

FACTBOOK

For the six months ended September 30, 2011



P2-3	Corporate Profile
P4-5	Market Environment
P6-7	Consolidated Balance Sheets
P8	Consolidated Statements of Income
P9	Consolidated Statements of Comprehensive Income
P10-11	Consolidated Statements of Cash Flows
P12	Information by Segment
P13	Consolidated Profitability Indicators
P14	Consolidated Efficiency Indicators
P15	Consolidated Stability & Other Indicators
P16	Stock Information

Corporate Profile



Company Name	Ube Material Industries, Ltd.
Principal Stock Exchange Listing	Tokyo Stock Exchange (TSE) 2 nd Section (Securities Code: 5390)
URL	http://www.ubematerials.co.jp/
Headquarters	8-1 Aioi-Cho, Ube-City, Yamaguchi Prefecture
Tokyo Main Office	Kyodo Bldg.5F 1-9-12 Nihonbashimuromachi, Chuo-ku, Tokyo
Capital Stock	¥4,047 million (as of September 30, 2011)
Consolidated Subsidiaries	Mine Logistics Company Tohokutekkosha Corporation
Representative	Kenichi Abe, President
Main Businesses	Producing, Processing and Marketing of Materials as follows: (1) Magnesia clinker and other refractory raw materials (2) Calcia and other ceramic materials (3) Magnesium and calcium based chemical products (4) Electronic and optical materials (5) Fine ceramics and other composite materials (6) Resin reinforcing materials (7) Fertilizers (8) Food additives (9) Soil stabilizers (10) Material for civil engineering work and construction, housing construction, and agriculture and gardening (11) Desulfurizer, dechlorinizer and neutralizer of flue gas and sewerage (12) Improving agents of water and bottom sediments
Number of Employees	Consolidated: 825, Non-consolidated: 660 (as of March 31, 2011)

Mine Plant



Lineup of Major Products	Monthly Capacity	Major Facilities
Quicklime	96,000 t	• 8 Ube Beckenbach
Slaked Lime	9,720 t	• Vertical- Type Firing
Calcium Carbonate	19,800 t	• 1 Grinder
Calcium Phosphate (Dry Powder)	50 t	• 1 Slaked Lime

Lime Green Corp.
(Ogaki-City, Gifu Pref.)

Osaka Office
(Osaka-City, Osaka Pref.)

Mine Logistics Company
(Mine-City, Yamaguchi Pref.)

Mine Office
(Mine City, Yamaguchi Pref.)

Ube Plant/R&D Dept.



Lineup of Major Products	Monthly Capacity	Major Facilities
Magnesium Hydroxide Slurry	22,900 t	
1. Magnesia Clinker	13,100 t	
2. Magnesium Oxide	800 t	
3. Magnesium Hydroxide Dry Product	1,600 t	• 7 Hydro- treaters
Mos Hige (Magnesium Oxysulfate)	125 t	• 34 Thickeners
High Purity & Ultra- single Crystal Magnesia	13 t	• 2 Rotary Dryers
Ultra- High Purity Calcium Carbonate(CS)	60 t	• 7 Rotary Kilns

Sendai Office
(Sendai-City, Miyagi Pref.)

Tokyo Main Office
(Chuo-ku, Tokyo)

Nagoya Office
(Nagoya-City, Aichi Pref.)

Okayama/
Shikoku Office
(Bizen-City, Okayama Pref.)

Headquarters

Ube Office
(Ube-City, Yamaguchi Pref.)

Hokkaido Office
(Sapporo-City, Hokkaido)

Hachinohe Office
(Hachinohe-City, Aomori Pref.)

Tohoku Tekkosa Corp.
(Ichinoseki-City, Iwate Pref.)



Lineup of Major Products	Monthly Capacity	Major Facilities
Quicklime	8,800 t	• 2 Maerz Firing Furnaces
Slaked Lime	2,300 t	• 1 Grinder
Calcium Carbonate	6,400 t	• 1 Slaked Lime Equipment

Chiba Plant



Lineup of Major Products	Monthly Capacity	Major Facilities
Quicklime	45,000 t	• 4 Ube Beckenbach
Slaked Lime	9,360 t	• Vertical- Type Firing
Highly Reactive Slaked Lime	1,500 t	• Furnaces
Calcium Carbonate	79,200 t	• 2 Grinder
Ultra- High Purity Calcium Carbonate(CS)	60 t	• 1 Slaked Lime
Hydroxyapatite	25 t	• Equipment

Crude Steel Output (1,000t)	2006	2007	2008	2009	2010
Crude Steel Output	116,226	120,203	118,739	87,534	109,599

