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Ube Industries and Mitsubishi Materials Announce Signing of Definitive Agreement and Company Split for Integration of Cement Businesses

Ube Industries, Ltd. (“Ube Industries”) and Mitsubishi Materials Corporation (“Mitsubishi Materials”) today announced the signing of a definitive agreement between both companies (the “Definitive Agreement”) for the integration of their respective cement businesses and related businesses (the “Integration”), scheduled to be implemented around April 2022. The respective Board of Directors of Ube Industries and Mitsubishi Materials made formal resolutions at their meetings today to implement the Integration. The signing of the Definitive Agreement is pursuant to the announcement on February 12, 2020 by Ube Industries and Mitsubishi Materials that they had signed a letter of intent to engage in specific discussions and study of the Integration. The details of the Definitive Agreement and company split are as follows.

1. Purpose of the Integration

In 1998, Ube Industries and Mitsubishi Materials established Ube-Mitsubishi Cement Corporation (“Ube-Mitsubishi Cement”) as an equally-owned joint venture. Under the joint venture, the companies integrated their respective non-consolidated cement sales and logistics functions, realizing a certain degree of benefit including reductions in logistics costs as well as head office and branch office expenses.

While the business situations surrounding the cement business in Japan are currently undergoing significant changes, including slowing demand and fluctuating energy prices dramatically, it is necessary for Ube Industries and Mitsubishi Materials to establish a new framework for their cement businesses that develops the existing relationship, in order to realize the future growth of their cement businesses.

In light of these circumstances, Ube Industries and Mitsubishi Materials decided to integrate the respective cement businesses and related businesses of their corporate groups as an optimal strategic option to combine all of the advantages of the respective cement businesses and related businesses of both companies such as Ube Industries' (1) infrastructure facilities in the Ube area, including large port facilities and coal centers; (2) Nationwide ready-mixed concrete manufacturing and sales network; and (3) Ube Materials Industries, Ltd.'s inorganic materials business; and Mitsubishi Materials' (1) Kyushu Plant, which boasts the largest domestic production capacity; (2) Higashitani Mine, which has abundant limestone resources; (3) highly competitive Cement and ready-mixed concrete business in the United States.

In Japan, the integrated business will pursue strategies to enhance business efficiencies throughout the value chain, including by optimizing the framework for production and rebuilding the sales and logistics organizations for downstream businesses such as ready-mix concrete. Furthermore, the integrated business will seek to maximize synergies in order to further strengthen the business platform for the cement business in Japan to enhance its position as a company that contributes to the development of social infrastructure and a recycling-oriented society. The management resources generated from the cement business in Japan will be directed toward concentrated investment in businesses that are anticipated to generate future growth in and outside of Japan. This includes overseas cement and ready-mix concrete business and high-performance inorganic materials business based on high-quality limestone. Through these efforts, Ube Industries and Mitsubishi Materials will strive to achieve sustainable growth by building optimal business management systems for both companies.

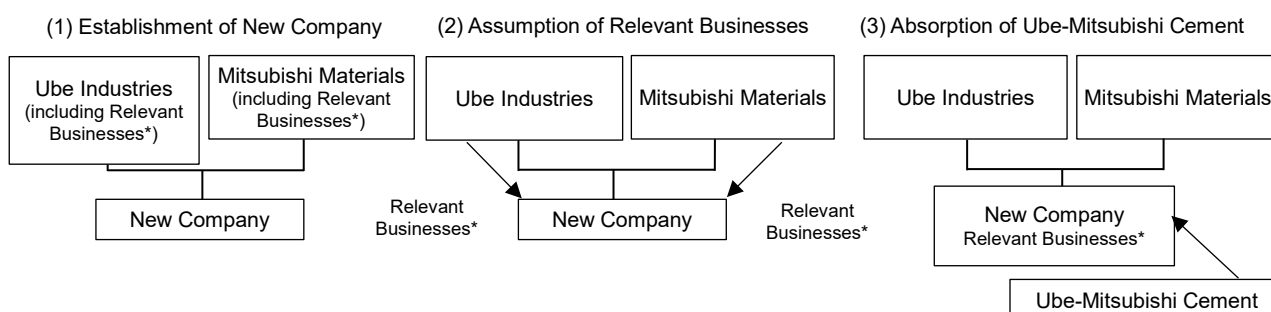
2. Summary of the Integration

(1) Scope and Method of the Integration

The scope of the Integration encompasses the cement and ready-mixed concrete businesses, limestone resources businesses, energy and environmental-related businesses, construction material businesses, and other related businesses (the “Relevant Businesses”) of Ube Industries and Mitsubishi Materials, both in and outside of Japan (the Relevant Businesses of Ube Industries, the “Ube Industries Relevant Businesses”; the Relevant Businesses of Mitsubishi Materials, the “Mitsubishi Materials Relevant Businesses”).

Ube Industries and Mitsubishi Materials plan to implement the Integration by establishing an equally-owned joint venture (the “New Company”) that will assume the respective relevant businesses (including shares of subsidiaries engaged in the relevant businesses) by a company split method (the company split by Ube Industries, the “Ube Industries Absorption-Type Company Split”; the company split by Mitsubishi Materials, the “Mitsubishi Materials Absorption-Type Company Split”; the Ube Industries Absorption-Type Company Split and the Mitsubishi Materials Absorption-Type Company Split, together, the “Joint Absorption-Type Company Split”). Additionally, the New Company will implement an absorption-type merger of Ube-Mitsubishi Cement, with Ube-Mitsubishi Cement as the absorbed company.

Following the Integration, Ube Industries and Mitsubishi Materials will each own a 50% stake in the New Company.



*Includes shares of subsidiaries that engage in the Relevant Businesses

(2) Schedule of the Integration

| | |
|---------------------------------------|--|
| September 29, 2020 (today) | Approval of the Definitive Agreement by the Board of Directors of both companies |
| September 29, 2020 (today) | Signing of the Definitive Agreement |
| April 2021 (may be subject to change) | Establishment of the New Company |
| May 2021 (may be subject to change) | Approval of the absorption-type company split agreement by the Board of Directors of both companies |
| May 2021 (may be subject to change) | Signing of the absorption-type company split agreement by both companies |
| June 2021 (may be subject to change) | Obtaining approval for the Integration at the ordinary general shareholders' meetings of Ube Industries and Mitsubishi Materials |
| April 2022 (may be subject to change) | Effective date of the Integration |

Note: Implementation of the Integration is subject to completing the necessary filings for the Integration with relevant agencies in and outside of Japan including the Japan Fair Trade Commission, and acquiring approvals (the “Approvals and Other Related Procedures”). Furthermore, it is subject to approval at the general shareholders' meetings of both companies (except where the integration clearly satisfies the requirements for a simplified absorption-type company split as stipulated in Article 784, Paragraph 2 of the Companies Act of Japan), and subject to circumstances or events not arising that critically and adversely impact the assets, debts, financial position, business results, cash flows or future revenue plans of the relevant businesses of both companies.

