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Company name: UBE Corporation
Representative: Yuki Nishida
President and Representative Director
Security code: 4208 (shares listed on Prime Market
of Tokyo Stock Exchange)
Contact: Shuko Horie
General Manager, Corporate
Communications Department
Tel: +81-3-5419-6110

**(Updated) UBE Group Unveils New Medium-Term Management Plan
“UBE Vision 2030 Transformation — 2nd Stage”**

The UBE Group announced a new medium-term management plan titled “UBE Vision 2030 Transformation –2nd Stage,” covering the six-year period from fiscal 2025 to fiscal 2030 on May 20, 2025. The Group updates an English translation of the explanatory material.

UBE Vision 2030 Transformation — 2nd Stage

**FY2025–2030
Medium-Term Management Plan**

**Yuki Nishida
President and Representative Director
UBE Corporation**

Tuesday, May 20, 2025

UBE Group's Medium-Term Management Plan: "UBE Vision 2030 Transformation — 2nd Stage"

Outlines the Group's Vision for 2030 and the six-year action plan for fiscal years 2025 to 2030 to achieve that vision

Materiality

- Expanding specialty businesses
- Empowering and engaging a diverse workforce
- Ensuring occupational safety and health, process safety, and disaster prevention
- Addressing global environmental issues
- Upholding integrity and fairness in corporate governance

Measures in the medium-term management plan

Vision for 2030

1. Growth of specialty businesses

- Accelerate growth of existing businesses: Expand production capacity for polyimide, separation membranes, ceramics, etc.
- Launch new businesses and create synergies: Achieve early contribution to earnings from U.S. DMC & EMC operations and urethane systems
- Acquire new businesses: Through R&D and M&A (adjacent to existing businesses and with startups)

2. Structural reform of ammonia, caprolactam, and nylon polymers

- Make progress in lowering earnings volatility, reduce greenhouse gas (GHG) emissions

3. Public listing of the machinery and cement-related businesses: Aimed for the medium-term period as the final stage of their independence

4. Advancement of sustainability management

- Develop human resources, address global environmental issues, and enhance governance and internal controls

5. Capital policy

- Maintain financial discipline, target DOE of 2.5% or higher (aiming for progressive dividends)

DX
initiatives

Global
growth

"A Specialty chemicals company that contributes to the global environment, human health, and an enriched future society"

Numerical Targets

EBITDA: ¥100 billion or more
ROS: 10% or more
ROE: 8% or more
ROIC: 6% or more

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Vision for 2030

Vision for 2030

“A Specialty chemicals company that contributes to the global environment, human health, and an enriched future society”

Founding Principles	<p>“Coexistence and mutual prosperity” “From finite mining to infinite industry”</p>
Purpose (meaning of existence)	<p>Purpose: “Breaking Through with the Chemistry of Hope.”</p> <p>Slogan for Transformation: “Facing the Challenges of an Uncharted Future”</p>
UBE Corporate Philosophy	<p>Pursue technology and embrace innovation to create value for the future and contribute to social progress.</p>
UBE Management Principles The Group’s four core values and its approach to each of them	<ol style="list-style-type: none"> 1. Ethics: Be highly ethical, comply with laws and regulations, and respect social norms 2. Safety and Security: Work to conserve the global environment and practice safe, secure manufacturing 3. Quality: Deliver quality that earns the trust of customers and society 4. People: Respect individuality and diversity, and build healthy and comfortable workplaces

Leveraging the manufacturing technologies the UBE Group has cultivated throughout its long history, create the value required by society, minimizing environmental impact as society expects, and deliver that value to the people. And by doing so, help to solve global environmental issues, which have become a common issue for all humankind, and contribute to people's lives and health, and an enriched future society.

***Breaking Through with
the Chemistry of Hope.***

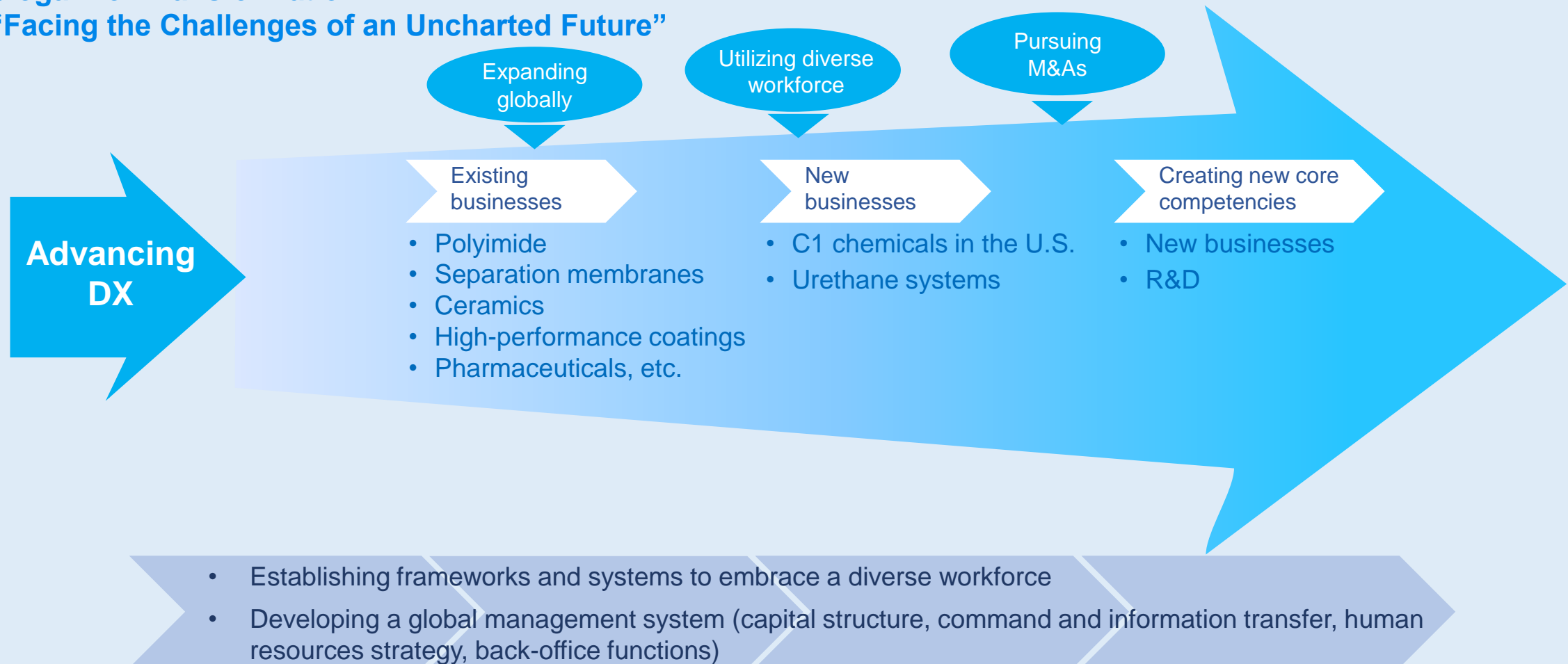
Next-generation cell culture technology utilizing Porous Polyimide Membranes being developed by UBE. From the microscopic world of chemistry, UBE is creating infinite possibilities.

UBE Transform
Tomorrow
Today

UBE Group's Business Model

Leveraging existing strengths by integrating new talent, businesses, and technologies, advancing digital transformation (DX), and driving global growth

Slogan for Transformation "Facing the Challenges of an Uncharted Future"



2

Summary of the Previous Medium-Term Management Plan

	FY2022 Results	FY2023 Results	FY2024 Results	FY2024 Original Target	FY2024 Results vs Original Target
Net sales	494.7	468.2	486.8	520.0	(33.2)
Operating profit	16.2	22.5	18.0	40.0	(22.0)
Specialty businesses	18.3	18.6	16.3	24.0	(7.7)
Basic businesses	(3.4)	0.1	(0.1)	15.5	(15.6)
Ordinary profit	(8.7)	36.3	22.4	47.0	(24.6)
Equity method investment gain (loss) in the Mitsubishi UBE Cement Group	(24.6)	13.0	15.6	8.0 *	7.6
Extraordinary income (loss)	6.1	(1.3)	(33.3)	(2.5)	(30.8)
Profit attributable to owners of parent	(7.0)	29.0	(4.8)	33.0	(37.8)

* Provisional figure assumed prior to launch of the Mitsubishi UBE Cement Group

Operating profit from specialty businesses

- Although separation membranes and ceramics grew beyond expectations, targets were not achieved due to poor performance of composites and other businesses.
- Investments for future growth were steadily executed and progressed (see next page).

Operating profit from basic businesses

- Sales of caprolactam, nylon polymers, and other related products declined due to the oversupply from Chinese companies and other factors.
- It was decided to downsize and discontinue the production of ammonia, caprolactam, and nylon polymers in Japan and Thailand.

Ordinary profit (non-operating income/loss, such as equity method investment gain/loss)

- The cement-related business exceeded its target due to price adjustments both in Japan and abroad.
- Overall, the target was not achieved due to factors including equity method investment losses associated with the resolution to dissolve an equity-method affiliate engaged in the elastomer business.

Profit attributable to owners of parent (extraordinary income/loss)

- Extraordinary losses were recorded due to the decision to downsize and discontinue production of ammonia, caprolactam, and nylon polymers, resulting in a loss.

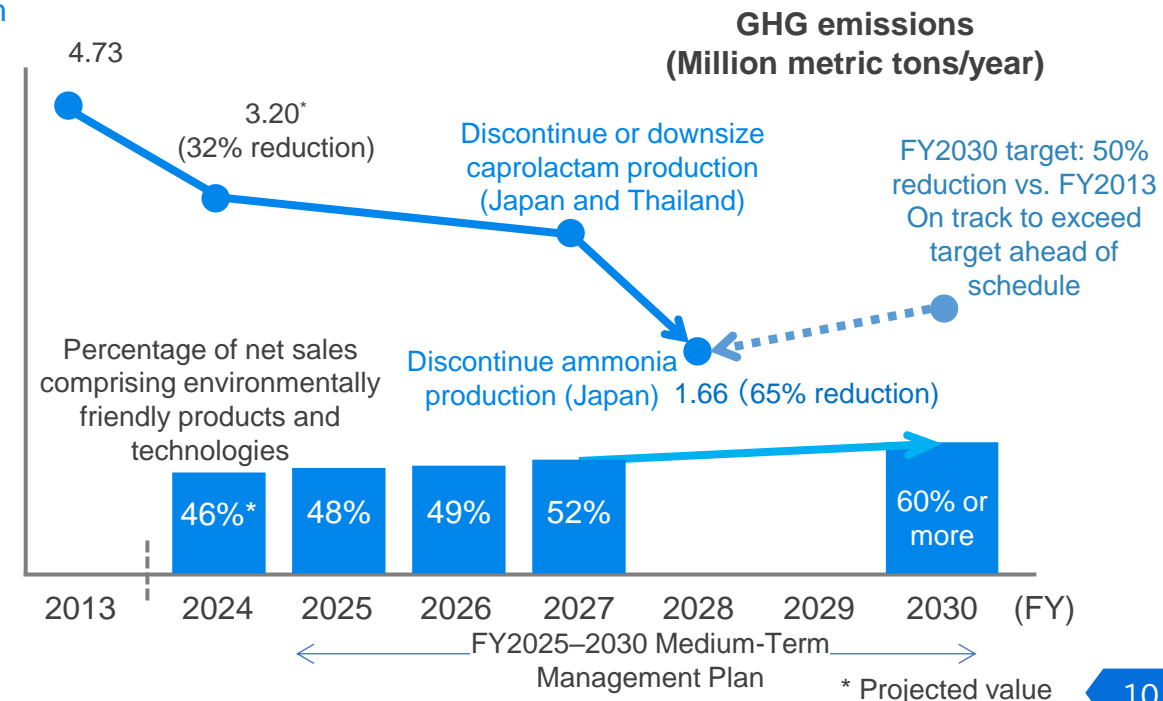
	FY2022 Results	FY2023 Results	FY2024 Results	FY2024 Original Target	FY2024 Results vs Original Target
Interest-bearing liabilities (Billion yen)	218.1	213.4	330.5	189.0	141.5
Shareholders' equity (Billion yen)	361.6	408.7	395.1	424.0	(28.9)
D/E ratio (times)	0.60	0.52	0.84	0.45	0.39
Return on sales (ROS) (%)	3.3	4.8	3.7	8	(4.3)
Return on equity (ROE) (%)	(1.9)	7.5	(1.2)	8	(9.2)
Return on invested capital (ROIC) (%)	(2.0)	4.7	3.0	(Reference) 6	(3.0)

Growth investments: Interest-bearing liabilities increased, but seeds were sown for growth

- Major capital investments () indicates capacity expansion
 - Polyimide: BPDA manufacturing facilities (+ 60%), operational in FY2024
Film manufacturing facilities (+ 20%), starts in first half of FY2025
 - Separation membranes: Construction started for manufacturing facilities for hollow fiber membranes and separation membrane modules (+ 80%)
 - Ceramics: Construction started for ceramics manufacturing facilities (+ 50%)
 - C1 chemicals: New U.S. plant under construction for 100,000 metric tons of DMC and 40,000 metric tons of EMC
- Other investment and financing
 - Acquired API Corporation (December 2022)
 - Acquired LANXESS's urethane systems business (April 2025), etc.

Business restructuring: Made progress toward resolving long-standing concerns

- Downsizing/discontinuing from ammonia, caprolactam, and nylon polymer production
 - Mitigating impact of market volatility
 - Reducing GHG emissions steadily

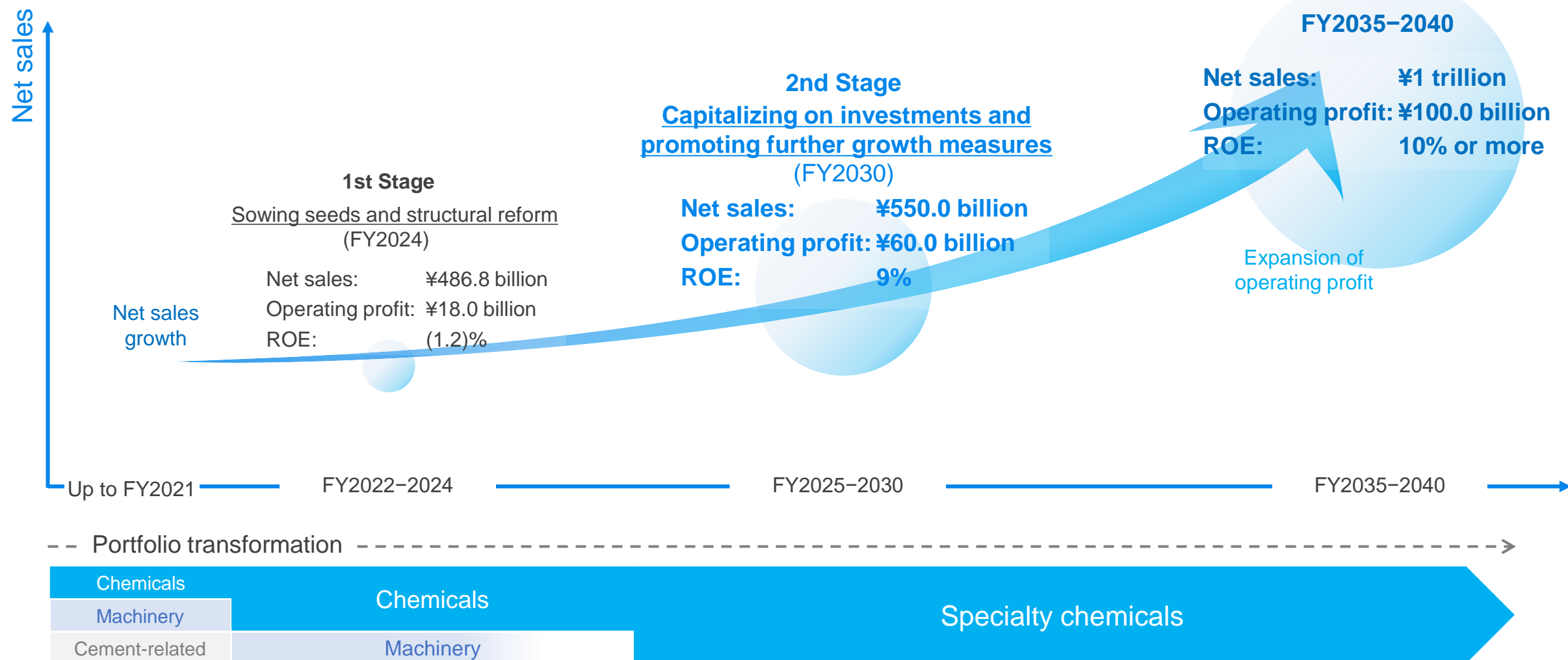


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Medium-Term Management Plan “UBE Vision 2030 Transformation — 2nd Stage”

Numerical Targets

The medium-term management plan covers six years through FY2030 to ensure steady and reliable implementation of management structure reforms amid an increasingly uncertain business environment.