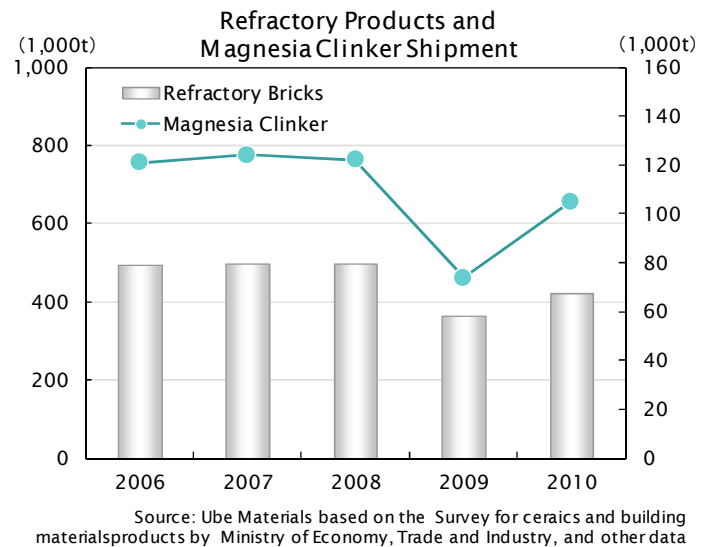
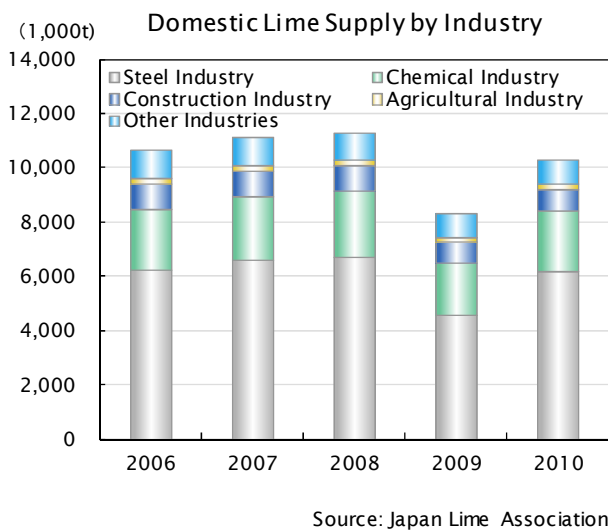
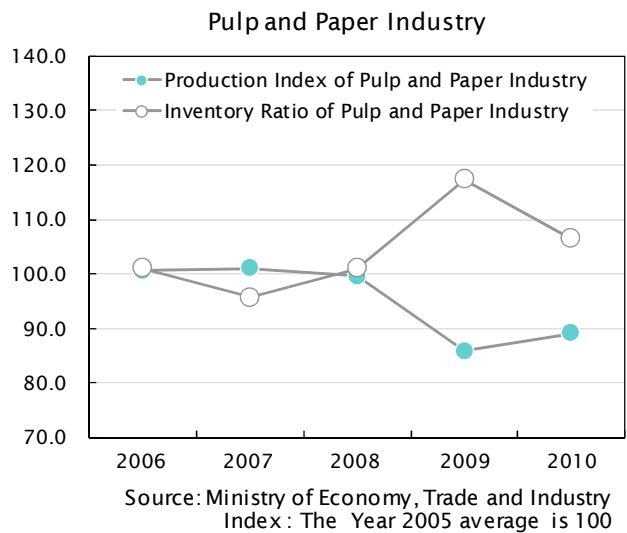
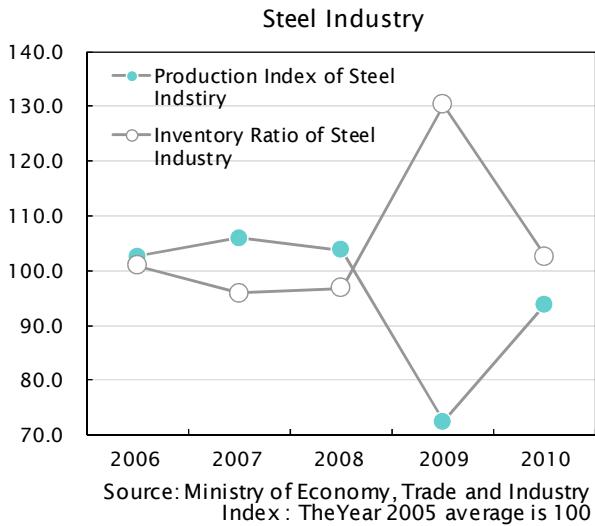
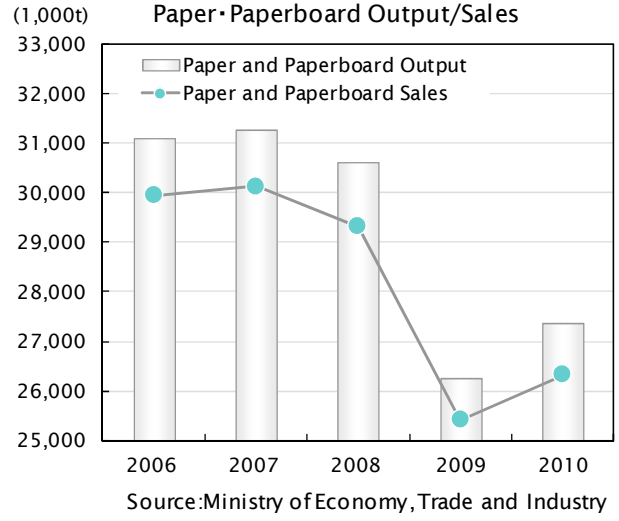
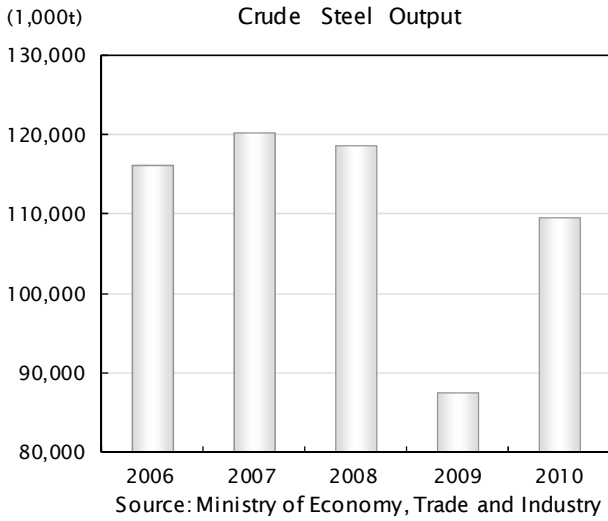
Paper and Paperboard Output/Sales (1,000t)	2006	2007	2008	2009	2010
Paper and Paperboard Output	31,107	31,265	30,627	26,267	27,363
Paper and Paperboard Sales	29,944	30,127	29,319	25,412	26,324