The Integration schedule is provisional at this time and subject to change based on discussions between the companies, because of the Approvals and Other Related Procedures or other reasons having to do with fulfilling necessary procedures.

(3) Method of the Integration

The Integration will take the form of an absorption-type joint venture involving (1) an absorption-type company split with Ube Industries as the splitting company and the New Company as the successor company, (2) an absorption-type company split with Mitsubishi Materials as the splitting company and the New Company as the successor company, and (3) a absorption-type company merger in which the New Company (being the wholly-owning parent company of Ube-Mitsubishi Cement through the Joint Absorption-Type

Company Split) will be the surviving company and Ube-Mitsubishi Cement (being the wholly-owned subsidiary of the New Company) will be the absorbed company.

(4) Details of Allocations for the Joint Absorption-Type Company Split

At the time of the Ube Industries Absorption-Type Company Split, the New Company will newly issue 450 shares and entirely allocate these shares to Ube Industries. Additionally, at the time of the Mitsubishi Materials Absorption-Type Company Split, the New Company will newly issue 450 shares equaling the shares allocated to Ube Industries and entirely allocate the shares to Mitsubishi Materials. As a result, the New Company will have issued 900 shares at the time of the Joint Absorption-Type Company Split. If the shares that the New Company issues and allocates to Ube Industries at the time of the Joint Absorption-Type Company Split are taken as one and the ratio of shares issued by the New Company to Mitsubishi Materials is 1:1 to that of Ube Industries (the “Agreed Share Allocation Ratio”), Ube Industries and Mitsubishi Materials will each continue to own 50% of the shares in the New Company.

(5) Handling of Stock Acquisition Rights and Bonds with Stock Acquisition Rights as a Result of the Joint Absorption-Type Company Split

Ube Industries and Mitsubishi Materials have not issued any stock acquisition rights or bonds with stock acquisition rights.

(6) Change in Capital Due to the Joint Absorption-Type Company Split

The capital amount of Ube Industries and Mitsubishi Materials will remain unchanged as a result of the Joint Absorption-Type Company Split.

(7) Rights and Obligations Assumed by the Successor Company

As a result of the Joint Absorption-Type Company Split, the New Company will assume the rights and obligations relating to the Relevant Businesses operated by Ube Industries and Mitsubishi Materials, on the date that the Joint Absorption-Type Company Split takes effect and with the exception of rights and obligations that are stipulated in the absorption-type company split agreement as not being assumed.

The assumption of obligations by the New Company as a result of the Joint Absorption-Type Company Split will be by an assumption of obligation releasing an old obligor.

(8) Expected Fulfillment of Obligations

Expected fulfillment of the obligations of Ube Industries, Mitsubishi Materials, and the New Company will not be an issue because (1) the amount of assets following the Joint Absorption-Type Company Split is expected to exceed the amount of debts and (2) circumstances that would hinder the fulfillment of obligations borne following the Joint Absorption-Type Company Split are not currently expected to arise.

3. Basis of the Allocations for the Joint Absorption-Type Company Split

(1) Basis of and Reasons for the Allocations

In determining the allotment of common stock of the New Company to be received by Ube Industries and Mitsubishi Materials in the Joint Absorption-Type Company Split, based on confirmation and careful review of the forecasts for the respective Relevant Businesses provided by each party, Ube Industries appointed Goldman Sachs Japan Co., Ltd. (“Goldman Sachs”) as a financial advisor independent from Ube Industries and Mitsubishi Materials and requested Goldman Sachs to perform financial analyses that indicated a range of illustrative equity values for the Ube Industries Relevant Businesses and the New Company and Mitsubishi Materials appointed Merrill Lynch Japan Securities Co., Ltd (“MLJS”) as a financial advisor independent from Mitsubishi Materials and Ube Industries and requested MLJS to perform financial analyses for the allotment related to the Joint Absorption-Type Company Split. After numerous careful negotiations and discussions between each party, comprehensively considering such confirmation and careful review of the forecasts for the respective Relevant Businesses provided by each party, the financial analyses by each financial advisor, the strategic rationale and expected synergies from the Integration, and other factors of

each party respectively, including the financial and business situation, the status of assets, and future prospects, Ube Industries and Mitsubishi Materials reached agreement on the allotment of common stock of the JV today as described under “2. Summary of the Integration—4) Details of Allocations for the Joint-Absorption-Type Company Split” above. At the time of adopting the resolutions in favor of the Integration at the respective meetings of each party’s Board of Directors, each of Ube Industries and Mitsubishi Materials received a financial analysis report (*santei-sho*) as of September 29, 2020 from its respective financial advisor as described under “—3) Matters relating to the Financial Analyses” below.

(2) Valuation and Contributed Net Debt of Relevant Businesses as Agreed in the Definitive Agreement

| | Relevant Businesses of Ube Industries | Relevant Businesses of Mitsubishi Materials |
|--|--|--|
| Adjusted Enterprise Value ¹ | 192.0 billion yen | 256.0 billion yen |
| Adjusted Net Debt/(Cash) ² | 7.6 billion yen | 71.6 billion yen |
| Equity Value | 184.4 billion yen | 184.4 billion yen |

- Adjusted Enterprise Value consists of (i) 100% of the enterprise value of the business of each party on a non-consolidated basis, (ii) the amount obtained by multiplying 100% of the enterprise value of the major consolidated subsidiaries of each party contributed to the New Company by the ownership percentage of each party in them, (iii) the amount obtained by multiplying 100% of the equity value of the associated companies of each party contributed to the New Company, excluding Ube-Mitsubishi Cement, by the ownership percentage of each party in them, and (iv) other adjustments excluding Adjusted Net Debt/(Cash).
- Adjusted Net Debt/(Cash) consists of (i) 100% of the net debt of the business of each party on a non-consolidated basis, and (ii) the amount obtained by multiplying 100% of the net debt of the consolidated subsidiaries of each party contributed to the New Company by the ownership of each party in them.