New addition

Change from (previous)
basic businessesChange from
specialty businesses

Business Portfolio

The table below shows the UBE Group's current business portfolio, developed based on market growth expectations, the Group's competitive strengths, profitability, and capital efficiency. Management resources will be strategically allocated according to this portfolio. The UBE Group will review and adjust the positioning of each business area within the portfolio as appropriate, in response to changes in the business environment.

Business Portfolio Categories		Target Business Areas
Specialty businesses Businesses that create added value based on the UBE Group's technological capabilities and strengths in the value chain, achieving high profitability. The Group aims to further grow and expand these businesses going forward.	High profitability, high growth	Polyimide, separation membranes, ceramics
	Strategic expansion	Phenolic resin, semiconductor gases, separators, high-performance coatings, urethane systems , pharmaceuticals, C1 chemicals, high-purity chemicals for semiconductors
	Stable earnings, high cash flow	Elastomers, polyethylene films
Restructuring businesses Businesses with low ROS and ROIC that require fundamental streamlining and restructuring. The Group will implement comprehensive measures to restore profitability, including rigorous cost reductions and price adjustments, with the goal of transitioning these businesses into specialty businesses. Businesses that fail to improve profitability despite these measures will be downsized or exited.		Nylon polymers, composites , caprolactam and ammonium sulfate, industrial chemicals, processed resin products

- Working to grow specialty businesses and transition the machinery and cement-related businesses to independent operations, aiming to achieve targets including an EBITDA of ¥100 billion or more

	2024 Results	FY2025	FY2026	FY2027	(Billion yen) FY2030	FY2030 Target Key Figures
Net sales	486.8	490.0	545.0	545.0	550.0	EBITDA: ¥100 billion or more
EBITDA	45.5	55.0	70.0	80.0	115.0	ROS: 10% or more
Operating profit	18.0	25.0	32.0	40.0	60.0	ROE: 8% or more
Ordinary profit	22.4	37.5	41.5	45.0	65.0	ROIC: 6% or more
Extraordinary income (loss)	(33.3)	(2.0)	(2.0)	(3.5)	(5.5)	
Restructuring costs	(31.3)	—	—	(3.0)	(5.5)	
Profit attributable to owners of parent	(4.8)	27.5	30.0	37.0	45.0	

Growth of specialty businesses

- Accelerating the growth of the specialty business through global expansion
- Downsizing and discontinuing production of ammonia, caprolactam, and nylon polymers, recording costs for dismantling and removing related facilities as extraordinary losses

Independence of machinery and cement-related businesses

- UBE Machinery and Mitsubishi UBE Cement (MUCC) aim to go public during the current medium-term management plan period.
- The resulting decrease in operating profit, ordinary profit, and profit attributable to owners of parent will be outweighed by the growth of specialty businesses.

➤ Accelerating growth investments in specialty businesses while maintaining financial soundness

		(Billion yen)			
	FY2024 Results	FY2025	FY2026	FY2027	FY2030
Gross assets	865.7	950.0	1,005.0	1,030.0	950.0
Shareholders' equity	395.1	410.0	430.0	455.0	515.0
Interest-bearing liabilities	330.5	380.0	410.0	420.0	300.0
D/E ratio (times)	0.84	0.93	0.95	0.92	0.58
					(%)
EBITDA margin	9.3	11.2	12.8	14.7	20.9
Return on sales (ROS)	3.7	5.1	5.9	7.3	11.0
Return on equity (ROE)	(1.2)	6.8	7.1	8.4	9.0
Return on invested capital (ROIC)	3.0	4.4	4.8	5.2	7.0

FY2030 Target Key Figures

EBITDA:
¥100 billion or more

ROS:
10% or more

ROE:
8% or more

ROIC:
6% or more

Securing balance sheet soundness

- Maintaining financial discipline despite the temporary financial strain caused by aggressive investments

Improving management indicators

- ROE will improve due to the growth of specialty businesses, and will grow to over 8% in FY2027 and to 9% in FY2030.
- EBITDA and ROIC are also emphasized as management indicators.

(Billion yen)

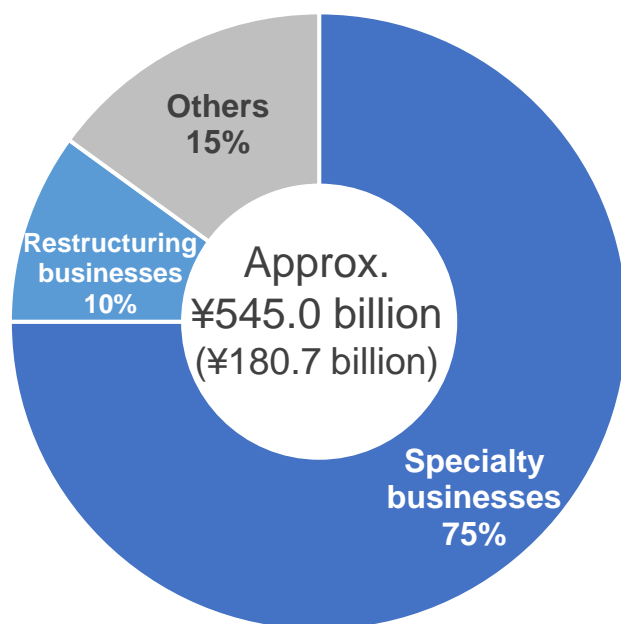
	FY 2024 (Results)		FY2025		FY2026		FY2027		FY2030	
	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
Specialty products	66.2	11.7	71.0	13.5	82.0	15.5	89.0	19.5	112.5	30.0
High performance urethane	15.6	(0.2)	51.0	2.0	67.0	3.0	69.0	3.5	80.0	6.5
Pharmaceutical	31.5	1.2	24.0	1.0	25.0	1.0	27.0	1.5	34.0	4.5
Polymers & chemicals	273.6	(0.7)	257.0	6.0	279.0	10.0	263.5	12.0	265.0	21.5
Machinery	86.9	7.9	76.0	6.5	78.5	6.5	82.5	7.5	—	—
Others	39.2	2.1	35.5	2.0	39.0	2.0	39.5	2.0	84.0	5.5
Adjustment	(26.1)	(3.8)	(24.5)	(6.0)	(25.5)	(6.0)	(25.5)	(6.0)	(25.5)	(8.0)
Total	486.8	18.0	490.0	25.0	545.0	32.0	545.0	40.0	550.0	60.0
(Reference) Ratio of specialty businesses to restructuring businesses*										(%)
Specialty businesses	50	100	50	85	55	70	60	70	75	85
Restructuring businesses	50	loss	50	15	45	30	40	30	25	15

Note: FY2024 figures are reclassified according to the new portfolio categories

Investments and R&D Expenditure

To drive future growth, we will actively invest in our specialty businesses and aim to **enhance corporate value**.

Investments and R&D Expenditure over six years



Investments
Approx. ¥460.0 billion
(¥150.1 billion)

R&D expenditure
Approx. ¥85.0 billion
(¥30.6 billion)

Specialty businesses (incl. M&As)	75%	75%
Restructuring businesses	10%	20%
Others	15%	5%

Note: Figures in parentheses are actual results from the previous three-year medium-term management plan.

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Medium-Term Management Plan “UBE Vision 2030 Transformation — 2nd Stage”

Growth Strategy: Overview

Materiality

(1) Expanding specialty businesses

Pursuing growth as a specialty chemical company through the expansion of existing operations and the development of new businesses

(2) Empowering and engaging a diverse workforce

Attracting diverse talent and establishing framework and systems that enable them to thrive together as a unified team

(3) Ensuring occupational safety and health, process safety, and disaster prevention

Securing a healthy and comfortable workplace environment and continuing stable operations with safe and secure equipment

(4) Addressing global environmental issues

In addition to pursuing carbon neutrality, working to address circular economy and nature-positive goals

(5) Upholding integrity and fairness in corporate governance

Enhancing effectiveness of the Board of Directors and strengthening internal controls

Global growth

Establishing a new base in the Americas, in addition to existing three core bases in Japan, Asia, and Europe; creating a four-base global structure and strengthening its management systems

DX initiatives

Transforming the Group's business approach in 10 key areas that cover the entire business operation by leveraging digital technology through linking customer and social value chains

Mobility

Vehicle electrification/weight reduction

Ceramics

Bearings, substrates

Separators

LiB*¹ separators

C1 chemicals (DMC & EMC)

LiB*¹ electrolytes

Composites

Vehicle weight reduction (metal component replacement)

Performance improvement

High-performance coatings

Synthetic leather (automotive interior materials), water-based coatings (exterior coatings)

Urethane systems

Tires, wheels

Elastomers

Tires

*¹ Lithium-ion batteries

Energy & Sustainability

Renewable energy

Separation membranes

Biofuel production

Resource development

Separation membranes

Explosion-proof gas production for oil and gas fields

Urethane systems

Mining machinery
Gas pipelines

Storage batteries

Polyimide

LiB*¹ anode binder (automotive and consumer applications)

Separators

LiC*² separators for AI data centers

C1 chemicals (DMC & EMC)

ESS and other LiB*¹ electrolytes

*² Lithium-ion capacitor

Information Electronics

Digital devices

Polyimide

LCD & OLED display materials

Semiconductor industry

Phenolic resin

Semiconductor sealing material

Semiconductor gases

Etching gases

Urethane systems

Semiconductor manufacturing equipment components

High-purity chemicals for semiconductors

Cleaning solutions

Lifestyle and Health

Lifestyle

High-performance coatings

Synthetic leather (furniture, apparel), water-based coatings (flooring, etc.)

Caprolactam

Nylon fibers for apparel

Nylon polymers

Food packaging films

Ammonium sulfate

Fertilizers

Healthcare

Pharmaceuticals

Pharmaceuticals

UBE Vision 2030 Transformation — 2nd Stage

Growth Investments in Specialty Businesses

Ensuring the steady start-up and steady operation of new manufacturing facilities for polyimide, separation membranes, ceramics, and C1 chemicals; ensuring the successful integration of the acquired urethane systems business; expanding global profitability, including the creation of synergies; and continuing active investment in specialty businesses under the current Medium-Term Management Plan

(FY)

	Major growth investments*		Strategy	2024	2025	2026	2027	2028	2029	2030
existing	Polyimide	• Raw material manufacturing facilities	Up 60%	• Launching newly developed products • Maximizing capital investment effects	▼ Operation started ▼ Operation start (planned)					
		• Film manufacturing facilities	Up 20%							
	Separation membranes	• Manufacturing facilities for polyimide hollow fiber membranes and for separation membrane modules	Up 80%	• Expanding business in environmental and energy fields • Improving/developing new modules and developing new membranes	▼ Operation start (planned)					
		• Manufacturing facilities for polyimide hollow fiber membranes and for separation membrane modules	Expansion					▼ Construction start (planned)		
	Ceramics	• Ceramics manufacturing facilities	Up 50%	• Expanding business through increased sales of bearings and substrates • Developing new products and grades	▼ Operation start (planned)					
		• Ceramics manufacturing facilities	Expansion					▼ Construction start (planned)		
	Phenolic resin	• Phenolic resin manufacturing facilities	Up 20%	• Contributing to semiconductor market growth through high-performance, high-quality products	▼ Operation started					
		• Phenolic resin manufacturing facilities	Expansion						▼ Construction start (planned)	
	Separators	• Separators manufacturing facilities	Up 30%	• Increasing market share by acquiring HEV deals • Deployment in non-automotive applications			▼ Operation start (planned)			
	High-performance coating	• PCD manufacturing facilities in the U.S.	New installation	• Driving further growth and specialization centered on PCD and PUD • Generating synergies with the urethane systems business			▼ Construction start (planned)			▼ Construction start (planned)
		• PCD manufacturing facilities in Thailand	Expansion				▼ Construction start (planned)	▼ Construction start (planned)		
		• PUD manufacturing facilities in Thailand	New installation				▼ Construction start (planned)	▼ Construction start (planned)		
	Pharmaceuticals	• Sixth pharmaceutical plant	New installation	• Expanding into life sciences field				▼ Construction start (planned)		
	Elastomers	• Elastomer manufacturing facilities	Expansion	• Promoting higher added value						▼ Construction start (planned)
new	C1 chemicals	• U.S. DMC/EMC plant construction	DMC: 100,000 metric tons EMC: 40,000 metric tons	• Ensuring stable production and supply as the only manufacturing site in the U.S.			▼ Operation start (planned)			
	Urethane systems	• Acquisition of urethane systems business	Acquisition of new businesses	• Providing advanced and diverse solutions • Creating synergies with C1 chemicals and high-performance coatings		▼ Business acquired				
	M&As, etc.									

Note: Blue text indicates investment projects under the current medium-term management plan.