Industrial Production Index (1,000t)	2006	2007	2008	2009	2010
Production Index of Steel Industry	102.6	105.9	103.7	72.5	93.8
Inventory Ratio of Steel Industry	100.9	95.9	96.8	130.3	102.6
Production Index of Pulp and Paper Industry	100.6	101.0	99.6	85.8	89.1
Inventory Ratio of Pulp and Paper Industry	101.0	95.7	101.0	117.3	106.5

Domestic Lime Supply by Industry (1,000t)	2006	2007	2008	2009	2010
Steel Industry	6,259	6,599	6,694	4,557	6,187
Chemical Industry	2,212	2,359	2,466	1,953	2,251
Construction Industry	955	950	939	770	772
Agricultural Industry	188	191	189	172	220
Other Industries	1,071	1,038	1,027	855	887

Refractory Products and Magnesia Clinker Shipment (1,000t)	2006	2007	2008	2009	2010
Refractory Bricks	496	500	498	363	424
Magnesia Clinker	121	124	122	74	105

Market Environment



Consolidated Balance Sheets

Ube Material Industries, Ltd. and subsidiaries
As of September 30, 2007-2011



(¥ Million)	FY3/08 1H	FY3/09 1H	FY3/10 1H	FY3/11 1H	FY3/12 1H
Assets					
Total assets	39,365	43,235	37,855	39,326	39,748
Current assets	21,405	25,500	20,168	22,574	22,816
Cash and deposits	2,050	2,410	1,848	3,863	3,984
Notes and accounts receivable-trade	13,636	16,210	11,225	12,844	12,223
Merchandise and finished goods	-	3,215	3,678	2,702	2,610
Work in process	-	976	1,138	1,041	1,190
Raw materials and supplies	-	2,203	1,667	1,317	1,735
Inventories	5,190	-	-	-	-
Other	569	524	649	837	1,100
Allowance for doubtful accounts	△ 42	△ 40	△ 37	△ 33	△ 28
Fixed assets	17,959	17,735	17,686	16,752	16,931
Property, plant and equipment	15,588	15,289	15,381	14,607	14,631
Buildings and structures, net	4,036	4,043	3,992	3,808	3,724
Machinery, equipment and vehicles, net	5,638	4,930	5,074	4,456	4,461
Land	5,421	5,429	5,429	5,350	5,350
Other, net	490	886	884	992	1,094
Intangible fixed assets	145	125	97	81	478
Investments and other assets	2,226	2,320	2,207	2,063	1,821
Investment securities	743	844	726	715	626
Other	1,506	1,479	1,484	1,350	1,195
Allowance for doubtful accounts	△ 23	△ 3	△ 2	△ 2	△ 1

Consolidated Balance Sheets

Ube Material Industries, Ltd. and subsidiaries
As of September 30, 2007-2011



(¥ Million)	FY3/08 1H	FY3/09 1H	FY3/10 1H	FY3/11 1H	FY3/12 1H
Liabilities					
Total liabilities	14,858	18,305	12,634	13,054	12,474
Current liabilities	12,993	16,476	10,895	11,327	11,259
Notes and accounts payable- trade	6,019	7,169	4,386	5,468	4,906
Short- term loans payable	3,740	6,065	3,319	2,554	2,424
Accrued income taxes	-	476	257	625	495
Reserve for bonuses	583	597	593	570	659
Provision for environmental measures	-	-	143	-	-
Other	2,650	2,168	2,195	2,109	2,772
Non- current liabilities	1,864	1,829	1,739	1,726	1,215
Long- term loans payable	91	75	70	60	36
Reserve for retirement benefits	1,388	1,285	1,028	762	346
Reserve for directors' retirement benefits	116	148	125	124	130
Asset retirement obligations	-	-	-	186	-
Other	269	320	514	591	702
Net assets					
Total net assets	24,506	24,929	25,220	26,271	27,273
Shareholders' equity	24,488	24,922	25,295	26,368	27,315
Capital stock	4,047	4,047	4,047	4,047	4,047
Capital surplus	884	884	883	883	883
Retained earnings	19,566	20,003	20,378	21,451	22,400
Treasury stock	△ 9	△ 12	△ 13	△ 14	△ 15
Valuation and translation adjustments	18	△ 15	△ 74	△ 96	△ 42
Valuation difference on available- for- sale securities	18	△ 15	△ 74	△ 96	△ 42
Minority interests	-	22	-	-	-
Total liabilities and net assets	39,365	43,235	37,855	39,326	39,748

Consolidated Statements of Income

Ube Material Industries, Ltd. and subsidiaries
For the six months ended September 30, 2007-2011