(3) Matters relating to the Financial Analyses

(i) Name of financial advisors and relationship to both companies

In order to ensure the fairness and appropriateness to Ube Industries of the allotment of common stock of the New Company to be received by Ube Industries in the Joint Absorption-Type Company Split, Ube Industries appointed Goldman Sachs as a financial advisor independent from Ube Industries and Mitsubishi Materials, requested the financial analyses of a range of illustrative equity values for the Ube Industries Relevant Businesses and the New Company, and received the Goldman Sachs Report (as defined below) dated September 29, 2020. Goldman Sachs does not constitute a related party of Ube Industries and Mitsubishi Materials, nor does it have any material interests in the Joint Absorption-Type Company Split.

At the time of deciding the Agreed Share Allocation Ratio for shares in the New Company in relation to the Joint Absorption-Type Company Split, Mitsubishi Materials selected MLJS as its financial advisor, being that MLJS is a third party appraiser who is independent of Mitsubishi Materials and Ube Industries. Mitsubishi Materials requested a financial analysis of the share allocation ratio for the Joint Absorption-Type Company Split. The Board of Directors of Mitsubishi Materials received the MLJS valuation report dated September 29, 2020, under the preconditions and other fixed conditions stated in the following Note. MLJS is not an affiliated party of Mitsubishi Materials or Ube Industries, and thus has no material interests that need be stated in relation to the Joint Absorption-Type Company Split.

(ii) Summary of Valuation Results and Fairness Opinions

(Goldman Sachs)

In the financial analysis report (*santei-sho*) regarding the Ube Industries Transaction Consideration (as defined below) delivered by Goldman Sachs to Ube Industries dated September 29, 2020 (the “Goldman Sachs Report”), Goldman Sachs performed an illustrative “give-gets” analysis using the results of (i) an illustrative discounted cash flow analysis and (ii) an illustrative present value of future equity value analysis with respect to each of (x) a range of illustrative equity values of the Ube Industries Relevant Businesses and (y) shares of common stock of the New Company representing 50% of the New Company’s total economic interests that are to be paid to Ube Industries pursuant to the Definitive Agreement in connection with, among other things, the contribution by Ube Industries of the Ube Industries Relevant Businesses (such shares of common stock, the “Ube Industries Transaction Consideration”).

Illustrative Discounted Cash Flow Analysis. Using certain internal financial analyses and forecasts for the Ube Industries Relevant Businesses and the New Company prepared by the management of Ube Industries, as approved for Goldman Sachs’ use by Ube Industries (the “Ube

Industries Forecasts”), including certain operating synergies projected by the management of Ube Industries to result from the Integration, as approved for Goldman Sachs’ use by Ube Industries (the “Synergies”), Goldman Sachs performed an illustrative discounted cash flow analysis on (i) the Ube Industries Relevant Businesses and (ii) shares of common stock of the New Company representing 50% of the New Company’s total economic interests to be paid to Ube Industries in the Joint Absorption-Type Company Split. The following table presents the results of the analysis:

| Financial Analyses Methodology | Ube Industries Relevant Businesses | Shares Representing 50% of the New Company’s Total Economic Interests |
|--------------------------------|---------------------------------------|---|
| Discounted cash flow analysis | 165.0 billion yen — 215.5 billion yen | 170.1 billion yen — 293.7 billion yen |

Illustrative Present Value of Future Equity Value Analysis. Goldman Sachs performed an illustrative analysis of a range of the implied present value of an illustrative future equity value for both (1) the Ube Industries Relevant Businesses and (2) shares of common stock of the New Company representing 50% of the New Company’s total economic interests to be paid to Ube Industries in the Joint Absorption-Type Company Split. The future equity value was determined based on estimated EBITDA using the Ube Industries Forecasts, a relevant multiple and the balance sheet from the Ube Industries Forecasts, as provided by Ube Industries. Future dividends, if any, were based on management guidance. The present value of future equity value analysis sums up the present value of (x) the future equity value as of a certain date and (y) future dividends to be distributed until such date, if any.

(1) Ube Industries Relevant Businesses

Goldman Sachs derived the implied equity values for the Ube Industries Relevant Businesses as of March 31 for each of the fiscal years 2023 to 2026, by applying a range of illustrative one-year forward EV/EBITDA multiples to estimated EBITDA for the Ube Industries Relevant Businesses for each of the fiscal years from 2024 to 2027 using the Ube Industries Forecasts. Goldman Sachs then discounted March 2023, March 2024, March 2025 and March 2026 values back one year, two years, three years and four years, respectively, using an illustrative discount rate, reflecting an estimate of cost of equity for the Ube Industries Relevant Businesses.

(2) Shares of common stock of the New Company representing 50% of the New Company’s total economic interests

Goldman Sachs derived the implied equity values for the New Company as of March 31 for each of the fiscal years 2023 to 2026, by applying a range of illustrative one-year forward EV/EBITDA multiples to estimated EBITDA for each business of the New Company for each of the fiscal years from 2024 to 2027, based on the Ube Industries Forecasts. Goldman Sachs then discounted March 2023, March 2024, March 2025 and March 2026 values back one year, two years, three years and four years, respectively, using an illustrative discount rate, reflecting an estimate of cost of equity for each business of the New Company. Goldman Sachs then added the cumulative dividends expected to be paid to Ube Industries by the New Company in each of the fiscal years 2023 to 2026, using the Ube Industries Forecasts for the New Company, and derived a range of implied present equity values for the New Company.

The following table presents the results of the analysis for both (1) the Ube Industries Relevant Businesses and (2) shares of common stock of the New Company representing 50% of the New Company’s total economic interests to be paid to Ube Industries in the Joint Absorption-Type Split:

| Financial Analyses Methodology | Ube Industries Relevant Businesses | Shares representing 50% of the New Company’s Total Economic Interests |
|--|---------------------------------------|---|
| Present value of future equity value analysis (using FY2024 EBITDA Estimate) | 127.7 billion yen — 152.6 billion yen | 132.6 billion yen — 160.3 billion yen |

| | | |
|--|---------------------------------------|---------------------------------------|
| Present value of future equity value analysis (using FY2025 EBITDA Estimate) | 133.4 billion yen — 157.9 billion yen | 145.6 billion yen — 174.2 billion yen |
| Present value of future equity value analysis (using FY2026 EBITDA Estimate) | 132.4 billion yen — 155.2 billion yen | 140.7 billion yen — 167.2 billion yen |
| Present value of future equity value analysis (using FY2027 EBITDA Estimate) | 135.7 billion yen — 158.0 billion yen | 150.8 billion yen — 177.9 billion yen |

Ube Industries also received a fairness opinion from Goldman Sachs that, as of September 29, 2020, and based upon and subject to the factors and assumptions set forth therein, including the limitations, assumptions and other matters described in “—(Supplementary Note)” below, the Ube Industries Transaction Consideration to be received by Ube Industries for the Ube Industries Relevant Businesses pursuant to the Definitive Agreement was fair from a financial point of view to Ube Industries (the “Goldman Sachs Fairness Opinion”).