Creating New Specialty Businesses

Newly created specialty business:

A global niche leader that creates significant economic and social value by working with society and industries to solve key challenges for a hopeful future, in growing markets focused on the environment, health, and quality of life

R&D

Creating core competencies through technology development

- Restructuring and integrating R&D organizations to efficiently conduct both corporate R&D based on company-wide strategies and divisional R&D aligned with individual business strategies
- Promoting various initiatives, including collaboration with external partners



M&A

Acquiring new business domains

- Transforming and strengthening the portfolio through corporate M&A, and acquiring new core competencies by investing in or acquiring startups in the specialty chemicals field — thereby accelerating inorganic growth
- Establishing a presidential-level organization to oversee and support M&A projects



Creating **new specialty businesses** through a dual approach

R&D expenditure to net sales*

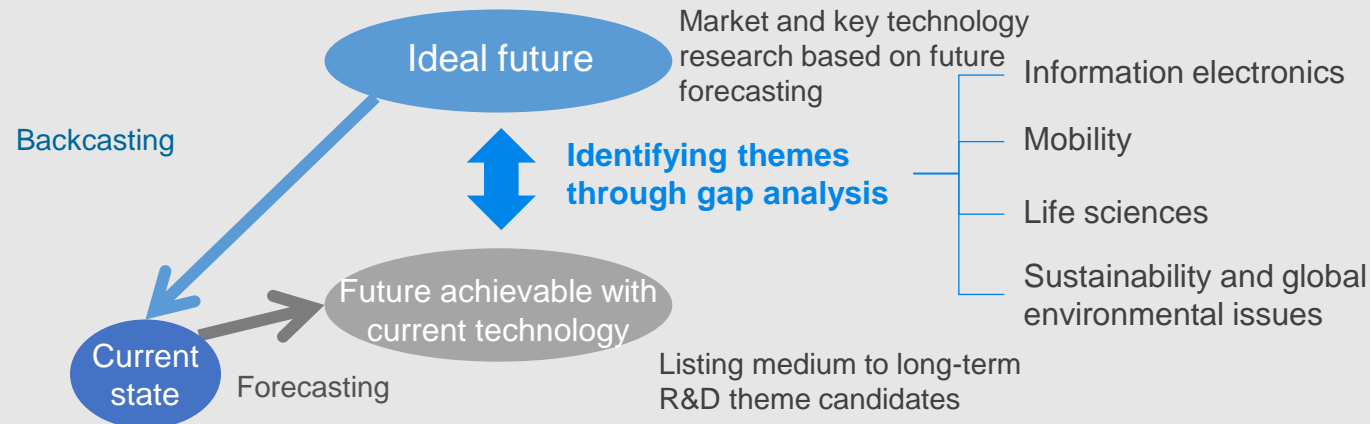
Current: about 2.3% (FY2024)

* Excluding Machinery Business

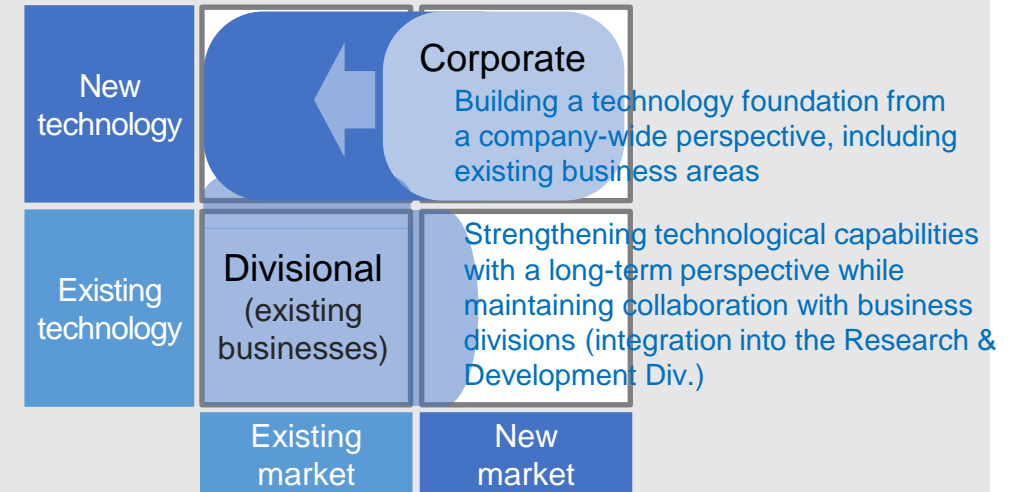
FY2030

→ **Increase to about 4%**

Promoting open innovation based on gap analysis between backcasting and forecasting



Creating new core competencies for sustainable growth of specialty businesses



Open innovation initiatives

Information electronics

Sustainability

Collaboration with universities

Collaboration with startups

Optoelectronics

CO₂ separation and recovery

CO₂-derived raw materials

Polyimide Chemical recycling

Promoting startup investments and the acquisition of new technologies

Short and medium term

Long term

Investing in startups with potential to become profitable businesses in **5-10 years**




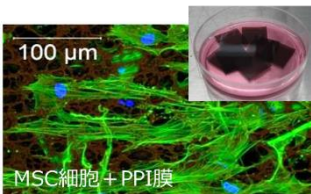
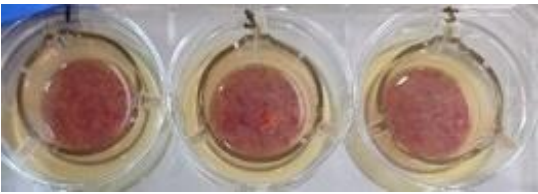
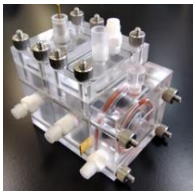

Acquiring technologies, expanding markets, and promoting internal innovation

Establishing an M&A promotion office

Utilizing consultants and venture capital

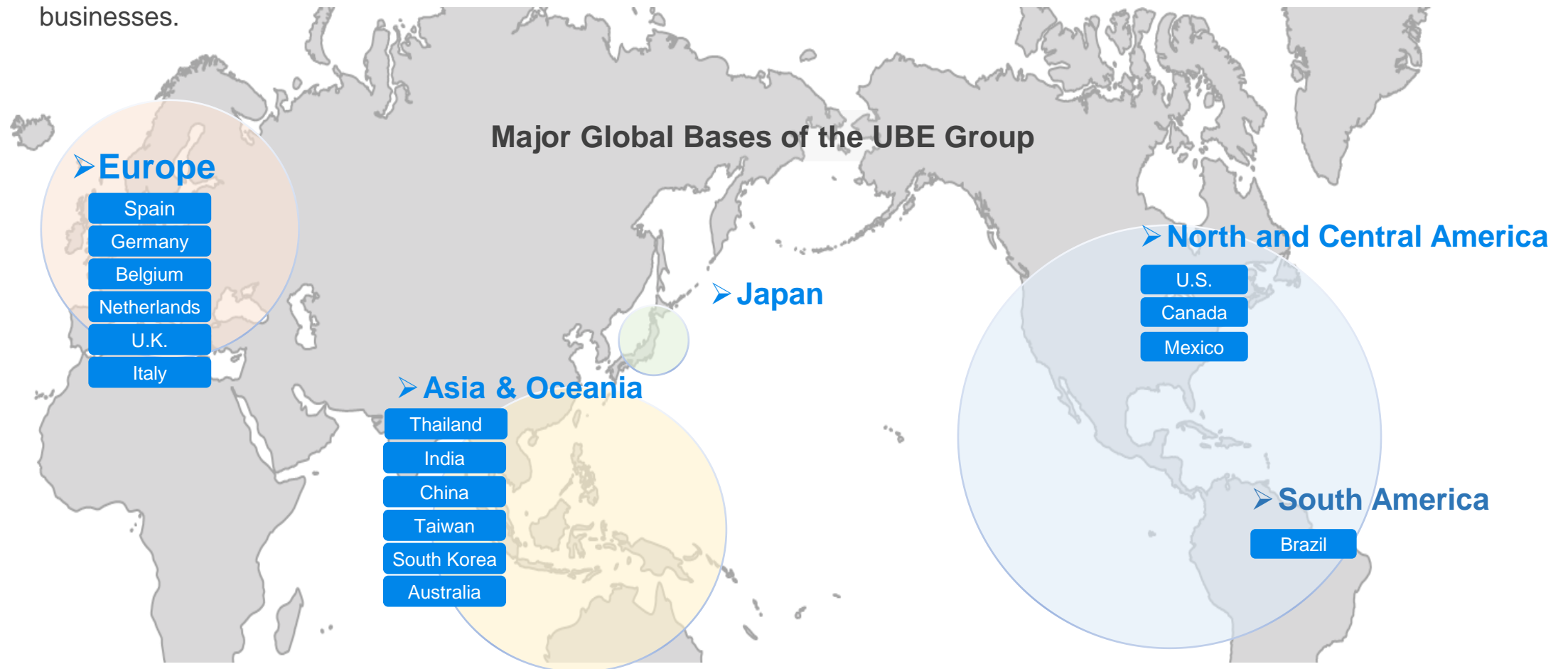
Open innovation

- Collaborating with universities and venture capital in Japan and abroad
- Recruiting diverse talent

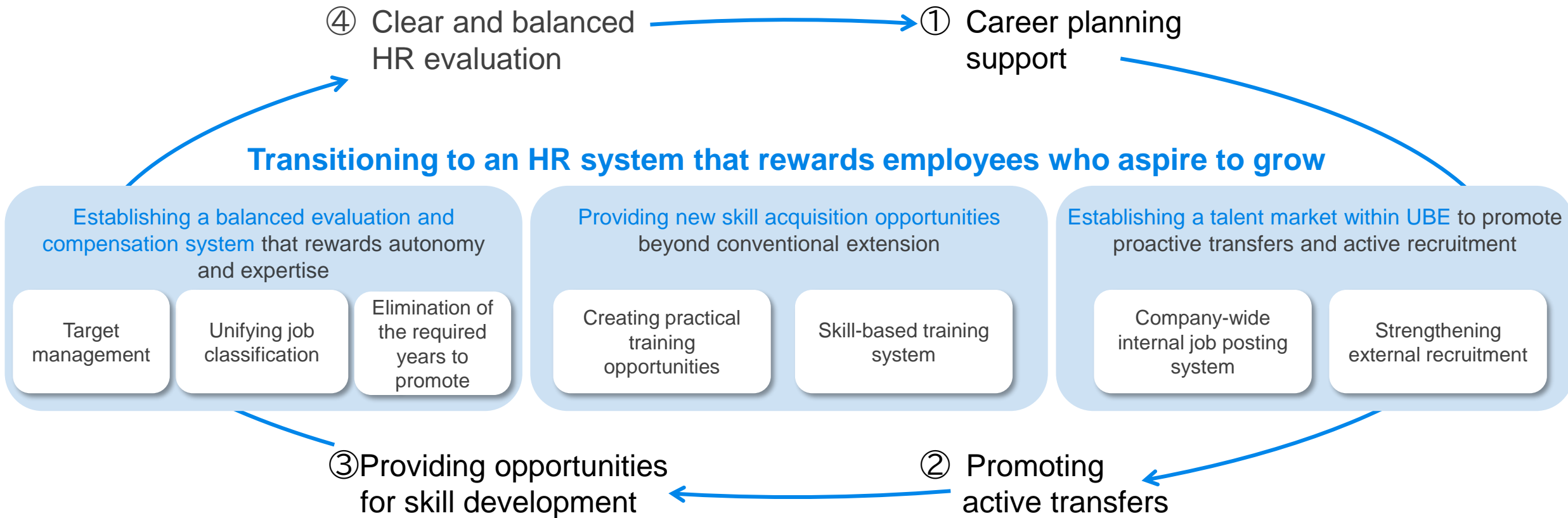
Area	R&D Theme	Examples of social implementation <small>Images are for illustrative purposes only.</small>	
Information electronics	Electronic material films Optoelectronics Heat-dissipating composite materials	 “Electronic material films” Improving mobile communication functionality	 “Optoelectronics materials” Energy-saving information processing
Mobility	Weight reduction (fewer parts, reduced manufacturing processes, metal substitution)	 “Instrument panel reinforcement module” Contributing to vehicle weight reduction (fewer parts)	 “Multi-layer tubing system with dissimilar material joining” Enabling improved durability
Life sciences	Biomimetic systems, cell product manufacturing, cell culture food materials	 “Cell utilization therapy” Contributing to a healthy, long-lived society	 “Cultured meat” Contributing to food issues and environmental protection
Sustainability and global environmental issues	Composite material upgrade recycling CO ₂ upgrade recycling CO ₂ separation and recovery	 “CO ₂ electrolysis technology” Contributing to global environmental issues	 “CO ₂ separation and recovery” Recovering CO ₂ with low energy consumption

Building a Global Management Structure

- In addition to its existing three global production bases in Japan, Asia, and Europe, the Group will establish a new base in the Americas, creating a four-base global structure.
- Each base will strengthen its management systems — including capital structure, command and information transfer, human resources strategy, back-office functions — to support smooth global business expansion and the acquisition of international businesses.



To expand our specialty business globally, the Group will hire diverse talent with experience, knowledge, and abilities. In addition, the Group will build HR systems that allow them to collaborate with existing human resources.



5

Medium-Term Management Plan “UBE Vision 2030 Transformation — 2nd Stage”

Growth Strategy for Specialty Businesses: Key Businesses



Polyimide



Separation
membranes



Ceramics



C1 chemicals



High performance
urethane



Pharmaceuticals

➤ Connecting new development and capital investment effects to profit growth

Priority Measures

1. Capturing investment returns from new facilities

- 1) Starting operations at the new BPDA facility in January 2025
 - Establishing a stable production system for in-house raw materials (for film and varnish)
 - Expanding market share with existing customers and acquiring new customers
- 2) Launching new film facility (scheduled for 1H/FY2025)
 - Expanding sales of films for FPC (VT/NVT)
 - Promoting adoption of newly developed low-dielectric films for high-frequency circuit board applications

2. Conducting new development responding to new market requirements

- 1) Developing next-generation display materials
 - Developing next-generation varnishes (ultra-heat-resistant, high-strength, high-transparency, etc.)
 - Developing thin & double-sided COF^{*1} films (for OLED^{*2} PC and tablet displays)
- 2) Developing new materials for mobility and semiconductors (non-display)
 - Binder for silicon-based anodes in lithium-ion batteries
 - New powders for semiconductor, automotive, and aerospace applications
- 3) Promoting development of environmentally friendly products
 - Developing water-based polyimide varnishes (eliminating organic solvent)

^{*1} Chip-On-Film: Mounting driver ICs on polyimide film wiring circuit boards

^{*2} Organic light-emitting diode

Product Characteristics



Polyimide varnish

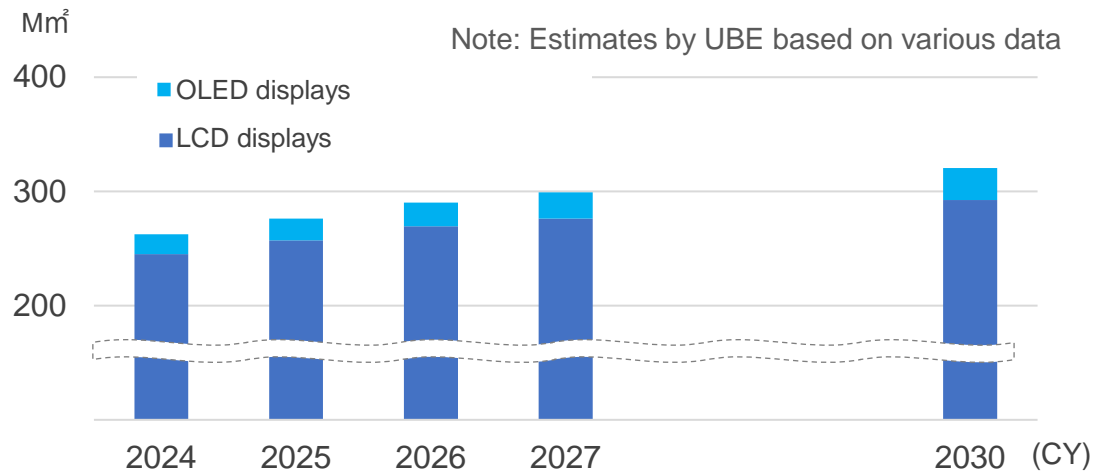


COF

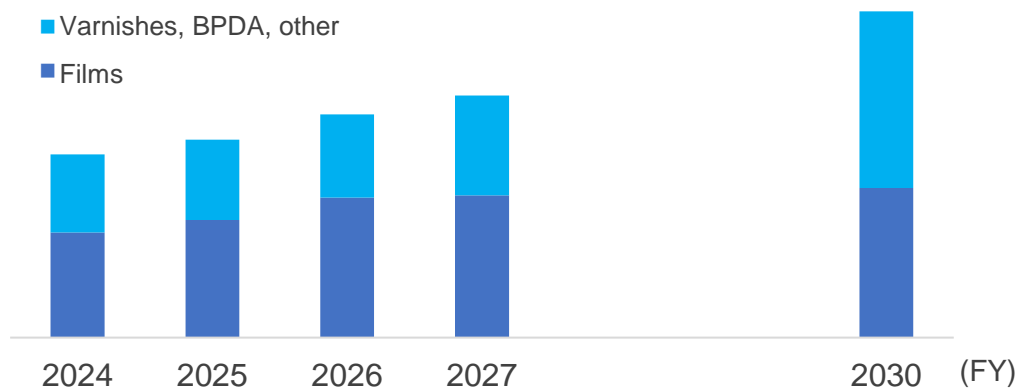
- Polyimide is a high-strength and heat-resistant resin. It has a wide range of applications from TVs and smartphones to automobiles and aerospace.
- UBE carries out integrated production from raw materials to varnish, film, and powder.
- UBE provides BPDA-based polyimide products differentiated by its proprietary raw material and unique molding and processing technologies.
- Leveraging its characteristics, UBE's polyimide is used for the substrate of flexible OLED and COF for large displays.