(¥ Million)	FY3/08 1H	FY3/09 1H	FY3/10 1H	FY3/11 1H	FY3/12 1H
Net sales	19,822	23,922	17,119	21,296	20,375
Cost of sales	14,938	18,668	13,112	15,827	15,148
Gross profit	4,883	5,254	4,007	5,469	5,226
Selling, general and administrative expenses	3,792	4,061	3,371	3,890	4,018
Operating income	1,091	1,192	635	1,578	1,208
Non- operating income	106	109	91	117	70
Interest income	-	3	2	1	2
Dividends income	-	3	4	4	6
Interest and dividends income	10	-	-	-	-
Rent income	-	26	36	39	34
Other	95	76	48	72	27
Non- operating expenses	54	202	96	105	72
Interest expenses	25	36	25	14	14
Foreign exchange losses	-	121	52	73	45
Other	28	45	19	17	12
Ordinary income	1,143	1,099	630	1,591	1,207
Extraordinary income	178	3	2	0	-
Reversal of allowance for doubtful accounts	37	3	2	0	-
Gain on sales of fixed assets	140	-	-	-	-
Extraordinary loss	6	44	-	244	16
Loss on valuation of inventories	-	29	-	-	-
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	-	-	177	-
Impairment loss	-	15	-	44	-
Loss on abandonment of fixed assets	-	-	-	-	16
Loss on retirement of fixed assets	4	-	-	-	-
Other	2	-	-	23	-
Income before income taxes	1,315	1,058	632	1,347	1,190
Income taxes- current	392	-	-	-	-
Income taxes- deferred	126	-	-	-	-
Income taxes	519	414	242	563	479
Minority interests in income	-	22	-	-	-
Income before minority interests	-	-	-	783	711
Net income	796	620	390	783	711

Consolidated Statements of Comprehensive Income

Ube Material Industries, Ltd. and subsidiaries

For the six months ended September 30, 2007-2011



(¥Million)	FY3/08 1H	FY3/09 1H	FY3/10 1H	FY3/11 1H	FY3/12 1H
Income before minority interests	-	-	-	783	711
Other comprehensive income	-	-	-	△ 55	△ 18
Valuation difference on available-for-sale securities	-	-	-	△ 55	△ 18
Comprehensive income	-	-	-	728	692
Comprehensive income attributable to owners of the parent	-	-	-	728	692

Consolidated Statements of Cash Flows

Ube Material Industries, Ltd. and subsidiaries
For the six months ended September 30, 2007-2011



(¥Million)	FY3/08 1H	FY3/09 1H	FY3/10 1H	FY3/11 1H	FY3/12 1H
Cash flows from operating activities					
Net cash provided by operating activities	1,211	△ 478	2,181	2,313	2,448
Income before income taxes	1,315	1,058	632	1,347	1,190
Depreciation and amortization	894	907	1,033	1,050	1,135
Increase (decrease) in allowance for doubtful accounts	△ 37	△ 2	△ 2	△ 0	△ 8
Increase (decrease) in reserve for retirement benefits	△ 135	-	-	△ 199	△ 238
Increase (decrease) in reserve for retirement benefits and directors' retirement benefits	-	△ 74	△ 117	-	-
Loss (gain) on sales of property, plant and equipment	△ 140	-	-	-	-
Loss (gain) on sales and retirement of property, plant and equipment	13	5	11	-	-
Interest and dividends income	△ 10	△ 6	△ 7	△ 6	△ 8
Interest expenses	25	36	25	14	14
Foreign exchange losses (gains)	1	119	43	54	40
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	-	-	177	-
Impairment loss	-	15	-	44	-
Decrease (increase) in notes and accounts receivable-trade	1,014	△ 1,262	734	△ 119	469
Decrease (increase) in inventories	△ 378	△ 1,695	281	328	△ 375
Increase (decrease) in notes and accounts payable-trade	△ 345	850	△ 192	209	△ 354
Increase (decrease) in accrued consumption taxes	△ 80	△ 115	117	△ 127	10
Loss (gain) on sales and valuation of investment securities	0	-	-	-	-
Decrease (increase) in deposits paid	-	-	-	△ 189	1,490
Other	△ 10	40	△ 30	△ 42	△ 25
Subtotal	2,125	△ 123	2,530	2,541	3,337
Interest and dividends income received	10	6	7	6	8
Interest expenses paid	△ 28	△ 45	△ 20	△ 13	△ 13
Income taxes paid	△ 896	△ 316	△ 334	△ 220	△ 884