(Supplementary Note)

Goldman Sachs provided its advisory services, the Goldman Sachs Report and the Goldman Sachs Fairness Opinion solely for the information and assistance of the Board of Directors of Ube Industries (the “Ube Industries Board”) in connection with its consideration of the Integration. The Goldman Sachs Report and the Goldman Sachs Fairness Opinion do not constitute a recommendation as to how any holder of Ube Industries’ common stock should vote with respect to the Integration, or any other matter. The Goldman Sachs Fairness Opinion addresses only the fairness from a financial point of view to Ube Industries, as of the date thereof, of the Ube Industries Transaction Consideration to be paid to Ube Industries for the Ube Industries Relevant Businesses pursuant to the Definitive Agreement. Goldman Sachs does not express any view on, and the Goldman Sachs Fairness Opinion does not address, any other term or aspect of the Definitive Agreement or the Integration or any term or aspect of any other agreement or instrument contemplated by the Definitive Agreement or entered into or amended in connection with the Integration, including, any allocation of the Ube Industries Transaction Consideration, any ongoing obligations of Ube Industries or the New Company, the fairness of the Integration to, or any consideration received in connection therewith by, the holders of any other class of securities, creditors, or other constituencies of Ube Industries; nor as to the fairness of the amount or nature of any compensation to be paid or payable to any of the officers, directors or employees of Ube Industries, the New Company or the Ube Industries Relevant Businesses, or class of such persons, in connection with the Integration, whether relative to the Ube Industries Transaction Consideration to be paid to Ube Industries for the Ube Industries Relevant Businesses pursuant to the Definitive Agreement or otherwise. The Goldman Sachs Report is necessarily based on economic, monetary, market and other conditions as in effect on, and the information made available to Goldman Sachs as of, September 28, 2020 and Goldman Sachs assumed no responsibility for updating, revising or reaffirming the Goldman Sachs Report based on circumstances, developments or events occurring after September 28, 2020. No such updating, revising or reaffirming has been conducted and therefore the Goldman Sachs Report should be evaluated in the context only of the circumstances and market conditions existing as of September 28, 2020. Except as otherwise noted, the quantitative information used in the Goldman Sachs Report, to the extent it is based on market data, is based on market data as it existed on or before September 25, 2020 and is not necessarily indicative of current market conditions.

Note: The following is additional information on the assumptions made, procedures followed, matters considered and limitations on the work undertaken in connection with preparing the Goldman Sachs Report, the Goldman Sachs Fairness Opinion and the financial analyses supporting such Goldman Sachs Fairness Opinion (such financial analyses, together with the Goldman Sachs Fairness Opinion, the “Goldman Sachs Fairness Materials”).

Goldman Sachs and its affiliates (collectively, “Goldman Sachs Group”) are engaged in advisory, underwriting and financing, principal investing, sales and trading, research, investment management and other financial and non-financial activities and services for various persons and entities. Goldman Sachs Group and its employees, and funds or other entities they manage or in which they invest or have other economic interests or with which they co-invest, may at any time purchase, sell,

hold or vote long or short positions and investments in securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments of Ube Industries, Mitsubishi Materials, any of their respective affiliates and third parties, including the New Company or any currency or commodity that may be involved in the Integration. Goldman Sachs has acted as financial advisor to Ube Industries in connection with, and has participated in certain of the negotiations leading to, the Integration. Goldman Sachs expects to receive fees for its services in connection with the Integration, the principal portion of which is contingent upon consummation of the Integration, and Ube Industries has agreed to reimburse certain of Goldman Sachs' expenses arising, and indemnify it against certain liabilities that may arise, out of its engagement. Goldman Sachs Group may also in the future provide financial advisory and/or underwriting services to Ube Industries, Mitsubishi Materials, the New Company and their respective affiliates for which Goldman Sachs' Investment Banking Division of Goldman Sachs Group may receive compensation.

In connection with preparing the Goldman Sachs Report and the Goldman Sachs Fairness Opinion, Goldman Sachs has reviewed, among other things, the Definitive Agreement; annual reports to stockholders and Annual Securities Reports (*Yuka Shoken Houkoku-Sho*) of Ube Industries for the five fiscal years ended March 31, 2020; certain interim reports to stockholders and Quarterly Reports (*Shihanki Houkoku-Sho*) of Ube Industries; certain other communications from Ube Industries to its stockholders; certain publicly available research analyst reports for Ube Industries; the unaudited financial statements of the Ube Industries Relevant Businesses for the three fiscal years ended March 31, 2020; the Ube Industries Forecasts, including the Synergies; annual reports to stockholders and Annual Securities Reports (*Yuka Shoken Houkoku-Sho*) of Mitsubishi Materials for the five fiscal years ended March 31, 2020; certain interim reports to stockholders and Quarterly Reports (*Shihanki Houkoku-Sho*) of Mitsubishi Materials; certain other communications from Mitsubishi Materials to its stockholders; certain publicly available research analyst reports for Mitsubishi Materials; the unaudited financial statements of the Mitsubishi Materials Relevant Businesses for the three fiscal years ended March 31, 2020; and certain estimates as to the amount of certain direct or indirect assets and/or liabilities of Ube Industries to be assumed by the New Company, relating to Ube Industries' cement and related businesses, as adjusted (the "Ube Industries Adjustments") and certain estimates as to the amount of certain direct or indirect assets and/or liabilities of Mitsubishi Materials to be assumed by the New Company, relating to Mitsubishi Materials' cement and related businesses, as adjusted (the "Mitsubishi Materials Adjustments"), in each case, as prepared by the management of Ube Industries and approved for Goldman Sachs' use by Ube Industries (the "Ube Industries Estimates"). Goldman Sachs also held discussions with members of the senior management of Ube Industries regarding their assessment of the strategic rationale for, and the potential benefits of, the Integration and the past and current business operations, financial condition and future prospects of the Ube Industries Relevant Businesses and of the New Company; compared certain financial information for the New Company and the Ube Industries Relevant Businesses with similar financial and stock market information for certain other companies the securities of which are publicly traded; and performed such other studies and analyses, and considered such other factors, as Goldman Sachs deemed appropriate.