Key Growth Drivers

Display market (screen area) growth outlook



Polyimide business net sales



Understanding of the Market Environment

- LCDs continue to exhibit gradual growth in terms of screen area. UBE maintains a high global market share for COF films.
- OLED displays are expected to see expanded adoption in PC, tablet, and automotive applications, in addition to increasing adoption rates in smartphones.
- UBE's varnishes remain in use in U.S. smartphones and high-end Chinese smartphone models.

Opportunities

- Further evolution of displays (design, performance, larger sizes)
- New applications driven by the widespread adoption of 5G in smartphones and vehicle electrification
- Higher capacity of lithium-ion batteries for mobile devices and automobiles
- Acceleration of organic solvent elimination due to increasing environmental awareness

Risks

- Replacement with other materials
- Further rise of Chinese manufacturers and price competition

- Expanding business by extending contribution areas in the environmental and energy fields; increasing the environmentally-friendly product ratio to over 80% by 2030

Priority Measures

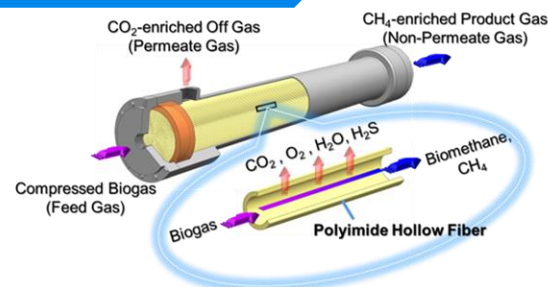
1. Expanding business scale centered on CO₂ separation membranes for biomethane production

- 1) Expanding market share in Europe and North America; developing market in Asia and South America
 - Strengthening partnerships with engineering companies based on knowledge and experience cultivated so far
 - Enhancing personnel at bases outside Japan
 - Developing new membranes that achieve further energy savings
- 2) Launching a new manufacturing facility for polyimide hollow fiber and for separation membrane modules (scheduled for 1H/FY2025)
 - Capacity to increase by 80% compared to the current capability
 - Improving production efficiency, quality, timely delivery, and customer satisfaction

2. Developing products that contribute to a sustainable future and exploring markets

- 1) Developing long-life products with high durability that contribute to waste reduction
 - Dehydration membranes for bioalcohol refining
 - Nitrogen membranes for aircraft fuel explosion prevention
- 2) Exploring next-generation environmental and energy markets
 - Carbon-neutral technology: CO₂ recovery, for methanation
 - Sustainable aviation fuel (SAF): H₂ recovery
 - Biomass-derived gas recovery: H₂, CO, CH₄

Product Characteristics

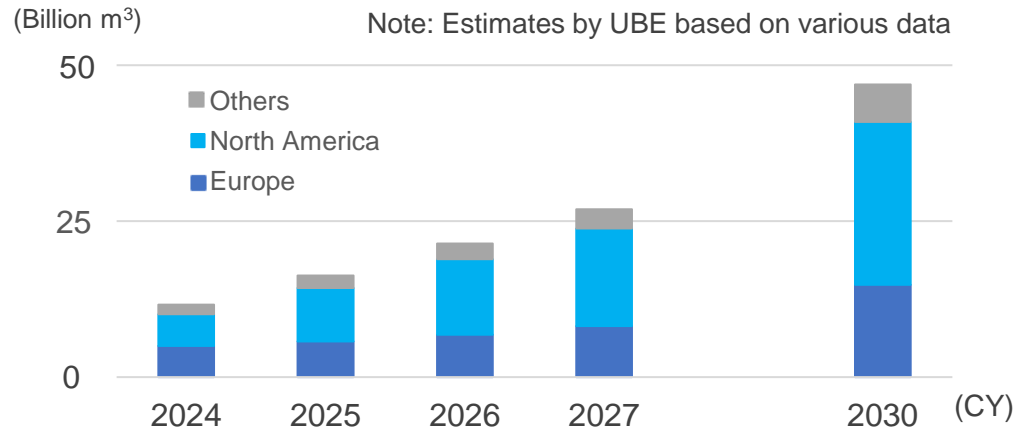


CO₂ separation membranes for biomethane production

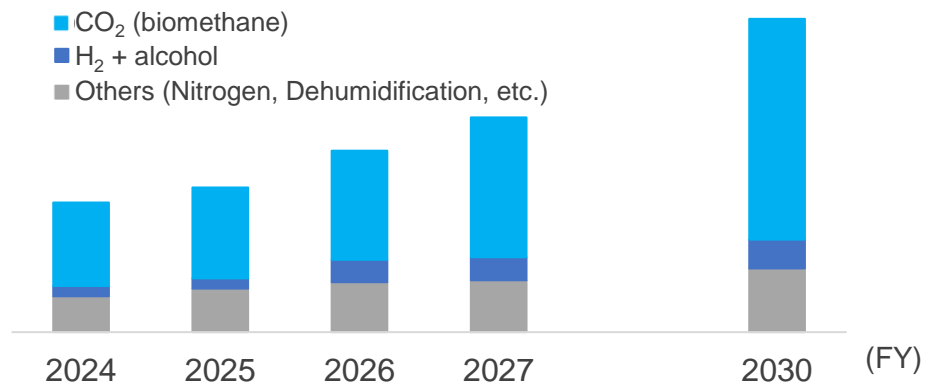
- UBE products deliver excellent durability and gas permeation/separation performance through proprietary polyimide technology, enabling efficient separation of specific gases from mixed gas streams.
- These products offer a wide range of applications, including CO₂ separation, nitrogen enrichment, dehumidification, H₂ separation, alcohol dehydration, etc.
- CO₂ separation membranes for biomethane production separate and remove CO₂ from biogas to concentrate methane.
- The concentrated biomethane is utilized as renewable energy and as a substitute for natural gas.

Key Growth Drivers

Biomethane production



Separation membrane net sales



Understanding of the Market Environment

- Expected medium- to long-term growth in biomethane demand in Europe and North America
- Growing momentum for environmental regulations in fast-growing Asian and South American economies
- Continued expansion in the use of renewable energy sources
- Growth in the adoption of environmental technologies and related investment

Opportunities

- Expansion of the environmental market from Europe and North America, which have been leading the market, into Asia and South America
- Continued adoption of biomethane and other renewable energy use

Risks

- Policy changes or revisions due to changes in government or international conflicts
- Rapid fluctuations in exchange rates
- Production capacity expansion by competitors and price competition

➤ Steadily expanding capacity and capturing future growth opportunities

Priority Measures

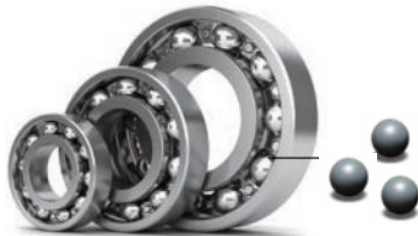
1. Expanding business through increased sales in bearings and substrates

- 1) Driving growth in high-end sectors
 - Maintaining the world's top market share in bearing balls, with strengths in high-end sectors such as machine tools, aircraft, semiconductor manufacturing equipment, and premium EVs
 - Highly regarded for power module substrates requiring properties such as fracture toughness and strong copper adhesion
- 2) Building a production system in line with expanding demand
 - Establishing a second factory (operations scheduled to begin in 2026) to achieve a 50% increase in production capacity
- 3) Improving production efficiency and reducing costs

2. Developing new products and grades, and exploring new markets

- 1) Developing new products and grades leveraging characteristics derived from proprietary manufacturing methods
- 2) Expanding into new markets, different from bearings and substrates
 - Exploring new markets such as 3D printers and bio applications

Product Characteristics



Silicon nitride powder and an example of bearing ball application:
Contributing to vehicle electrification

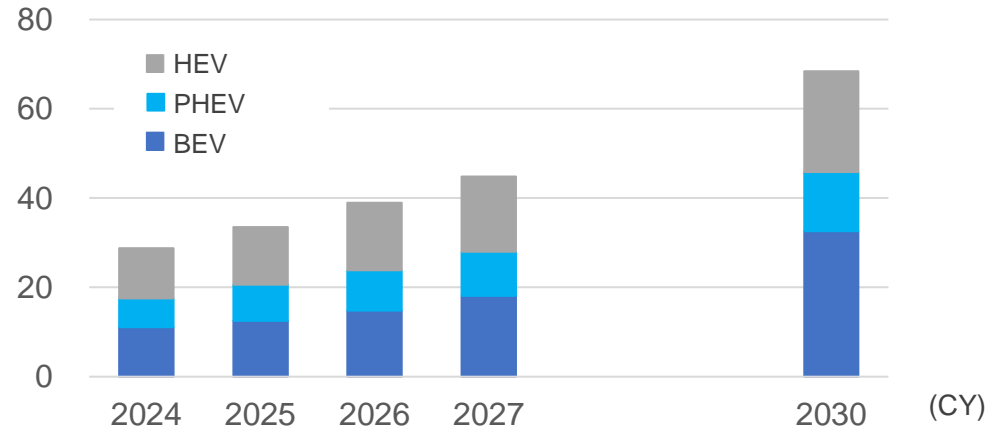
- Silicon nitride is a type of ceramic that offers high strength along with excellent fracture toughness, wear resistance, and thermal shock resistance.
- UBE's silicon nitride is a high-quality powder produced using a proprietary imide decomposition process.
- The product features uniform grain size, low impurities, and microstructure that can be controlled.
- UBE's silicon nitride is highly regarded as a global standard.

Key Growth Drivers

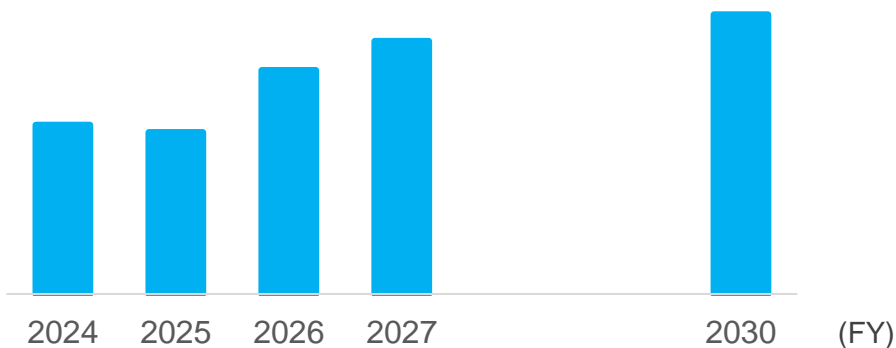
xEV passenger car sales forecast by type

Shipment volume
(Million units)

Note: Estimates by UBE based on various data



Ceramics net sales



Understanding of the Market Environment

- Medium- to long-term growth outlook for the xEV market despite a current slowdown
- Rising demand for lightweight, wear-resistant silicon nitride balls for bearings and for silicon nitride substrates with excellent insulation and heat dissipation properties

Opportunities

- Expansion of the xEV market
- Increased adoption of silicon nitride bearings associated with high voltage and high output
- Increased demand for heat-dissipating substrates due to higher operating temperatures of power semiconductors

Risks

- Greater competition due to new market entrants
- (Prolonged) stagnation of global EV market growth
- Increased presence of Chinese companies in the supply chain

- **Aiming to steadily launch the new U.S. plant (FY2026) and making it a major global hub following Spain and Thailand**

Priority Measures

1. Constructing a new U.S. plant

- 1) Full-scale construction work started in April 2025
 - Environmental applications completed
 - Construction progress generally in line with the plan
 - Scheduled for completion and start of operations in 2H/FY2026
- 2) Establishing the operational structure of UBE C1 CHEMICALS AMERICA
 - Locally recruiting core personnel involved in business operations
 - Promoting collaboration with the UBE Group's U.S. bases
- 3) Towards becoming the UBE Group's largest growth business
 - Aiming for **annual sales of ¥40 billion** in FY2030

2. Responding to changing business environment, including the new U.S. administration

- 1) No change to the business plan
 - U.S. xEV demand progressing in line with expectations. Steady medium- to long-term demand growth in the U.S., including ESS and semiconductor applications
 - Aiming for early achievement of full-scale sales and operations
- 2) Opportunity from U.S. policy changes
 - Strengthening market leadership by meeting U.S. customer demand for supply chain resilience as the sole supplier

Product Characteristics

- **Key components in lithium-ion batteries electrolyte solvents**

DMC is also used as a developing solution in semiconductor manufacturing processes and as a low environmental impact solvent.

- **Offering high-cost competitiveness through UBE's proprietary manufacturing process, which uses CO and methanol as primary raw materials and produces only DMC**

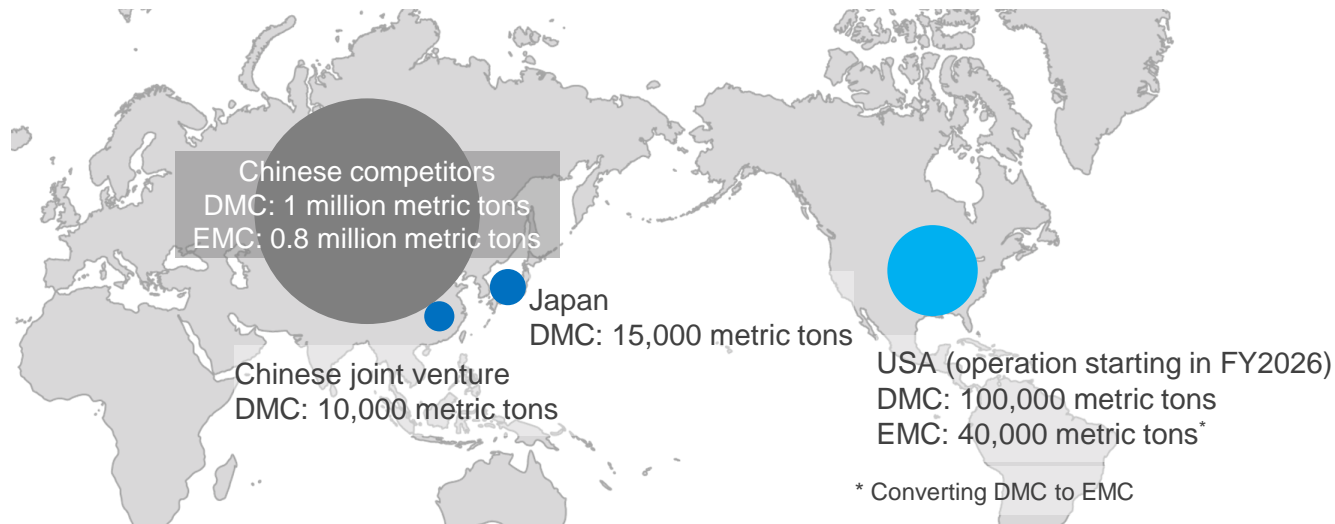
UBE produces CO from low-cost shale gas in the U.S., resulting in strong variable cost competitiveness. The company will also focus on reducing fixed costs.