Consolidated Statements of Cash Flows

Ube Material Industries, Ltd. and subsidiaries

For the six months ended September 30, 2007-2011



(¥ Million)	FY3/08 1H	FY3/09 1H	FY3/10 1H	FY3/11 1H	FY3/12 1H
Cash flows from investing activities					
Net cash used in investment activities	△ 522	△ 1,039	△ 1,039	△ 660	△ 1,775
Payments into time deposits	-	△ 0	△ 1	-	-
Proceeds from withdrawal of time deposits	-	53	-	-	-
Purchase of property, plant and equipment	△ 562	△ 1,043	△ 1,082	△ 632	-
Proceeds from sales of property, plant and equipment	153	1	51	-	-
Purchase of intangible fixed assets	△ 46	-	-	-	-
Purchase of property, plant and equipment and intangible assets	-	-	-	-	△ 1,766
Purchase of investment securities	△ 3	△ 50	△ 5	△ 37	△ 12
Proceeds from sales of investment securities	-	1	1	-	-
Other payments	-	△ 5	△ 5	-	-
Other proceeds	-	2	2	-	-
Payments for acquisition of newly consolidated subsidiaries	△ 61	-	-	-	-
Purchase of other investments	△ 5	-	-	-	-
Proceeds from sales of other investments	1	-	-	-	-
Collection of long- term loans receivable	1	1	0	-	-
Other	-	-	-	8	2
Cash flows from financing activities					
Net cash used in financing activities	△ 214	2,582	△ 2,046	△ 406	△ 733
Increase in short- term loans payable	2,050	3,400	-	-	-
Decrease in short- term loans payable	△ 1,370	-	△ 1,450	-	-
Increase (decrease) in short- term loans payable	-	-	-	30	△ 20
Proceeds from long- term loans payable	-	-	-	16	-
Repayment of long- term loans payable	△ 82	△ 7	△ 9	△ 11	△ 12
Repayments of lease obligations	-	-	△ 19	△ 36	△ 53
Purchase of treasury stock	△ 2	△ 1	△ 1	-	-
Proceeds from disposal of treasury stock	0	0	0	-	-
Cash dividends paid	△ 809	△ 809	△ 566	△ 404	△ 647
Other	-	-	-	△ 0	△ 0
Effect of exchange rate change on cash and cash equivalent	△ 1	△ 119	△ 43	△ 54	△ 40
Net increase (decrease) in cash and cash equivalents	472	944	△ 947	1,191	△ 101
Cash and cash equivalents, beginning of term	1,578	1,465	2,788	2,661	4,079
Cash and cash equivalents, end of term	2,050	2,410	1,840	3,853	3,978

Information by Segment

Ube Material Industries, Ltd. and subsidiaries
For the six months ended September 30, 2007-2011



(¥ Million)	FY3/08 1H	FY3/09 1H	FY3/10 1H	FY3/11 1H	FY3/12 1H
Magnesia Division					
Net sales	6,283	8,080	6,719	7,630	8,266
Sales to external customers	6,283	8,080	6,719	7,630	8,266
Internal sales, transfer	-	-	-	-	-
Operating Income	536	890	971	995	1,256
Calcia Division					
Net sales	11,655	13,223	8,598	11,513	9,841
Sales to external customers	11,053	13,223	8,597	11,513	9,840
Internal sales, transfer	601	0	0	-	0
Operating Income	712	537	409	1,050	405
Fine Material Division (incl. Other Division until FY3/10 1H)					
Net sales	3,320	3,567	2,403	1,817	1,910
Sales to external customers	2,485	2,618	1,801	1,817	1,910
Internal sales, transfer	835	948	601	0	0
Operating Income	716	640	150	297	474
Other Division					
Net sales	-	-	-	1,173	1,086
Sales to external customers	-	-	-	335	356
Internal sales, transfer	-	-	-	838	729
Operating Income	-	-	-	84	32
Total					
Net sales	21,259	24,871	17,721	22,135	21,104
Sales to external customers	19,822	23,922	17,119	21,296	20,375
Internal sales, transfer	1,436	949	601	838	729
Operating Income	1,965	2,069	1,531	2,427	2,168
Adjustments & Eliminations					
Net sales	△ 1,436	△ 949	△ 601	△ 838	△ 729
Sales to external customers	-	-	-	-	-
Internal sales, transfer	△ 1,436	△ 949	△ 601	△ 838	△ 729
Operating Income	△ 874	△ 876	△ 896	△ 849	△ 959
Consolidated					
Net sales	19,822	23,922	17,119	21,296	20,375
Sales to external customers	19,822	23,922	17,119	21,296	20,375
Internal sales, transfer	-	-	-	-	-
Operating Income	1,091	1,192	635	1,578	1,208