For purposes of performing its financial analyses and preparing the Goldman Sachs Report and the Goldman Sachs Fairness Materials, Goldman Sachs, with Ube Industries' consent, relied upon and assumed the accuracy and completeness of all of the financial, legal, regulatory, tax, accounting and other information provided to, discussed with or reviewed by, Goldman Sachs, without assuming any responsibility for independent verification thereof. In that regard, Goldman Sachs assumed with Ube Industries' consent that the Ube Industries Forecasts, including the Synergies, and the Ube Industries Estimates were reasonably prepared on a basis reflecting the best currently available estimates and judgments of the management of Ube Industries. Goldman Sachs did not make an independent evaluation or appraisal of the assets and liabilities (including any contingent, derivative or other off-balance-sheet assets and liabilities) of Ube Industries or any of its subsidiaries, the Ube Industries Relevant Businesses, the Mitsubishi Materials Relevant Businesses or the New Company, and Goldman Sachs was not furnished with any such evaluation or appraisal. Goldman Sachs assumed that all governmental, regulatory or other consents and approvals necessary for the consummation of the Integration will be obtained without any adverse effect on Ube Industries, Mitsubishi Materials, the Ube Industries Relevant Businesses, the Mitsubishi Materials Relevant Businesses or the New Company or on the expected benefits of the Integration in any way meaningful to Goldman Sachs' analysis. Goldman Sachs has also assumed that the Integration will be consummated on the terms set forth in the Definitive Agreement, without the waiver or modification of any term or condition the

effect of which would be in any way meaningful to Goldman Sachs' analysis.

The Goldman Sachs Report and the Goldman Sachs Fairness Materials do not address the underlying business decision of Ube Industries to engage in the Integration, or the relative merits of the Integration as compared to any strategic alternatives that may be available to Ube Industries; nor do they address any legal, regulatory, tax or accounting matters. Goldman Sachs does not express any opinion as to the prices at which shares of Ube Industries or Mitsubishi Materials will trade at any time, as to the potential effects of volatility in the credit, financial and stock markets on Ube Industries, the New Company, the Ube Industries Relevant Businesses, Mitsubishi Materials, the Mitsubishi Materials Relevant Businesses or the Integration, or as to the impact of the Integration on the solvency or viability of Ube Industries, the New Company, the Ube Industries Relevant Businesses, Mitsubishi Materials or the Mitsubishi Materials Relevant Businesses or the ability of Ube Industries, the New Company, the Ube Industries Relevant Businesses, Mitsubishi Materials or the Mitsubishi Materials Relevant Businesses to pay their respective obligations when they come due. The Goldman Sachs Fairness Materials were necessarily based on economic, monetary, market and other conditions as in effect on, and the information made available to Goldman Sachs as of, the date hereof and Goldman Sachs assumes no responsibility for updating, revising or reaffirming the Goldman Sachs Fairness Opinion based on circumstances, developments or events occurring after the date hereof. The Goldman Sachs Fairness Opinion was approved by a fairness committee of Goldman Sachs. The Goldman Sachs Report and the Goldman Sachs Fairness Materials are not necessarily susceptible to partial analysis or summary description. Selecting portions of the Goldman Sachs Report, the Goldman Sachs Fairness Materials or the summary set forth above, without considering the analyses as a whole, could create an incomplete view of the processes underlying the Goldman Sachs Report and the Goldman Sachs Fairness Materials. Goldman Sachs did not attribute any particular weight to any factor or any analysis it performed.

(MLJS)

MLJS conducted valuations with respect to the Relevant Businesses subject to the Joint Absorption-Type Company Split using comparable companies' analysis and discounted cash flow analysis. The ranges of the share allotment ratio (the ratio of the number of shares that will be allocated to Ube Industries per share that will be allocated to Mitsubishi Materials in the Joint Absorption-Type Company Split) calculated by MLJS via the above mentioned methodologies are as follows:

| Valuation Methodology | Mitsubishi Materials | Ube Industries |
|--------------------------------|----------------------|----------------|
| Comparable companies' analysis | 1 | 0.78~1.40 |
| Discounted cash flow analysis | 1 | 0.83~1.38 |

Furthermore, Mitsubishi Materials' Board of Directors received an opinion dated September 29, 2020 from MLJS to the effect that the Agreed Share Allocation Ratio is fair from a financial point of view from Mitsubishi Materials' perspective (the "MLJS Fairness Opinion"), subject to the assumptions and conditions set forth in "(—Note)" below and certain other conditions.

(Note) The abovementioned MLJS Fairness Opinion and MLJS Valuation Results were submitted at the direction of Mitsubishi Materials by MLJS for the benefit and use of the Board of Directors of Mitsubishi Materials in connection with, and for the purpose of, Mitsubishi Materials' Board of Directors' evaluation of the Agreed Share Allocation Ratio provided in the Definitive Agreement from a financial point of view.

In arriving at the MLJS Fairness Opinion and the MLJS Valuation Results, MLJS has assumed and relied upon, without independent verification, the accuracy and completeness of the financial and other information and data publicly available or provided to or otherwise reviewed by or discussed with MLJS and have relied upon the assurances of the management of Mitsubishi Materials and Ube Industries that they are not aware of any facts or circumstances that would make such information or data inaccurate or misleading in any material respect. With respect to certain financial forecasts and estimates relating to the Mitsubishi Materials Relevant Businesses prepared or provided by the management of Mitsubishi Materials and the Mitsubishi Materials Relevant Businesses (the "Mitsubishi Materials Forecasts") that MLJS has been directed to utilize for purposes of the MLJS Valuation Results and the MLJS Fairness Opinion, MLJS has been advised by Mitsubishi Materials, and MLJS has assumed, that the Mitsubishi Materials Forecasts have been reasonably prepared on bases reflecting the