- **Able to obtain high-purity DMC suitable for electrolyte and semiconductor applications**

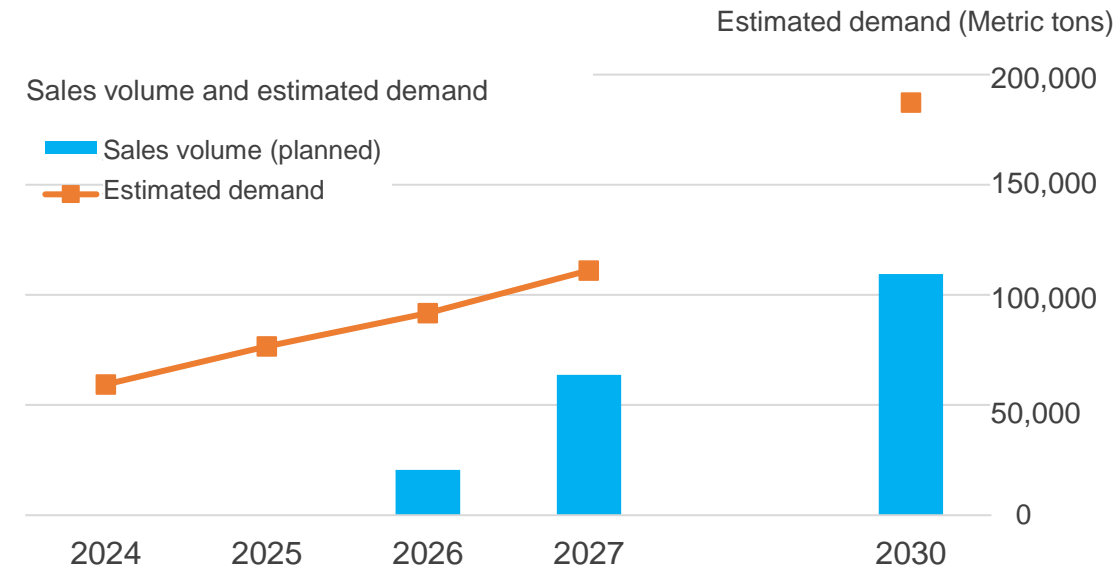
Carbon neutrality will be possible in the future by utilizing biomethane, green methanol, etc.

Key Growth Drivers

Global production capacity of electrolyte-grade DMC and EMC



DMC and EMC demand outlook in the U.S. and the UBE Group U.S. location's sales volume



- U.S. demand relies entirely on imports from the UBE Group or China.
- The UBE Group is the only company building a DMC and EMC plant in the U.S. and will remain the sole supplier for now.
- The Group will meet customer demands for stronger supply chain resilience, achieving stable production and supply.

- Demand for xEV is flat for now but expected to grow in the medium to long term.
- Demand for ESS is expanding. Semiconductor demand is steady.

- Driving further growth and specialization centered on PCD and PUD, while creating synergies with the urethane systems business

Priority Measures

1. PCD business

- 1) Expanding capacity in line with market expansion
 - The Asian market is growing continuously; capacity expansion in Thailand and a new facility in North America are under consideration.
- 2) Developing North, Central, and South American markets
- 3) Developing next-generation environmentally friendly products (CO₂-based, bio-based)
- 4) Expanding applications through deployment to the urethane systems business

2. PUD business

- 1) Expanding applications
 - Strong demand for textile printing applications* amid a growing market; expanding applications through enhanced development
- 2) Increasing production in line with growing demand
 - Increasing production through debottlenecking in Japan; considering utilizing the urethane systems business sites in China

* A printing method in which dye is applied directly to the fabric surface and pressed to dye.

Product Characteristics



Example of PCD application in synthetic leather (automotive seats)



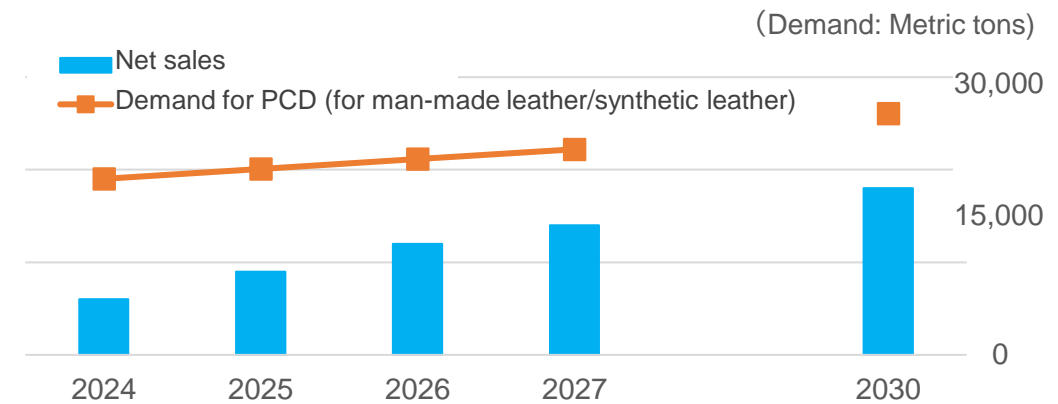
Example of PUD coating application (automotive exterior coating)

- Polycarbonate diol (PCD) is a type of polyol, which is a raw material for polyurethane. PCD boasts the highest performance among polyols, contributing to improved durability of end products such as high-grade man-made leather and synthetic leather.
- Waterborne polyurethane dispersion (PUD) is a material in which polyurethane particles are dispersed in water. It serves as a raw material for water-based coatings that emit little to no volatile organic compounds (VOCs). PUD is produced using PCD as a raw material.

Key Growth Drivers

Global PCD demand and PCD business sales outlook

Note: Estimates by UBE based on various data

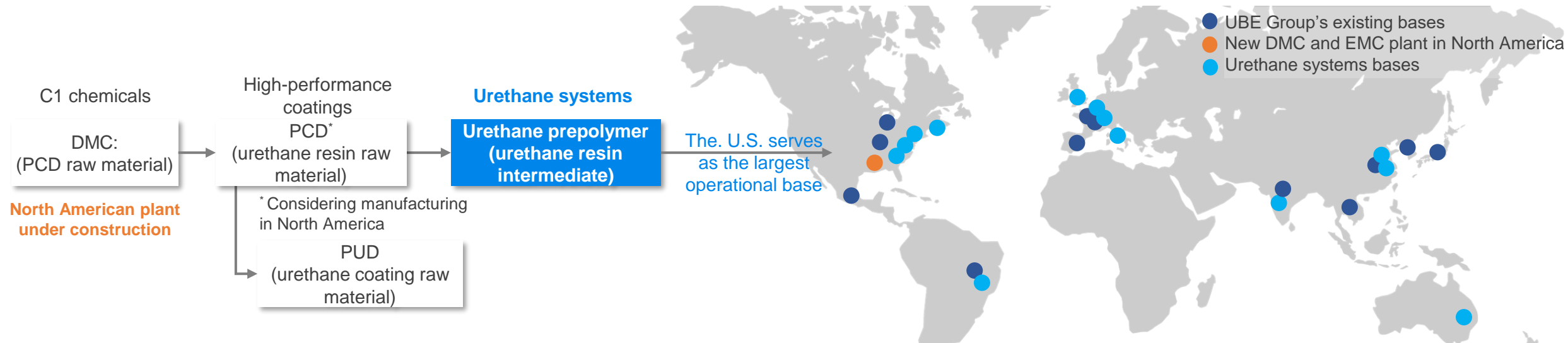


Demand for PCD is growing as man-made leather and synthetic leather require more advanced functions, and as genuine leather is being replaced due to animal protection considerations.

- Implementing the post-merger integration (PMI) of the urethane systems business aiming for further specialization and growth through the integration with the C1 chemical business and high-performance coating business

Priority Measures and Key Growth Drivers

1. Steadily executing PMI to create synergies across the Group, with the U.S. as the central hub, contributing to global growth

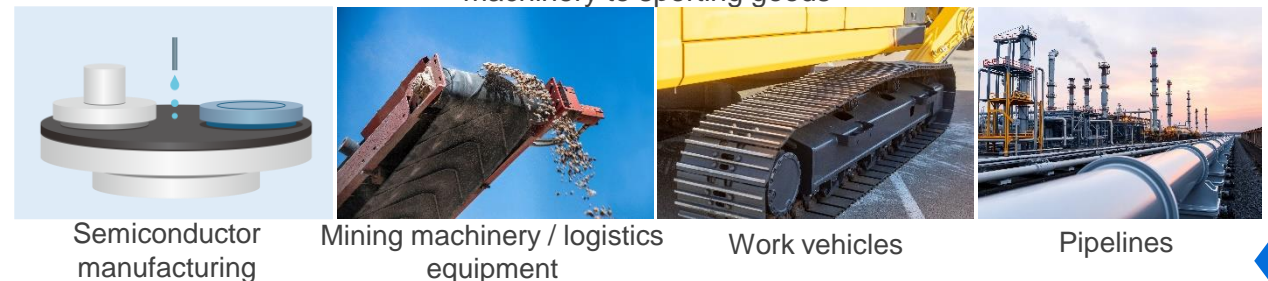


2. Providing advanced and diverse solutions

- 1) Industry-leading product lineup
- 2) No. 1 share in the U.S., top-tier globally
- 3) More than 70 years of experience, advanced expertise and know-how
- 4) Global production and development bases
- 5) Technologies for reducing environmental impact

3. Focusing on products for thermosetting polyurethane elastomer as a core business

Contributing to a wide range of fields, from cutting-edge industries and industrial machinery to sporting goods

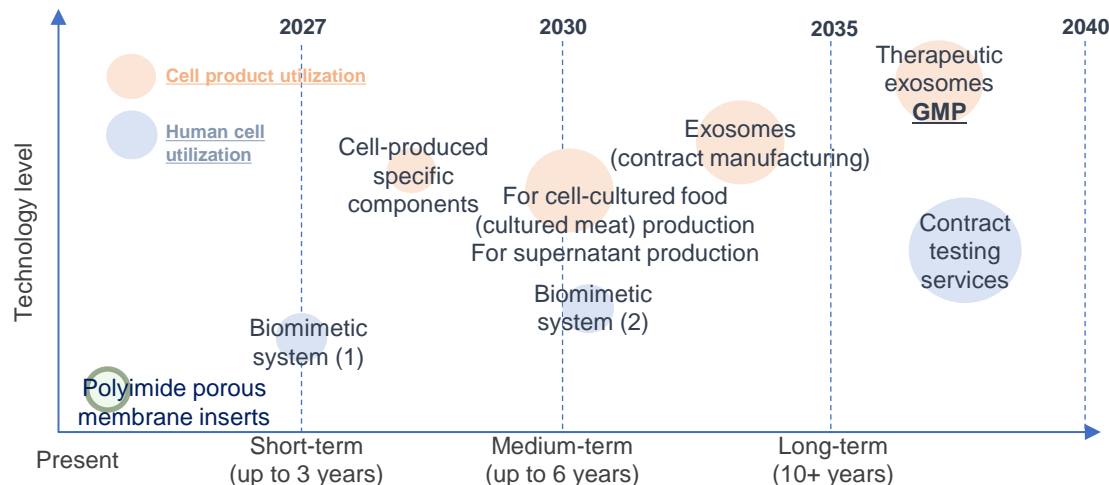


➤ Enhancing value through new technologies and establishing the UBE Group's life sciences brand

Priority Measures

1. Exploring the life science field

Aiming to create new business areas by combining internal and external resources with technologies and knowledge accumulated over many years of drug discovery research and in the contract development and manufacturing organization (CDMO) business



2. Medium-Term Management Plan initiatives: Evolving into a life sciences division

- 1) M&A aimed at creating new businesses
 - Considering M&A for entry into new fields and early commercialization
- 2) Entering into new business fields, such as utilizing polyimide porous membranes
 - Advancing technology in cell culture processes and the creation of useful substances through cell culture
 - Exosomes, cell therapy, biomimetic systems, cell-cultured foods, etc.
- 3) Redefining, streamlining, and revitalizing drug discovery research; expanding research areas
 - Considering open innovation and alliances
 - Adopting new methods, such as drug discovery ecosystems, drug discovery AI, and DX
- 4) CDMO: Building a stable business foundation
 - Developing new technologies: Nucleic acid APIs, flow synthesis
 - Expanding globally with a focus on overseas markets and acquiring new technologies

Product Characteristics

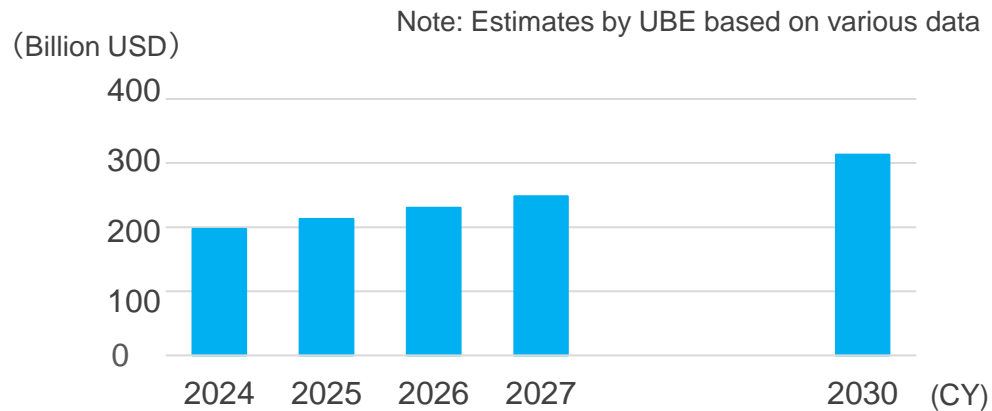


- Organic synthesis technology cultivated as a chemical manufacturer
- Biochemical knowledge gained through years of drug discovery research
- High-quality API manufacturing capability consisting of diverse equipment and facilities at two sites in Japan (Yamaguchi and Fukuoka) and advanced quality management systems
- Solution services related to the manufacturing and development of APIs and intermediates with extensive track records

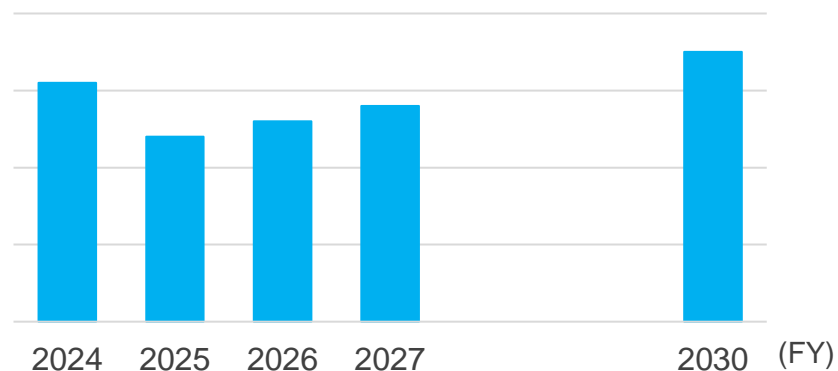
Polyimide porous membranes (cell culture systems):
Aiming to enter the life science field

Key Growth Drivers

Global small molecule API market growth outlook



Pharmaceutical business net sales



Understanding of the Market Environment

- Global pharmaceuticals market continues to grow at an annual rate of around 5–8%.
- The small molecule pharmaceutical API and intermediate market follows a similar trend.