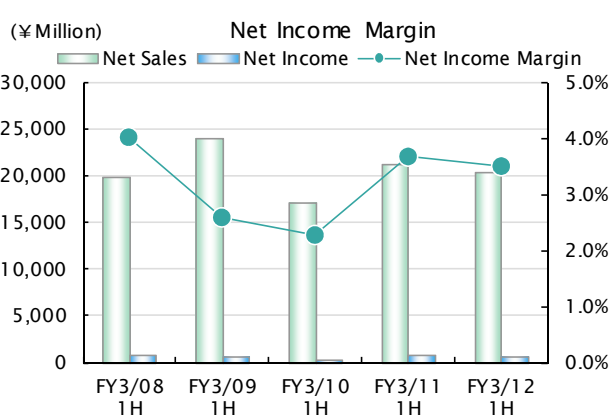
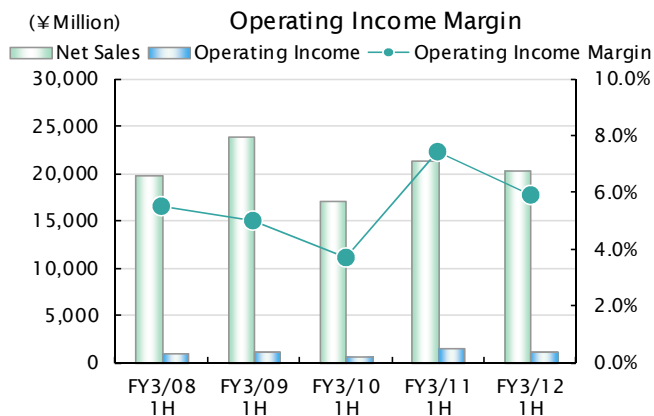
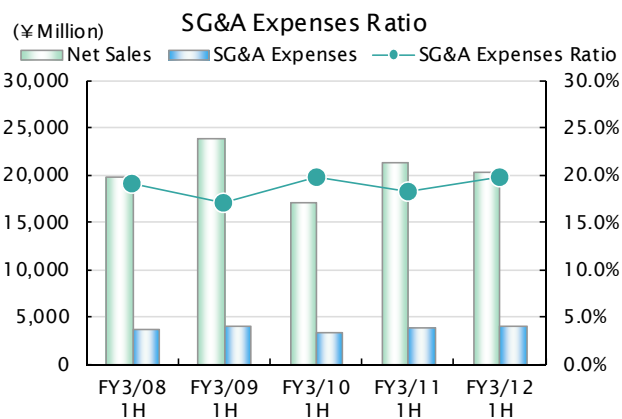
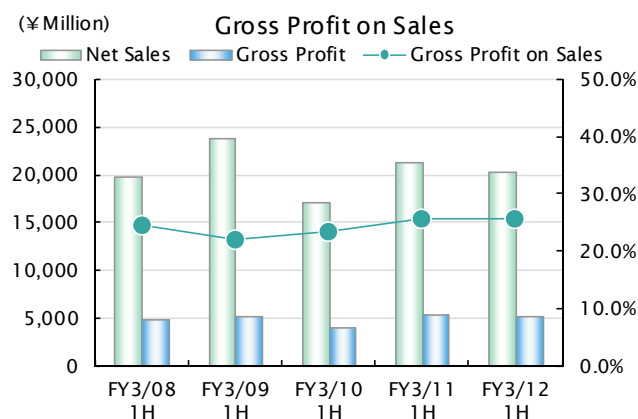
Consolidated Profitability Indicators
 Ube Material Industries, Ltd. and subsidiaries
 For the six months ended September 30, 2007-2011



(¥ Million)	FY3/08 1H	FY3/09 1H	FY3/10 1H	FY3/11 1H	FY3/12 1H
Net Sales	19,822	23,922	17,119	21,296	20,375
Gross Profit	4,883	5,254	4,007	5,469	5,226
SG&A Expenses	3,792	4,061	3,371	3,890	4,018
Operating Income	1,091	1,192	635	1,578	1,208
Ordinary Income	1,143	1,099	630	1,591	1,207
Net Income	796	620	390	783	711

(%)	FY3/08 1H	FY3/09 1H	FY3/10 1H	FY3/11 1H	FY3/12 1H
Gross Profit on Sales	24.6%	22.0%	23.4%	25.7%	25.6%
SG&A Expenses Ratio	19.1%	17.0%	19.7%	18.3%	19.7%
Operating Income Margin	5.5%	5.0%	3.7%	7.4%	5.9%
Ordinary Income Margin	5.8%	4.6%	3.7%	7.5%	5.9%
Net Income Margin	4.0%	2.6%	2.3%	3.7%	3.5%

Gross Profit on Sales=Gross Profit/Net Sales
 SG&A Expenses Ratio=SG&A Expenses/Net Sales
 Operating Income Margin=Operating Income/Net Sales
 Ordinary Income Margin=Ordinary Income/Net Sales
 Net Income Margin=Net Income/Net Sales



Consolidated Efficiency Indicators
 Ube Material Industries, Ltd. and subsidiaries
 For the six months ended September 30, 2007-2011



(Times)	FY3/08 1H	FY3/09 1H	FY3/10 1H	FY3/11 1H	FY3/12 1H
Total Assets Turnover	1.0	1.2	0.9	1.1	1.0
Noncurrent Assets Turnover	2.2	2.7	1.9	2.5	2.4
Current Assets Turnover	1.9	2.0	1.6	1.9	1.7

(Days)	FY3/08 1H	FY3/09 1H	FY3/10 1H	FY3/11 1H	FY3/12 1H
Inventories Turnover	45.8	42.4	70.6	44.8	47.9
Accounts Receivable Turnover	125.5	123.7	119.7	110.1	109.5
Accounts Payable Turnover	55.4	54.7	46.8	46.9	43.9