best currently available estimates and good faith judgments of the management of Mitsubishi Materials and the Mitsubishi Materials Relevant Businesses as to the future financial performance of, and are a reasonable basis on which to evaluate, the Mitsubishi Materials Relevant Businesses and the other matters covered thereby. With respect to certain financial forecasts and estimates relating to the Ube Industries Relevant Businesses prepared or provided by the management of Ube Industries and the Ube Industries Relevant Businesses (the “Ube Industries Forecasts”), MLJS has been advised by Ube Industries, and MLJS has assumed, with the consent of Mitsubishi Materials, that the Ube Industries Forecasts have been reasonably prepared on bases reflecting the best currently available estimates and good faith judgments of the management of Ube Industries and the Ube Industries Relevant Businesses as to the future financial performance of the Ube Industries Relevant Businesses and the other matters covered thereby. With respect to an alternative version of the Ube Industries Forecasts incorporating certain adjustments thereto made by the management of Mitsubishi Materials and the Mitsubishi Materials Relevant Businesses (the “Adjusted Ube Industries Forecasts”), MLJS has assumed, at the direction of Mitsubishi Materials, that the Adjusted Ube Industries Forecasts have been reasonably prepared on bases reflecting the best currently available estimates and good faith judgments of the management of Mitsubishi Materials and the Mitsubishi Materials Relevant Businesses as to the future financial performance of, and are a reasonable basis on which to evaluate, the Ube Industries Relevant Businesses and, based on the assessments of such management as to the relative likelihood of achieving the future financial results reflected in the Ube Industries Forecasts and the Adjusted Ube Industries Forecasts, MLJS has relied, at the direction of Mitsubishi Materials, on the Adjusted Ube Industries Forecasts for purposes of the MLJS Valuation Results and the MLJS Fairness Opinion. With respect to financial information that has been prepared in foreign currencies and converted based on certain exchange rates, MLJS also has assumed, at the direction of Mitsubishi Materials, that such exchange rates are reasonable to utilize for purposes of MLJS’s analyses and MLJS does not express any opinion as to currency or exchange rate fluctuations or the impact thereof on MLJS’s analyses and opinion. The MLJS Valuation Results and the MLJS Fairness Opinion are prepared based upon financial information prepared in accordance with generally accepted accounting principles in Japan.

MLJS has relied, at the direction of Mitsubishi Materials, on the assessments of the management of Mitsubishi Materials as to (i) the potential impact on the Relevant Businesses of geopolitical, macroeconomic and other conditions in the markets in which the Relevant Businesses operate, certain market, competitive and other trends and developments and prospects of the industries in which the Contributed Businesses operate, and governmental, regulatory and legislative matters, relating to or affecting, the industries in which the Relevant Businesses operate, and (ii) existing and future agreements and arrangements involving, and the ability to attract, retain and/or replace, key employees, suppliers and other commercial relationships of, the Relevant Businesses. MLJS has assumed, at the direction of Mitsubishi Materials, that there will be no developments with respect to any such matters that would be meaningful in any respect to MLJS’s analyses and opinion.

MLJS has not made or been provided with any independent evaluation or appraisal of the assets or liabilities (contingent, derivative, accrued, off-balance sheet or otherwise) of Mitsubishi Materials, Ube Industries, the Relevant Businesses or any other entity or business, nor has MLJS made any physical inspection of the properties or assets of Mitsubishi Materials, Ube Industries the Relevant Businesses or any other entity or business. MLJS has not evaluated the solvency or fair value of Mitsubishi Materials, Ube Industries, the Relevant Businesses or any other entity or business under any state, federal, foreign or other laws relating to bankruptcy, insolvency or similar matters. MLJS has assumed, at the direction of Mitsubishi Materials, that the Joint Absorption-Type Company Split will be consummated in accordance with its terms and in compliance with all applicable laws, documents and other requirements, without waiver, modification or amendment of any material term, condition or agreement, and that, in the course of obtaining the necessary governmental, regulatory and other approvals, consents, releases and waivers for the Joint Absorption-Type Company Split, no delay, limitation, restriction or condition, including any divestiture requirements or amendments or modifications, will be imposed or occur that would have an adverse effect on Mitsubishi Materials, Ube Industries, the Relevant Businesses or the contemplated benefits of the Joint Absorption-Type Company Split or that otherwise would be meaningful in any respect to MLJS’s analyses and opinion. MLJS expresses no opinion or view as to the sufficiency or impact of any transfers or other steps involved in effecting the Joint Absorption-Type Company Split and MLJS has assumed, at the direction of Mitsubishi Materials, that the New Company will acquire or retain all assets, properties and rights necessary for the operations of, and will not directly or indirectly assume or incur any liabilities or obligations that are contemplated to be excluded from, the Relevant Businesses. MLJS also has

assumed, at the direction of Mitsubishi Materials, that the executed version of the Definitive Agreement will not differ in any material respect from the execution version reviewed by MLJS.

MLJS expresses no opinion or view regarding the Joint Absorption-Type Company Split's terms and conditions, other aspects or meaning (except to the extent specified in the MLJS Fairness Opinion with respect to the share allotment ratio), including as to the structure and form of the Joint Absorption-type Company Split and the closing adjustment and any other terms, aspects, meaning, etc. in the existing joint venture agreement, the shareholders' agreement and the memorandum of understanding, understandings, arrangements and agreements entered into in relation to the Joint Absorption-type Company Split, the Relevant Businesses, etc. In addition, MLJS expresses no opinion or view with respect to any aspect (including the terms, aspects and meaning regarding the merger planned to be consummated between Ube-Mitsubishi Cement, the joint venture whose shares are currently 50% owned by each of Mitsubishi Materials and Ube Industries, and the New Company) regarding Ube-Mitsubishi Cement. Also, MLJS is not soliciting, and has not been requested by Mitsubishi Materials to solicit, or propose, or solicit indications of interest to or from third parties regarding alternative transactions that include all or a portion of the Mitsubishi Materials Relevant Businesses or other businesses of Mitsubishi Materials. The MLJS Fairness Opinion is limited to the fairness, from a financial point of view, to Mitsubishi Materials of the Agreed Share Allocation Ratio and no opinion or view is expressed with respect to any consideration received in connection with the Joint Absorption-Type Company Split by the holders of any class of securities, creditors or other constituencies of any party. In addition, the MLJS Fairness Opinion does not address the fairness (financial or otherwise) of the amount, nature or any other aspect of any compensation or other consideration to any of the officers, directors or employees of any party to the Joint Absorption-Type Company Split or any related entities, or class of such persons, relative to the Agreed Share Allocation Ratio or otherwise. Furthermore, the MLJS Fairness Opinion does not address the relative merits of the Joint Absorption-Type Company Split in comparison to other strategies or transactions that might be available to Mitsubishi Materials or with respect to the Mitsubishi Materials Relevant Businesses or in which Mitsubishi Materials might engage or as to the underlying business decision of Mitsubishi Materials to proceed with or effect the Joint Absorption-Type Company Split. The MLJS Fairness Opinion and the MLJS Valuation Results only relate to the relative values of the Mitsubishi Materials Relevant Businesses and the Ube Industries Relevant Businesses, as set out in the MLJS Fairness Opinion and the MLJS Valuation Results. MLJS expresses no opinion as to what the value of the New Company or the New Company Common Stock actually will be when created or issued, the prices at which the New Company Common Stock or any other securities may be transferable at any time, or the allocated values agreed upon by Mitsubishi Materials and Ube Industries to be attributable to the Mitsubishi Materials Relevant Businesses and the Ube Industries Relevant Businesses. In addition, MLJS does not opine or recommend as to how any stockholder or other security holder of Mitsubishi Materials or Ube Industries should vote or act in connection with the Joint Absorption-Type Company Split or any other matter. MLJS expresses no opinion or view with respect to, and has relied at the direction of Mitsubishi Materials upon the assessments of Mitsubishi Materials and its representatives regarding, legal, regulatory, accounting, tax and similar matters, including, without limitation, as to tax or other consequences of the Joint Absorption-Type Company Split or otherwise or changes in, or the impact of, accounting standards or tax and other laws, regulations and governmental and legislative policies affecting, Mitsubishi Materials, Ube Industries, the Relevant Businesses or the Joint Absorption-Type Company Split, as to which MLJS understands that Mitsubishi Materials obtained such advice as it deemed necessary from qualified professionals.