Opportunities

- Growth in advanced and cutting-edge medical needs
(Opportunities to acquire new life science business domains)
- Diversifying treatment methods, including gene therapy and cell therapy
(Opportunities to acquire new life science business domains)
- Increasing demand for high-quality and stable pharmaceutical supply due to growing demand in developing countries

Risks

- Depletion of target molecules in the small molecule pharmaceutical field and increasing difficulty in developing first-in-class* drugs
- China's policy for localizing raw material production

* Innovative pharmaceuticals with high novelty and usefulness

6

Medium-Term Management Plan
“UBE Vision 2030 Transformation — 2nd Stage”
Machinery Business & Cement-Related Business

Medium-Term Management Plan: Policies

Aiming to achieve a stock listing during the period of the FY2025–2030 Medium-Term Management Plan as the final stage of the company's transition to independent operations

- **Molding machinery: Enhancing services by responding to evolving market needs, such as vehicle electrification (xEV), and improving product profitability**

Priority Measures

- 1) **Adapting die casting machines for xEV applications**
 - Developing a lineup of ultra-large machines for giga-casting and establishing a mass-production system
- 2) **Enhancing injection molding machine lineup**
 - Developing ultra-large machines and expanding the range of 2-platen and toggle-type machines
- 3) **Improving servicing business**
 - Sharing resources and centralizing information

Key Growth Drivers

- 1) **Die casting machines**
 - Proven track record with ultra-large machines for xEV applications and high-speed, high-filling injection technology
 - Offering comprehensive equipment solutions, including peripheral and auxiliary systems
- 2) **Injection molding machines**
 - Broad product coverage from mid- to large-sized machines, including 2-platen and toggle types
- 3) **Services**
 - Expanding a global service network and developing ICT products to enable predictive maintenance and enhance quality

- **Industrial machinery: Developing a servicing business for each machine type while shifting to environment-related markets**

Priority Measures

- 1) **Products: Securing orders in environment-related markets**
 - Capturing demand for capital investment initiatives toward decarbonization goals: Fuel expansion to ammonia, electrification of steel mills, and adaptation to wind power
- 2) **Expanding servicing business**
 - Incorporating third-party products and addressing aging equipment without drawings or specifications

Key Growth Drivers

- 1) **Products**
 - Utilizing government subsidy programs for 2030 and 2050 decarbonization goals
- 2) **Services**
 - Customers: Supporting aging facilities, shortage of technical staff, and declining technical capabilities
 - Competitors: Decline in service providers due to business withdrawals and personnel shortages
 - Lineup of predictive maintenance and production management products using ICT for each machine type

➤ Leveraging giga-casting in response to automotive xEV adoption and driving manufacturing innovation

Die Casting Machine Market

1) Background

- Applied to integrated molding of underbody structures, with Chinese automakers following suit
- Gaining attention as a cost-reduction method for EVs and being adopted in Japan

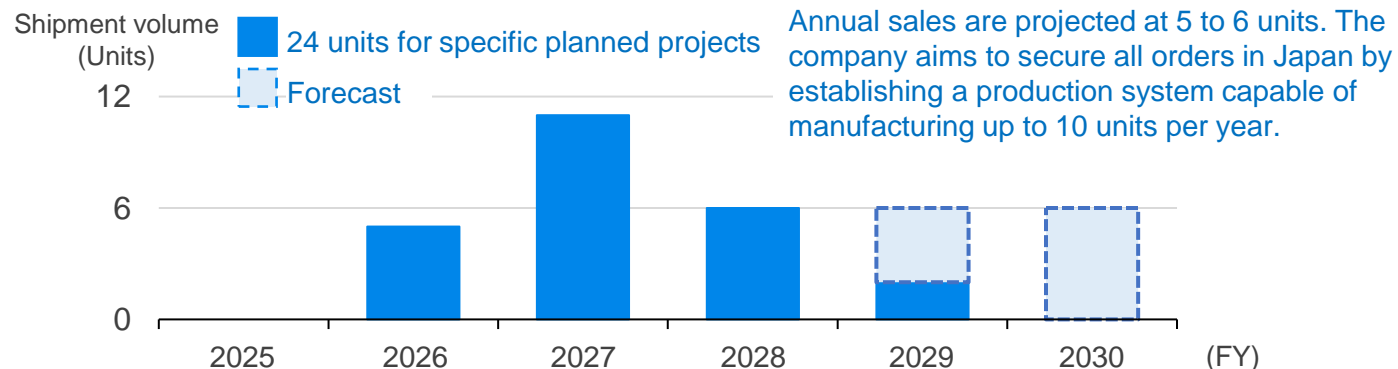
2) Purpose

- Reducing costs by decreasing the number of parts and manufacturing processes
- Improving overall vehicle rigidity through three-dimensional molding, a characteristic of die casting

3) Current status

- Approx. 100 machines ordered worldwide; approx. 30 machines estimated to be in mass production for automotive parts
- The giga casting market for Chinese automakers' EV vehicles is saturated.
- Japanese automakers have started concrete planning and test casting.

Market outlook: Plans of Japanese automakers



Sales Strategy

1) Strengths and aims of UBE Machinery's machines

- Achieves high speed, high filling, and fast start-up with proprietary technologies
- Offers reduced running costs calculated based on cycle time, operating rate, yield rate, and maintenance, in addition to reasonable initial investment

2) Strengths of manufacturing in Japan

- Track record in manufacturing, transportation, and start-up in production in Japan

3) Future development direction and capacity expansion policy

- Decided to introduce machining equipment to expand production capacity
- Machines with 6,500-metric-ton and 9,000-metric-ton die clamping forces launched, with plans for 4,500-metric-ton and 7,300-metric-ton models
→ Lineup of 4 types of die clamping forces



UH9000 Die Casting Machine
(with 9,000-metric-ton die clamping force)

- Aiming to achieve a stock listing during the period of the FY2025–2030 Medium-Term Management Plan as the final stage of the company's transition to independent operations

MUCC Medium-Term Management Plan Overview and Priority Measures

Infinity with Will 2025 — MUCC Sustainable Plan 1st Step —

Three years for “groundwork toward corporate vision” and “preparation for new business creation and growth strategy”

Priority Action

Top priority

1. Strengthening and cost reduction of domestic cement business
2. Business growth in the U.S. and exploration of new business sites
3. Promotion of global warming countermeasures
4. Strengthening and expansion of domestic value chain
5. Enhancement of R&D and business management

- U.S. business as a growth driver
 - Strengthening the earnings base by maintaining appropriate prices and securing aggregate resources to drive further growth of the MUCC Group
- Stabilizing the foundation in Japan
 - Further strengthening the business foundation in Japan by promoting revisions to cement prices and reducing thermal energy costs
- Reducing GHG emissions
 - Focusing on the early realization of energy transition and early commercialization of CCU* to become an industry leader in carbon neutrality

* Carbon dioxide capture and utilization



Cushenberry Plant,
Mitsubishi Cement Corporation



Robertson's Ready Mix mixer truck
(U.S. ready-mixed concrete business)

7

Medium-Term Management Plan “UBE Vision 2030 Transformation — 2nd Stage”

Promoting and Advancing Sustainability Management; DX Initiatives

1. Empowering and Engaging a Diverse Workforce

The Group will foster an environment of innovation through collaboration among diverse talent, while securing, developing, and empowering personnel who will drive the global growth of its specialty businesses. It will also promote a talent strategy that supports the autonomous growth of each individual and enhances employees' satisfaction with working in the Group.

Pursuit of well-being

- Establishing an environment where each individual in the UBE Group can grow autonomously
- Promoting diversity, equity, and inclusion to create innovation
- Maintaining and improving employees' physical and mental health

Strategic talent management and development

- Acquiring and developing talent with both proactive (looking ahead and acting independently) and specialized capabilities that can adapt to new businesses and market changes
- Providing opportunities for all talent to thrive, with appropriate evaluation and treatment

Global talent

- Visualizing talent career aspirations, skills, and competencies at sites in each country to promote talent mobility and foster "UBE global culture"*

* A state in which individual talents are centrally managed through a shared platform, enabling cross-border career development, thereby fostering interactions among talent and strengthening the human resources that support global management.

FY2030 KPIs

Percentage of women in the workforce (UBE Group in Japan)

25%

Percentage of women in management positions (UBE Group in Japan)

10%

Total working hours (UBE)

1,880
hours or less

Percentage of eligible men taking child-care leave for 20 days or more (UBE)

50%
or more

Turnover rate (UBE)

2%
or less

Training and development investment per employee (UBE)

¥0.3
million

2. Ensuring Occupational Safety and Health, Process Safety, and Disaster Prevention

Shared value among executive officers and employees: “Safety takes priority over everything”

Steadily advancing inherent safety through initiatives to foster a safety-driven corporate culture and reduce risks

Driving continuous improvement through the PDCA cycle, guided by the Group’s Environmental and Safety Guidelines and related initiatives

Achieving sustainable stable operations through advanced equipment management using DX and strengthened education and training

3. Addressing Global Environmental Issues

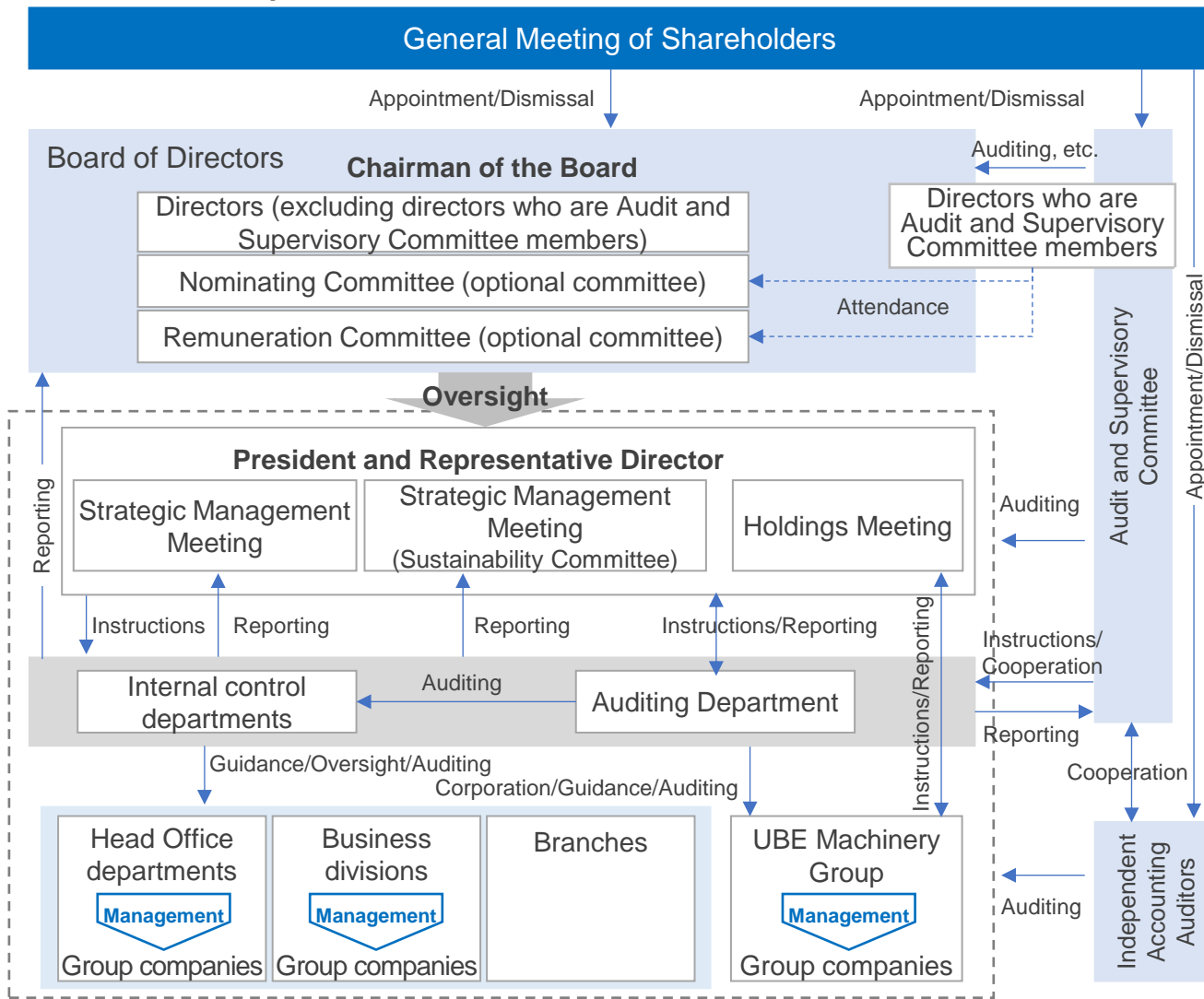
The Group will promote corporate management that contributes to solving global environmental issues by understanding business activities’ dependence on and impact on nature. It will take a comprehensive approach to global environmental issues through three key perspectives — carbon neutrality, the circular economy, and nature positivity — and will develop and implement measures to achieve the following goals.

Figures in parentheses represent projected results for FY2024.