Total Assets Turnover=Net Sales*2/Average Total Assets

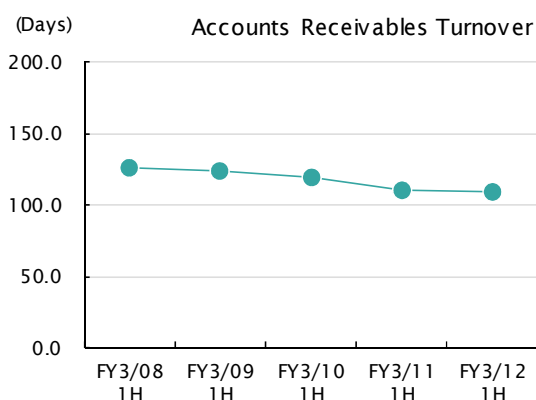
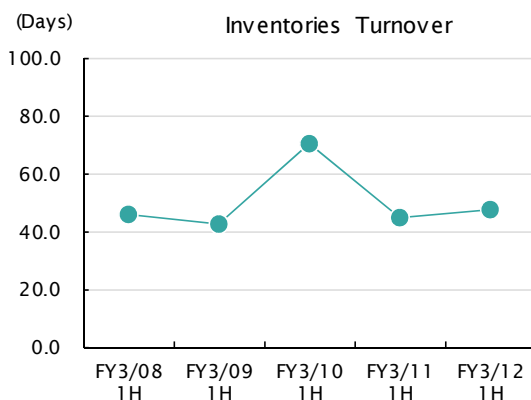
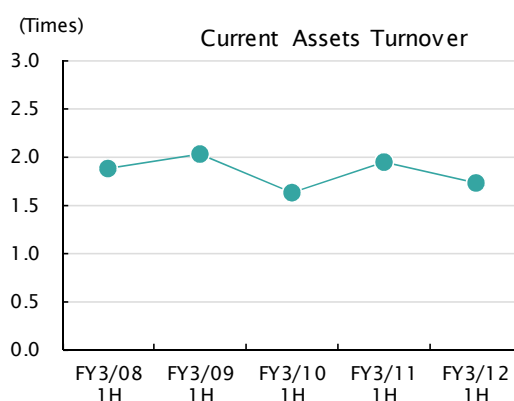
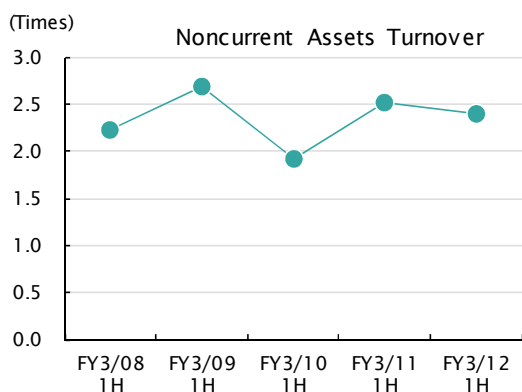
Noncurrent Assets Turnover=Net Sales*2/Average Noncurrent Assets

Current Assets Turnover=Net Sales*2/Average Current Assets

Inventories Turnover=Average Inventories/Net Sales*365/2

Accounts Receivable Turnover=Average Accounts Receivable/Net Sales*365/2

Accounts Payable Turnover=Average Accounts Payable/Net Sales*365/2



Consolidated Stability & Other Indicators
 Ube Material Industries, Ltd. and subsidiaries
 For the six months ended September 30, 2007-2011



(¥ Million)	FY3/08 1H	FY3/09 1H	FY3/10 1H	FY3/11 1H	FY3/12 1H
Equity	24,506	24,907	25,221	26,272	27,273
Total Assets	39,365	43,235	37,855	39,326	39,748
Noncurrent Assets	17,959	17,735	17,686	16,752	16,931
Current Assets	21,405	25,500	20,168	22,574	22,816
Current Liabilities	12,993	16,476	10,895	11,327	11,259
Interest- bearing Debt	3,831	6,140	3,389	2,614	2,460

(%)	FY3/08 1H	FY3/09 1H	FY3/10 1H	FY3/11 1H	FY3/12 1H
Equity Ratio	62.3%	57.6%	66.6%	66.8%	68.6%
D/E Ratio	15.6%	24.7%	13.4%	9.9%	9.0%
Fixed Ratio	73.3%	71.2%	70.1%	63.8%	62.1%
Current Ratio	164.7%	154.8%	185.1%	199.3%	202.6%
Return on Equity (ROE, 2Q)	3.2%	2.5%	1.5%	3.0%	2.6%
Return on Total Assets (ROA, 2Q)	2.0%	1.4%	1.0%	2.0%	1.8%