MLJS has acted as financial advisor to Mitsubishi Materials in connection with the Joint Absorption-Type Company Split and will receive fees for its services, the principal portion of which is contingent upon consummation of the Joint Absorption-Type Company Split. In addition, Mitsubishi Materials has agreed to reimburse MLJS's expenses and indemnify MLJS against certain liabilities arising out of its engagement.

MLJS and its affiliates comprise a full service securities firm and commercial bank engaged in securities, commodities and derivatives trading, foreign exchange and other brokerage activities, and principal investing as well as providing investment, corporate and private banking, asset and investment management, financing and financial advisory services and other commercial services and products to a wide range of companies, governments and individuals. MLJS and its affiliates may, in the ordinary course of businesses, invest on a principal basis or on behalf of customers or manage funds that invest, make or hold long or short positions, finance positions or trade or otherwise effect transactions in equity, debt or other securities or financial instruments (including derivatives, bank loans or other obligations) of Mitsubishi Materials, Ube Industries, the New Company and/or their respective affiliates. MLJS

and its affiliates may be currently providing, and in the future may provide, investment banking, commercial banking and other financial services to Mitsubishi Materials, Ube Industries and/or their respective affiliates and may receive compensation for the rendering of these services.

The MLJS Fairness Opinion and the MLJS Valuation Results are necessarily based on financial, economic, monetary, market and other conditions and circumstances as in effect on, and the information made available to MLJS as of, the date hereof (except as otherwise noted). The credit, financial and stock markets, and the industries in which the Relevant Businesses operate, have experienced and may continue to experience unusual volatility and MLJS expresses no opinion or view as to any potential effects of such volatility on the Relevant Businesses, Mitsubishi Materials, Ube Industries, the New Company or the Joint Absorption-Type Company Split. It should be understood that subsequent developments may affect the MLJS Fairness Opinion and the MLJS Valuation Results, and MLJS does not have any obligation to update, revise or reaffirm the MLJS Fairness Opinion or the MLJS Valuation Results.

As mentioned above, the description of MLJS's analyses above is an overview of the main financial analyses submitted by MLJS to Mitsubishi Materials' Board of Directors in connection with the abovementioned MLJS Fairness Opinion and the MLJS Valuation Results, and does not cover the entirety of the analyses conducted by MLJS in connection with the abovementioned MLJS Fairness Opinion. It should be noted that the preparation of the abovementioned MLJS Fairness Opinion and the underlying analyses are complex processes involving various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances. MLJS's analyses should be considered as a whole and in context. Selecting portions of MLJS's analyses and the factors considered or focusing on information presented in certain formats, without considering all analyses and factors, could create a misleading or incomplete view of MLJS's analyses, opinion and the underlying processes. A reference to a specific analysis in the explanation of the basis of and events leading to the abovementioned valuation does not mean such analysis was more important than other analyses in the explanation of the basis of and analysis leading to the abovementioned valuation.

Estimates of the future performance of the Mitsubishi Materials Relevant Businesses and the Ube Industries Relevant Businesses in or underlying MLJS's analyses are not necessarily indicative of actual values or actual future results, which may be significantly more or less favorable than those estimates or those suggested by such estimates. MLJS's analyses do not purport to be an appraisal or to reflect the prices at which a company or business might actually be sold or transferred or the prices at which any securities may trade or otherwise be transferable at any time. Accordingly, the estimates used in, and the reference ranges reflected in the abovementioned analyses, are inherently subject to substantial uncertainty and should not be taken as MLJS's view of the actual values of the Mitsubishi Materials Relevant Businesses or the Ube Industries Relevant Businesses. It should be noted that the MLJS Fairness Opinion and the MLJS Valuation Results are only one of many factors that are considered by the Board of Directors of Mitsubishi Materials in its evaluation of the Joint Absorption-Type Company Split and is not intended to be determinative of the views of Mitsubishi Materials' Board of Directors or management with respect to the Agreed Share Allocation Ratio or otherwise.

MLJS does not provide any legal, compliance, regulatory, accounting or tax-related advice.

(4) Expectation of Delisting and Reasons Thereof

There are no expectations of a delisting of Ube Industries or Mitsubishi Materials due to the Joint Absorption-Type Company Split.

4. Summary of the Companies Involved in the Joint Absorption-Type Company Split

(1) Overview of the Splitting Companies

| | | |
|-------------------|---|--------------------------------------|
| 1. Name | Ube Industries | Mitsubishi Materials |
| 2. Location | 1978-96 Kogushi, Ube, Yamaguchi Prefecture | 3-2-3, Marunouchi, Chiyoda-ku, Tokyo |
| 3. Representative | Masato Izumihara, President and Representative Director | Naoki Ono, Chief Executive Officer |