Carbon neutrality	GHG emissions reduction rate (compared to FY2013)		Percentage of net sales comprising environmentally friendly products and technologies	
	FY2030 Target : 50% reduction Achieve ahead of schedule in FY2028 65% reduction expected (32%)	FY2035 Target 70% reduction	FY2030 Target 60% or more (46%)	
Circular economy	Reduction rate of landfilled plastic waste (compared to FY2022)	Plastic waste recycling rate	Sales volume of products contributing to the circular economy	
	FY2030 Target 50% or more (44%)	FY2030 Target 80% or more (77%)	FY2030 Target 50,000 metric tons or more (9,000 metric tons)	
Nature positivity	Addressing TNFD information disclosure			
	Promoting the development of KPIs and targets for TNFD information disclosure in FY2026			

4. Upholding Integrity and Fairness in Corporate Governance

Overview of Corporate Governance Structure



Enhancing effectiveness of the Board of Directors

- Improving governance by evaluating the effectiveness of the Board of Directors
- Enhancing the quality of oversight of the appropriateness and efficiency of business execution, as well as business management risks, through active dialogue with executives

Strengthening autonomous business execution and internal controls

- Based on clear execution policies, business divisions, etc. operate autonomously to achieve goals.
- Strengthening internal controls, such as ensuring compliance and risk management

Pursuing optimal group governance

- Supervising the operation of the machinery business (UBE Machinery) and cement-related business (Mitsubishi UBE Cement Corporation) through deliberation and reporting at Holdings Meetings
- Supervising the development of governance systems in preparation for the listing of each company

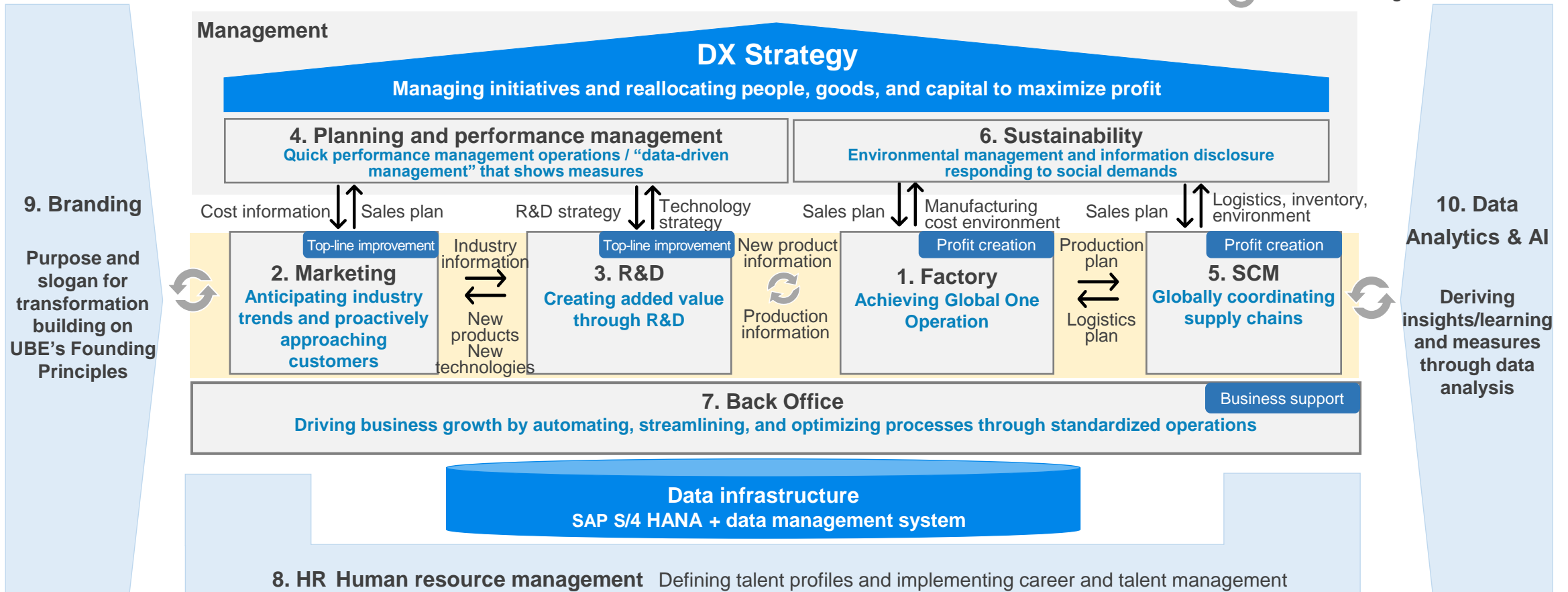
DX Initiatives

Transforming the Group's business approach in 10 key areas that cover the entire business operation by leveraging digital technology through linking customer and social value chains

10 DX Themes

- | | | | | |
|------------------|------------------------|-----------------|-----------------------|-------------------------|
| 1. Smart Factory | 2. Digital Marketing | 3. Velocity R&D | 4. Digital Management | 5. Digital SCM |
| 6. Digital ESG | 7. Digital Back Office | 8. Digital HR | 9. Branding | 10. Data Analytics & AI |

Information linkage → Data flow



8

Medium-Term Management Plan “UBE Vision 2030 Transformation — 2nd Stage”

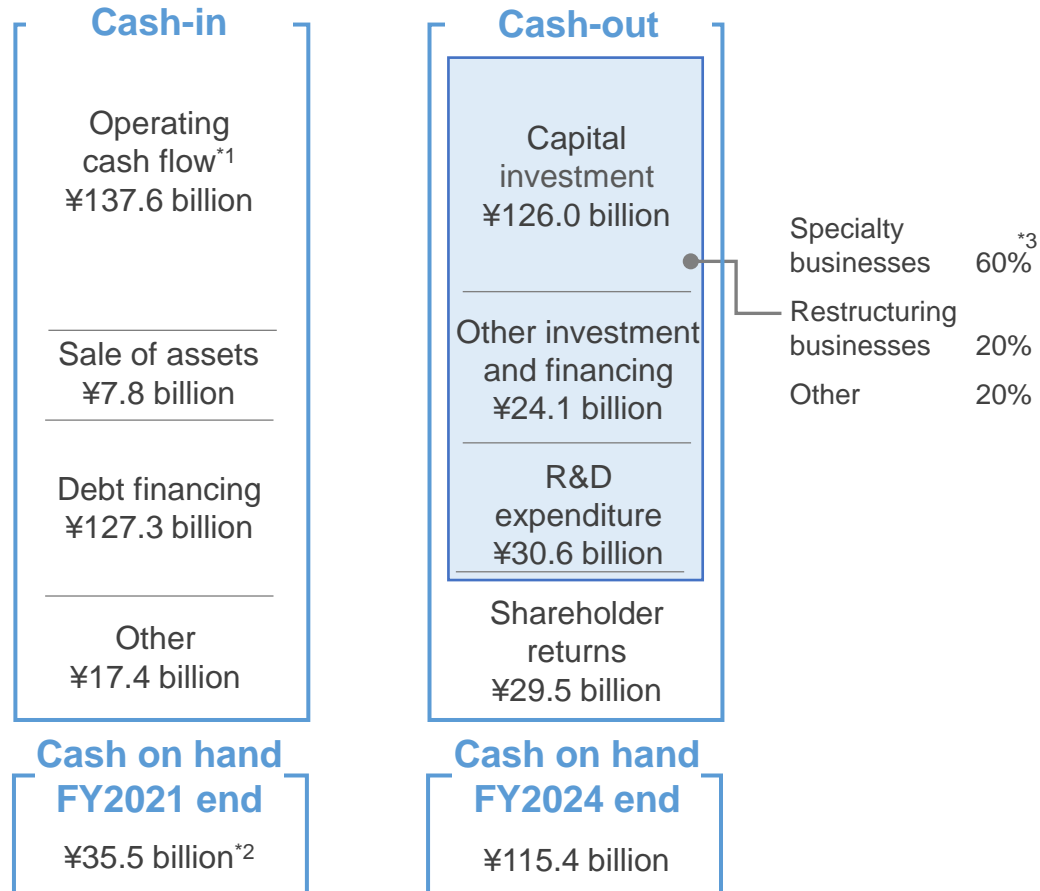
Capital Policy

Cash Allocation

During the six-year period of this Medium-Term Management Plan, the Group will secure funds through operating cash flow and asset sales, etc. and actively invest in specialty businesses.

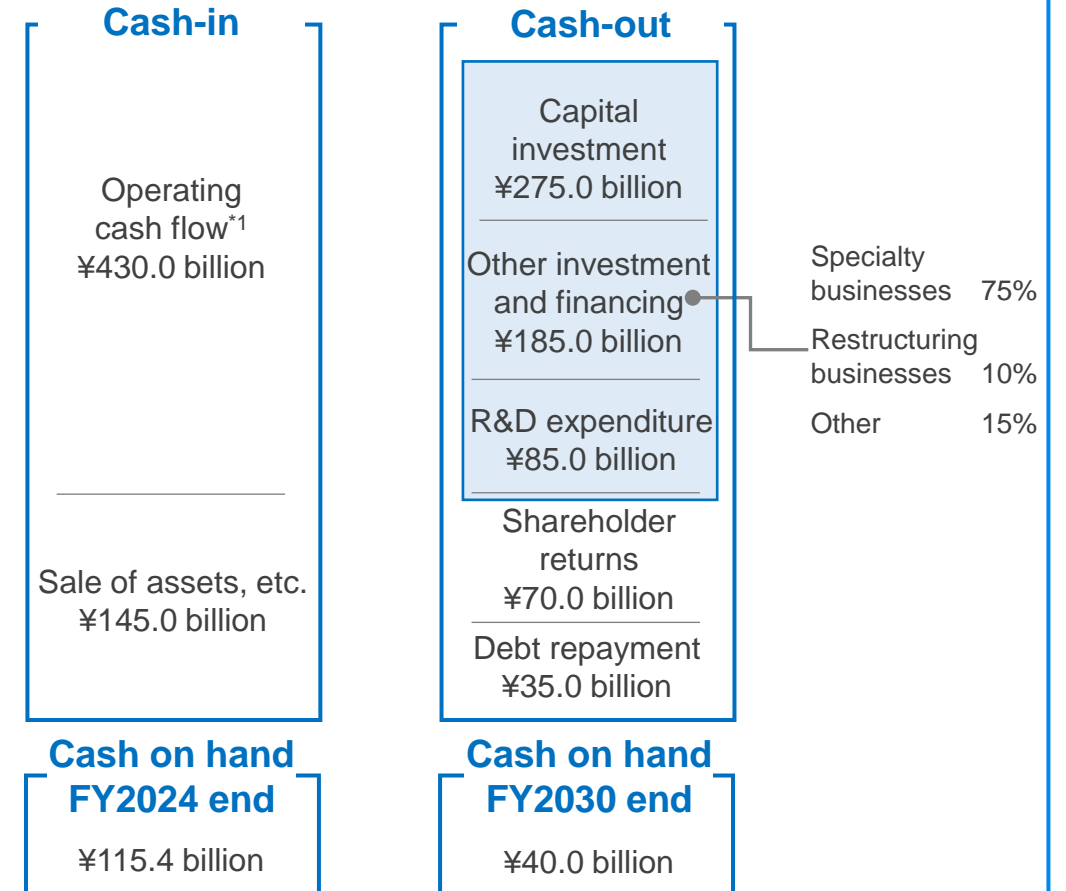
FY2022–2024 Medium-Term Management Plan

Approx. ¥325.6 billion



FY2025–2030 Medium-Term Management Plan

Approx. ¥690.0 billion



*1 Operating cash flow before R&D investment

*2 Excludes the cash and deposits transferred to Mitsubishi UBE Cement Corporation as of April 1, 2022

*3 Aggregated by business portfolio category in this Medium-Term Management Plan

Maintaining a Sound Financial Base

Achieving both growth investment and financial soundness by appropriately controlling the balance sheet

- During the Medium-Term Management Plan period, significant investments are planned to support the shift to specialty businesses. In addition, costs related to dismantling and removal associated with business restructuring will also be incurred in the latter three years.
- Although temporary financial stress is anticipated, financial discipline will be maintained, and interest-bearing debt will be kept within a range that preserves market confidence.
- Furthermore, financial structure will be improved through the planned stock listings of the machinery and cement-related businesses.

					(Billion yen)
	FY2024	FY2025	FY2026	FY2027	FY2030
Shareholders' equity	395.1	410.0	430.0	455.0	515.0
Interest-bearing liabilities	330.5	380.0	410.0	420.0	300.0
EBITDA	45.5	55.0	70.0	80.0	115.0
D/E ratio (times)	0.84	0.93	0.95	0.92	0.58
Debt to EBITDA ratio (times)	7.3	6.9	5.9	5.3	2.6

Shareholder Returns

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.

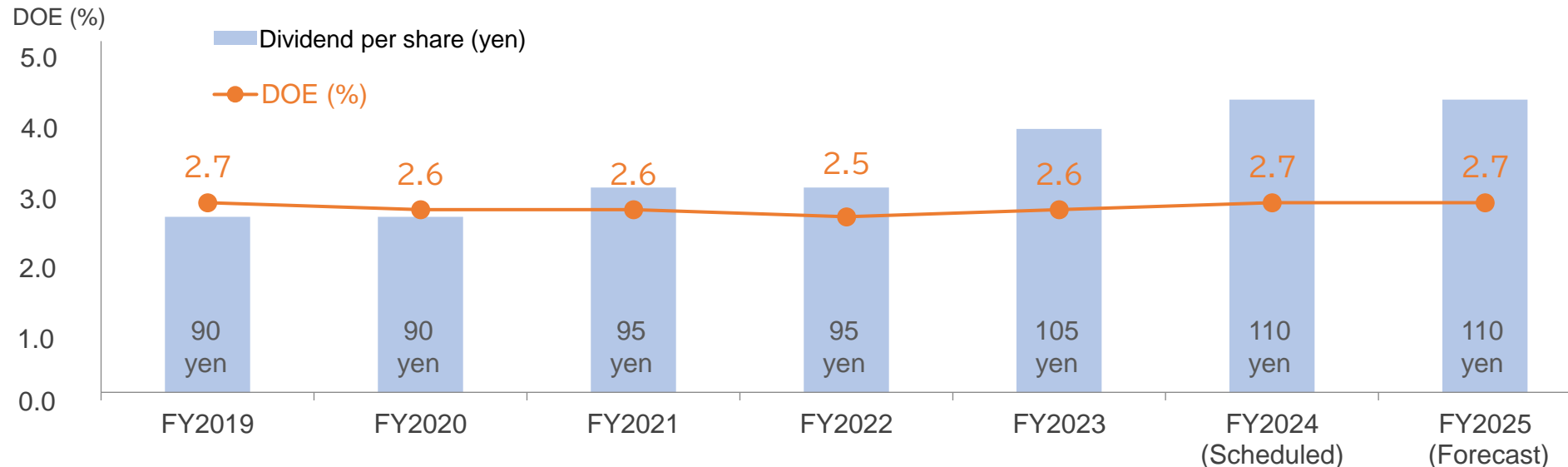
1st Stage (FY2022-2024)

Dividend on equity (DOE): 2.5% or above

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

2nd Stage (FY2025-2030)

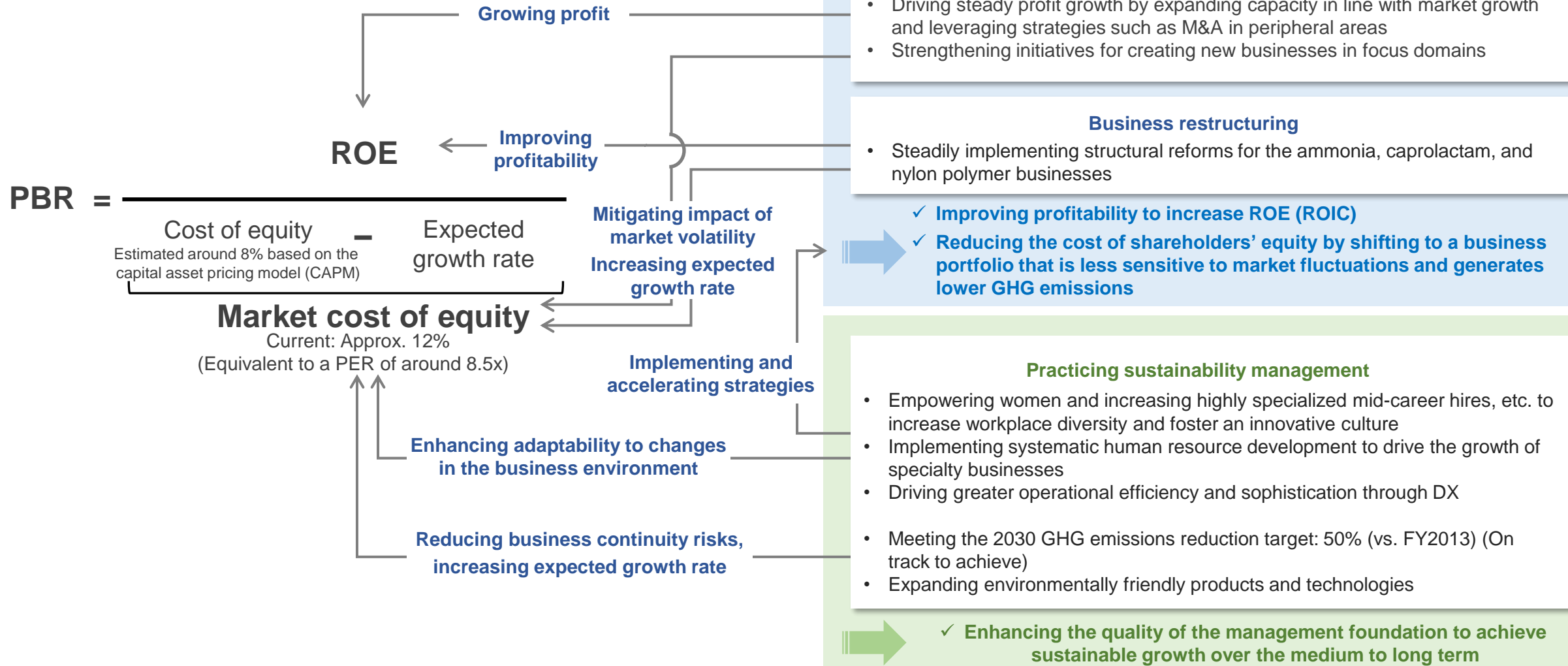
Dividend on equity (DOE): 2.5% or higher
(Aiming for progressive dividends)



* Total return ratio: Includes share repurchases (¥10 billion in FY2020, implemented in FY2021)

Initiatives to Realize Management That Considers Capital Cost and Stock Price

Improving price-to-book ratio (PBR) through the expansion of specialty businesses and structural reforms in ammonia, caprolactam, and nylon polymers businesses



9

Medium-Term Management Plan
“UBE Vision 2030 Transformation — 2nd Stage”
Growth Strategy for Specialty Businesses, etc.