Equity Ratio=Equity/Average Total Assets

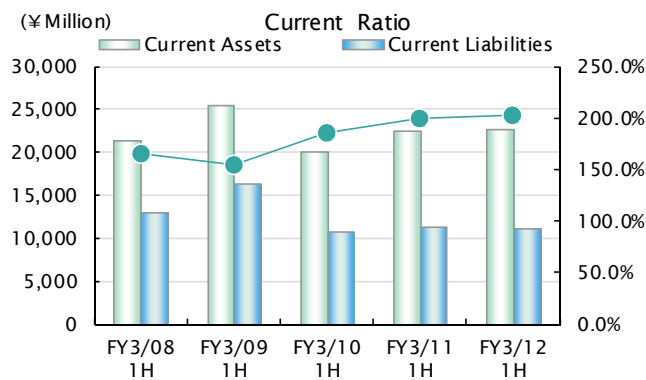
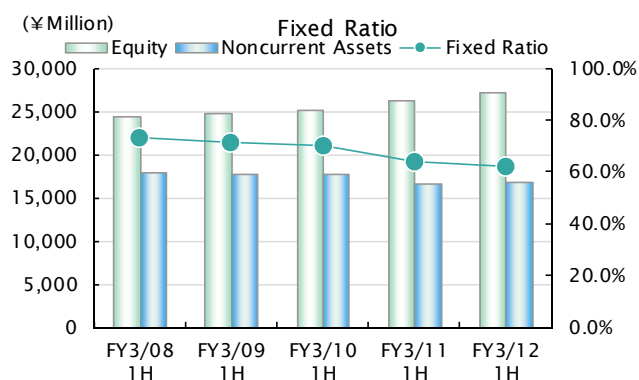
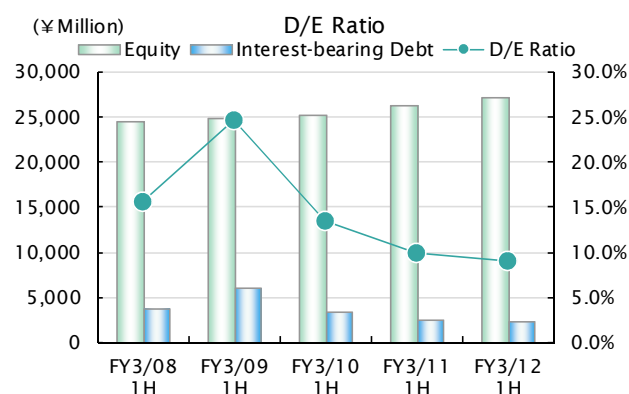
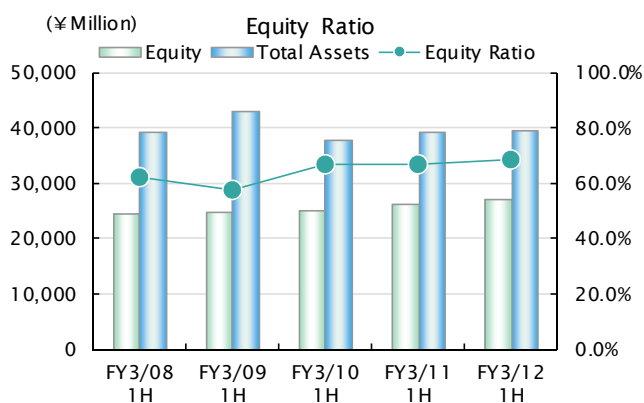
ROE= Net Income/Equity

D/E Ratio=Interest- bearing Debt/Equity

ROA= Net Income/Total Assets

Fixed Ratio=Noncurrent Assets/Equity

Current Ratio=Current Assets/Current Liabilities



Stock Information

Ube Material Industries, Ltd. and subsidiaries
For the six months ended September 30, 2007-2011

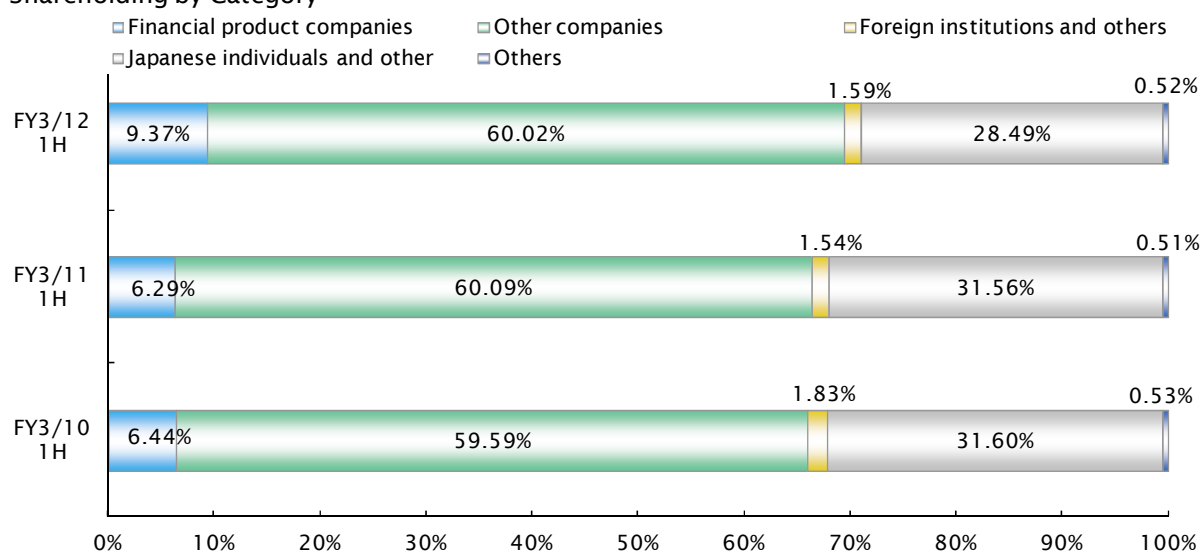


(¥)	FY3/08 1H	FY3/09 1H	FY3/10 1H	FY3/11 1H	FY3/12 1H
Share price at term- end	366	200	242	195	268
Net income per share	9.84	7.67	4.82	9.69	8.79
Net income per share (fully diluted)	-	-	-	-	-
Net assets per share	302.86	307.85	311.76	324.76	-

As of September 30, 2011

Major Shareholders (Top 10)	Number of Shares (Thousand Shares)	Shareholding Ratio(%)
Ube Industries, Ltd.	43,144	53.66
The Yamaguchi Bank, Ltd.	3,237	4.02
The Master Trust Bank of Japan, Ltd.(trust account)	2,442	3.03
Japan TrusteeService Bank, Ltd.(trust account)	1,460	1.81
Customers' Stockholding	1,010	1.25
Employees' Stockholding	850	1.05
HAGIMORI INDUSTRIES, LTD.	519	0.64
YAMAGUCHI INDUSTRIES Co.,LTD.	504	0.62
UB Co., Ltd.	486	0.60
CHOFU SEISAKUSHO Co., Ltd.	383	0.47

Shareholding by Category



Contact

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