsizing and restructuring our basic businesses, such as the ammonia and caprolactam chains.

For the C1 chemical chain (one of the specialty businesses), the market in the United States is our top priority, and currently, we are in the process of constructing a new plant for DMC (dimethyl carbonate) and EMC (ethyl methyl carbonate) in Louisiana, North America. Additionally, we are actively expanding our downstream capabilities of PCD (polycarbonate diol) and PUD (polyurethane dispersion). This acquisition is for the high-performance polyurethane resin operations, which are in the downstream and peripheral domains of PCD and PUD.

The Target Business is one of the leading manufacturers of high-performance polyurethane resins for thermosetting urethane elastomers. With over 70 years of experience, it has developed a high level of expertise and know-how in application development and has built a robust customer base. Leveraging its global manufacturing and development centers, primarily in North America, the largest base, it provides customized solutions that meet the needs of customers. Notably, it excels in high-end applications demanding superior performance, particularly within the semiconductor industry, etc.

By acquiring the Target Business's robust business foundation, marked by technical capabilities and know-how in polyurethane resins, global human resources and manufacturing bases and strong partnerships and distribution networks with customers, we aim to amplify our PCD and PUD businesses and solidify our presence in the high-performance polyurethane resin market.

(iii) Date of business combination

April 1, 2025 (date of share acquisition)

(iv) Legal form of business combination

Acquisition of shares for cash

(v) Name after business combination

No change

(vi) Percentage of voting rights acquired

100%

(vii) Main reason for deciding on the acquired company

UBE and its consolidated subsidiaries, UBE CORPORATION AMERICA INC., UBE CORPORATION EUROPE S.A.U., and UBE Fine Chemicals (Asia) Co., Ltd., acquired the shares in exchange for cash.

(2) Acquisition cost of the acquired company and breakdown by type of consideration

Consideration for acquisition: Cash 80,748 million yen

Acquisition cost: 80,748 million yen

(Note) The consideration for the acquisition may fluctuate depending on adjustments of the amounts of assets acquired and liabilities assumed.

(3) Details and amounts of major acquisition-related expenses

Not confirmed yet at this point.

(4) Amount of goodwill generated, reason for its occurrence, amortization method, and amortization period

Not confirmed yet at this point.

(5) Amounts of assets acquired and liabilities assumed on the date of business combination and their major breakdown

Not confirmed yet at this point.

(Reference) Consolidated Key Indicators

(Billions of yen)

	April 2023 – March 2024	April 2024 – March 2025	April 2025 – March 2026 (forecast)
Capital investment	36.1	62.0	86.0
Depreciation and amortization	26.6	27.2	27.0
Research and development expenses	10.3	9.9	12.5
Adjusted operating profit (loss) *1	38.8	27.0	42.0
Interest-bearing debt	213.4	330.5	380.0
Shareholders' equity *2	408.7	395.1	410.0
Total assets	789.0	865.7	950.0
D/E ratio (times)	0.52	0.84	0.93
Shareholders' equity ratio (%)	51.8	45.6	43.2
Return on sales - ROS (%) *3	4.8	3.7	5.1
Return on assets - ROA (%) *4	5.1	3.3	4.6
Return on equity - ROE (%) *5	7.5	(1.2)	6.8
Return on invested capital - ROIC (%) *6	4.7	3.0	4.4

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

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

*3 ROS: Operating profit / Net sales

*4 ROA: Adjusted operating profit (loss) / Average total assets

*5 ROE: Profit (loss) attributable to owners of parent / Average shareholders' equity

6 ROIC: Net operating profit after tax + Share of profit (loss) of entities accounted for using equity method / Average invested capital (Invested capital: Interest-bearing debt + Shareholders' equity)