➤ **Phenolic resin: Supporting semiconductor market growth through high-performance, high-quality products**

Priority Measures

Initiatives in the Medium-Term Management Plan

- 1) Expanding high-performance products and strengthening competitiveness
 - Maintaining a leading market share in curing agents for semiconductor encapsulants through a broad product lineup and high-quality offerings
 - Launched operations at the new facility (fifth plant) in November 2024 in anticipation of expanding demand for semiconductors and mobility applications
- 2) Developing heat-resistant products for power semiconductors
 - Expanding the next generation of heat-resistant products suited to the requirements of the heat-resistant power semiconductor market (SiC and GaN)

Key Growth Drivers

Understanding of the Market Environment

- 1) The semiconductor market is experiencing a recovery, and with the addition of AI applications, it is expanding further.
- 2) Energy-efficient power semiconductors and power modules are used in a wide range of fields, including mobility and industrial equipment, and the market is expanding. Demand is also increasing for heat-resistant products that can withstand the high operating temperatures of these devices.

➤ **High-purity chemicals for semiconductors: Strengthening profitability as a specialty business through planned capacity expansion and sales expansion in line with growing demand**

Priority Measures

Initiatives in the Medium-Term Management Plan

- 1) High-purity nitric acid
 - Ensuring planned production increases and profit realization in line with growing customer demand
 FY2026: Approx. 30% increase compared to current capacity
 FY2028: Approx. 25% increase compared to FY2026
- 2) High-purity aqueous ammonium
 - Increasing production and acquiring new customers in line with growing demand
 FY2027: Planning capacity expansion in anticipation of demand growth

Key Growth Drivers

Understanding of the Market Environment

- 1) With the expansion of semiconductor demand in Japan for generative AI, data centers, mobility, and other advanced ICT society applications, demand for high-purity chemicals is also expected to increase.
- 2) Sales opportunities for high-purity chemicals are expected to increase due to expanding demand in western Japan, including Kyushu near UBE's production sites, and business withdrawals by competitors.

➤ Improving market share by securing projects for HEVs and developing applications for non-automotive uses

Priority Measures

Initiatives in the Medium-Term Management Plan

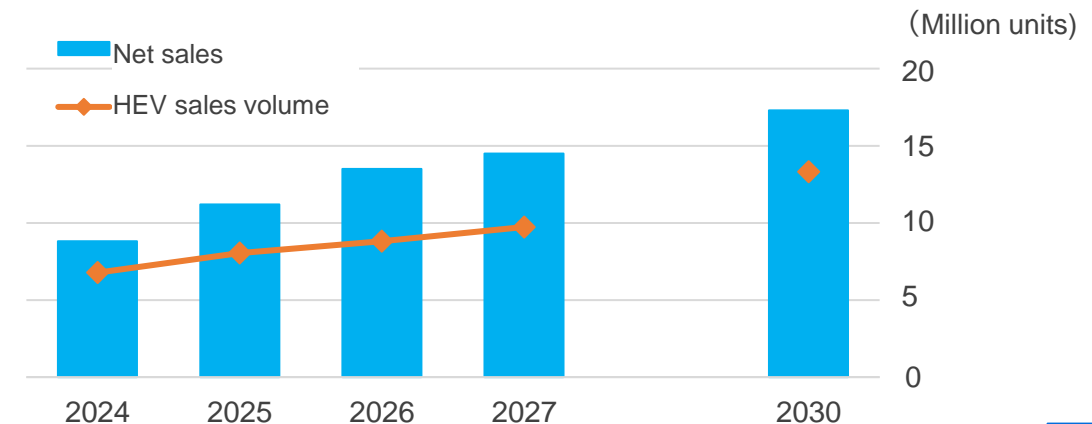
- 1) Automotive business: Expanding the HEV market
 - Aiming to increase market share in the HEV market by steadily capturing growing demand and pursuing new projects based on newly developed products
- 2) Non-automotive business: Developing applications leveraging dry separator characteristics
 - Expanding applications in data center ESS, drones, and other mobility fields by leveraging characteristics suitable for rapid charging and discharging (input/output characteristics)
 - Responding to the rapid growth of demand for AI data centers
- 3) Building a production system to accommodate expanding demand
 - Ensuring the successful startup of new facilities under construction (scheduled for 2026)
 - Strengthening cost competitiveness through production system optimization and the effects of increased production output

Key Growth Drivers

Understanding of the Market Environment

- 1) Automotive applications:
As EV market growth slows, there is a shift toward HEVs, with demand expected to grow — particularly in Japan and the U.S.
- 2) Non-automotive applications:
Inexpensive Chinese products are entering the market for general-purpose power tools, and with increased battery capacity, wet-process thin products are also being introduced to the market. On the other hand, our dry separators have advantages and are superior for high-output, fast-charging battery applications, where expanded applications can be expected.

HEV sales volume forecast and separator net sales outlook



- **Building a manufacturing foundation that will ensure safe, stable, and high-quality production, promoting specialization, and addressing global environmental issues**

Priority Measures

Initiatives in the Medium-Term Management Plan

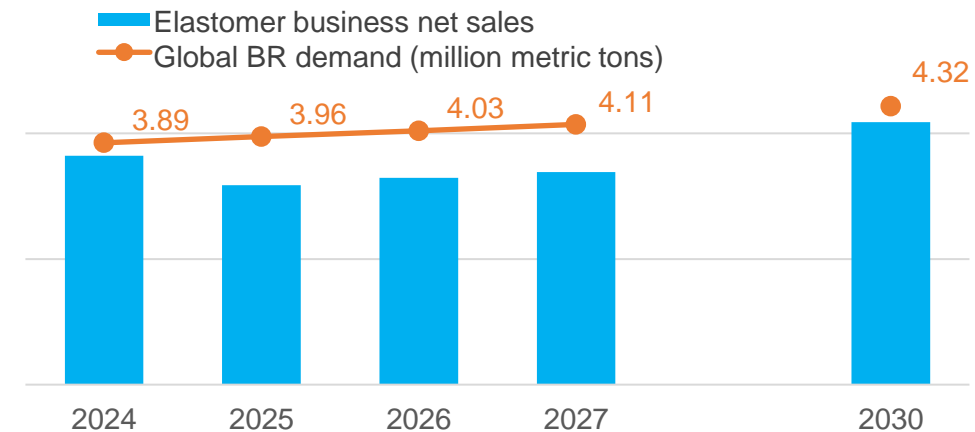
1. Building a manufacturing foundation that will ensure safe, stable, and high-quality production
 - 1) Stable procurement of the main raw material, butadiene (BD)
 - 2) Maximizing capacity through safe and stable operations
 - 3) Improving production technology
2. Promoting specialization
 - 1) Expanding sales of unique products
 - 2) Launching new grades
 - 3) Improving quality
3. Addressing global environmental issues
 - 1) Expanding sales of sustainable BR (polybutadiene rubber)
 - 2) Reducing CO₂ emissions

Key Growth Drivers

Understanding of the Market Environment

1. Butadiene rubber (BR) demand is primarily driven by tire applications. Demand is increasing, particularly in emerging markets.
2. Due to the expansion of BR production capacity centered in China, the supply-demand balance is disrupted, and market conditions are expected to remain sluggish for the time being.
→ Despite the challenging business environment, contributing stably to profits and cash flow

Global BR demand and elastomer business net sales outlook



Global BR demand cited from GlobalData's 2024 Report

- **Aiming to revitalize as a specialty business by strengthening profitability through restructuring and expansion of environmentally friendly products**

Priority Measures

Initiatives in the Medium-Term Management Plan

- 1) Reforming the profit structure
 - Focusing on market development and material development that leverage UBE's technical strengths
→ Redefining product value from a customer perspective, strengthening proposal-driven business, and advancing development themes with a focus on speed
 - Expanding product lineup by utilizing various resin materials
 - Expanding capacity in line with increasing localization needs (Thailand, Spain, and the U.S.)
- 2) Launching new businesses — Expanding environmentally friendly products
 - Accelerating market introduction of environmentally friendly products utilizing external sources
→ Bio-based, material recycling, chemical recycling
 - Expanding recycling business in Europe using Paulowsky acquired in December 2024, with future expansion into global markets

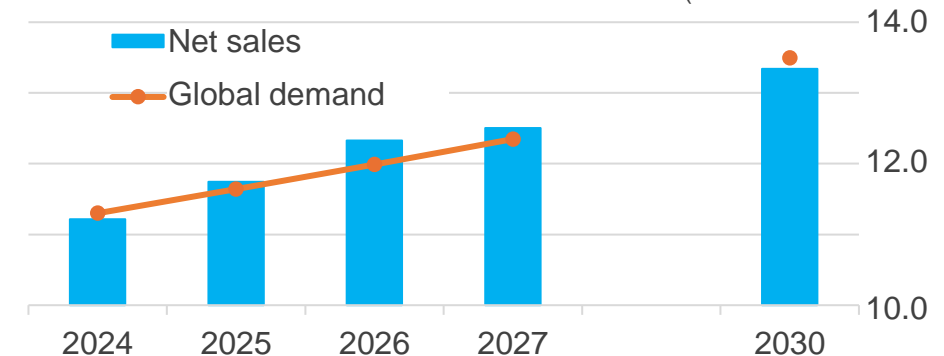
Key Growth Drivers

Understanding of the Market Environment

- 1) Although the Japanese automotive market is shrinking, demand for composite materials in the automotive field will continue to grow due to powertrain diversification, weight reduction of components, and high-performance requirements, such as heat resistance.
- 2) Localization is advancing as a result of tariff barriers and stricter chemical regulations.
- 3) Sustainable needs, such as environmental plastics, are expanding due to strengthened environmental regulations, including carbon pricing and European ELV regulations.*

* Regulations on the disposal and recycling of end-of-life vehicles

Global composite demand and composite business net sales outlook
(Demand: Million metric tons)



Note: Estimates by UBE based on various data



The forecasts contained in this presentation are based on certain assumptions judged to be reasonable by the Company when preparing this report. Actual results can vary significantly from forecasts, due to changes in a wide range of conditions. These conditions can include the economic status of major markets, demand and supply of products, prices for raw materials and fuel, interest and foreign exchange rates, and other prevailing conditions that can impact the business results of the Company.

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Business Segment	Product	Portfolio		
		Specialty Business	Restructuring Business	–
Specialty Products	Polyimide			
	Separation membranes			
	Ceramics			
	Separators			
	Phenolic resin			
	Semiconductor gases			
	Processed resin products			
High Performance Urethane	Urethane systems			
	High-performance coatings			
Pharmaceutical				
Polymers & Chemicals	Nylon polymers			
	Composites			
	Caprolactam and ammonium sulfate			
	Industrial chemicals			
	High-purity chemicals for semiconductors			
	C1 chemicals			
	Polyethylene films			
	Elastomers			
Machinery				
Others				

FY2022–2024 Medium-Term Management Plan

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

FY2025–2030 Medium-Term Management Plan

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

Area	Goal	Materiality	Main initiatives promoted globally	KPI
Growth	Solving social issues through our business	Expanding specialty businesses	Growth through the expansion of businesses based on existing core technologies and the creation of new businesses through the acquisition of new core technologies	Net sales
				EBITDA
				ROS
				ROE
				ROIC
			Commitment to innovation	Percentage of R&D expenses to net sales
			Discovery of seeds for the next generation	Percentage of overseas patent applications (corporate R&D)
				Percentage of joint patent applications
			Enhancement of customer satisfaction	Number of serious complaints related to quality or product safety
			Provision of high-quality and safe products and services	Number of serious quality or product safety incidents
Society	Well-being of workers and respect for human rights	Empowering and engaging a diverse workforce	Profit generation through the DX-driven transformation of operations and value creation for customers and society	Number of regulatory violations related to quality or product safety
				Return on DX investment
			Human resource management and development (UBE)	Investment in off-the-job training per person
			Development of human resources for DX promotion	Percentage of digital talent leading or advocating DX (within total workforce)
			Promotion of diversity, equity & inclusion (UBE Group in Japan)	Percentage of women in the workforce
				Percentage of women in management positions
				Percentage of employees with disabilities
			Enhancement of employee engagement	Employee turnover rate
				Employee engagement score
			Creation of a supportive and inclusive work environment	Percentage of annual paid leave taken
				Total actual annual working hours
				Percentage of male employees taking 20 days or more of childcare leave
		Ensuring occupational safety and health, process safety, and disaster prevention	Promotion of employee health (UBE Group in Japan)	Smoking rate
			Promotion of employee health (UBE)	Rating for presenteeism in the WFun questionnaire
			Promotion of occupational safety	Safety score (Lost work time injury frequency rate x 500 + No lost work time injury frequency rate x 100)
			Promotion of process safety and disaster prevention	Number of facility-related accidents
Environment	Conservation and restoration of the natural environment	Addressing global environmental issues	Promotion of environmental safety	Number of environmental accidents
			Reduction of GHG emissions to achieve carbon neutrality	GHG emissions reduction (Scopes 1 & 2)
			Promotion of a circular economy	Percentage of net sales comprising environmentally friendly products and technologies
				Reduction in plastic waste sent to landfill
				Plastic resources recycling rate
				Sales volume of circular economy-contributing products
			Reduction of chemical substance emissions	Reduction in emissions of 20 key chemical substances (from fiscal 2010 levels)
Governance	Stakeholder trust	Upholding integrity and fairness in corporate governance	Reduction of waste generation	Reduction in industrial waste sent to external landfill (from fiscal 2000 levels)
			Enhancement of compliance	Number of serious compliance violations
				E-learning completion rate
			Prevention of corruption	Number of serious corruption cases, such as collusion or embezzlement
				Bribery cases involving public officials
			Promotion of engagement with local communities	Amount invested in social contribution activities
			Thorough implementation and enforcement of effective information security measures	Number of information security incidents or accidents affecting external parties
				Information security evaluation score using Secure SketCH