| | | | | | | |
|---|---|---|--|----------------------|-----------|-----------|
| 4. Business Description | Business related to chemicals, construction materials, machinery, etc. | The manufacture and sale of copper & copper alloy products and electronic materials & components, the manufacture and sale of cemented carbide products and sintered parts, the smelting, refining and sale of copper, gold, and silver, the manufacture and sale of cement and ready-mixed concrete, and energy-related and environmental and recycling-related businesses | | | | |
| 5. Capital | 58,434 million yen | 119,457 million yen | | | | |
| 6. Date of Establishment | March 10, 1942 | April 1, 1950 | | | | |
| 7. Shares Issued | 106,200,107 | 131,489,535 | | | | |
| 8. Fiscal Year-End | March 31 | March 31 | | | | |
| 9. Number of Employees (As of March 31, 2020) | 10,890 (Consolidated) | 28,601 (Consolidated) | | | | |
| 10. Main Financing Banks (As of March 31, 2020) | MUFG Bank, Ltd., Mizuho Bank, Ltd., The Norinchukin Bank, Yamaguchi Bank, Ltd., Sumitomo Mitsui Trust Bank, Limited | MUFG Bank, Ltd., Mizuho Bank, Ltd., The Norinchukin Bank, The Hachijuni Bank, Ltd., Development Bank of Japan Inc. | | | | |
| 11. Shareholders ¹ (As of March 31, 2020) | The Master Trust Bank of Japan, Ltd. (Trust Account) | 8.67% | The Master Trust Bank of Japan, Ltd. (Trust Account) | 7.31% | | |
| | Japan Trustee Services Bank, Ltd. (Trust Account) | 5.82% | Japan Trustee Services Bank, Ltd. (Trust Account) | 6.56% | | |
| | Japan Trustee Services Bank, Ltd. (Trust Account 5) | 1.98% | Northern Trust Co. (AVFC) Re Silchester International Investors International Value Equity Trust | 4.41% | | |
| | Sumitomo Life Insurance Company | 1.97% | Meiji Yasuda Life Insurance Company | 2.37% | | |
| | JP Morgan Chase Bank 385151 | 1.90% | Northern Trust Co. (AVFC) Re U.S. Tax Exempted Pension Funds | 2.37% | | |
| | Government of Norway | 1.79% | Japan Trustee Services Bank, Ltd. (Trust Account 5) | 2.03% | | |
| | JP Morgan Chase Bank 385771 | 1.63% | Japan Trustee Services Bank, Ltd. (Trust Account 9) | 1.88% | | |
| | Nippon Life Insurance Company | 1.58% | JP Morgan Chase Bank 385151 | 1.72% | | |
| | Yamaguchi Bank, Ltd. | 1.53% | Northern Trust Co. (AVFC) Sub A/C Non Treaty | 1.57% | | |
| | J.P. Morgan Bank Luxembourg S.A.1300000 | 1.51% | MUFG Bank, Ltd. | 1.53% | | |
| 12. Relationship between Ube Industries and Mitsubishi Materials | | | | | | |
| Capital relations | Not applicable. Ube Industries and Mitsubishi Materials own equal stakes in Ube-Mitsubishi Cement. | | | | | |
| Human relations | Not applicable. | | | | | |
| Business relations | Ube Industries and Mitsubishi Materials have dealings involving the purchase and sale of limestone. | | | | | |
| Applicability to related parties | Not applicable. | | | | | |
| 13. Consolidated Earnings and Financial Data for Last Three Years (Million Yen) | | | | | | |
| | Ube Industries | | | Mitsubishi Materials | | |
| Fiscal year | FY2018/3 ² | FY2019/3 | FY2020/3 | FY2018/3 | FY2019/3 | FY2020/3 |
| Net assets | 336,861 | 354,552 | 354,447 | 768,495 | 723,337 | 586,034 |
| Gross assets | 742,445 | 740,286 | 727,269 | 2,011,067 | 1,938,270 | 1,904,050 |

| | | | | | | |
|---|----------|----------|----------|-----------|-----------|-----------|
| Net assets per share (yen) | 3,002.86 | 3,261.23 | 3,287.73 | 5,211.20 | 4,838.31 | 3,870.35 |
| Net sales | 695,574 | 730,157 | 667,892 | 1,599,533 | 1,662,990 | 1,516,100 |
| Operating profit | 50,250 | 44,551 | 34,033 | 72,819 | 36,861 | 37,952 |
| Ordinary profit | 50,728 | 47,853 | 35,724 | 79,621 | 50,679 | 49,610 |
| Profit attributable to owners of parent | 31,680 | 32,499 | 22,976 | 34,595 | 1,298 | -72,850 |
| Net income per share (yen) | 301.65 | 312.36 | 227.33 | 264.15 | 9.92 | -556.34 |
| Dividend per share (yen) | 75.00 | 80.00 | 90.00 | 80.00 | 80.00 | 80.00 |

Notes

1. Deduction of treasury stock is calculated into the shareholding ratio.
2. Ube Industries conducted a consolidation of shares by consolidating every 10 shares into one share effective October 1, 2017. Net assets per share, net income per share, and dividend per share are calculated based on the assumption that the share consolidation took place at the beginning of the fiscal year ended March 31, 2017.

(2) Overview of the Successor Company

| | |
|---|---|
| 1. Name | To be decided |
| 2. Location | Tokyo |
| 3. Representative | To be decided |
| 4. Business Description | Investigation of markets related to the cement, ready-mixed concrete, limestone, resource recycling, power utility, coal, construction materials, and other related businesses, and the investigation and obtainment of approvals required for conducting these businesses. |
| 5. Capital | 50 million yen |
| 6. Date of Establishment | April 2021 (may be subject to change) |
| 7. Shares Issued | 100 |
| 8. Fiscal Year-End | March 31 |
| 9. Shareholders | Ube Industries (50%), Mitsubishi Materials (50%) |
| 10. Relationship with the Splitting Companies | |
| Capital relations | Equity method affiliate equally owned by Ube Industries and Mitsubishi Materials. |
| Human relations | Dispatch of directors and other personnel from Ube Industries and Mitsubishi Materials. |
| Business relations | Not applicable. |
| Applicability to related parties | The company is an affiliated company of Ube Industries and Mitsubishi Materials, and is a related party. |

Note: The above information is for the status immediately after establishing the New Company. The status of the New Company after the Integration is provided below under “6. Status after the Joint Absorption-Type Company Split (Scheduled as of April 1, 2022)” —“(2) Overview of the Successor Company”.

5. Overview of Splitting Businesses

(1) Description of Splitting Business Departments

| Ube Industries | Mitsubishi Materials |
|--|--|
| Cement business, ready-mixed concrete business, construction materials business, resources business, coal business and electric power (Independent power producer business) business, etc. | Cement business, ready-mixed concrete business, coal business, construction materials and mineral products business, and civil engineering and construction business, etc. |

(2) Sales Result of Splitting Business Departments (for Fiscal Year Ended March 31, 2020)

| Ube Industries | Mitsubishi Materials |
|-------------------------------|-------------------------------|
| Net sales 292,245 million yen | Net sales 245,954 million yen |

(3) Splitting Assets, Debts, and Book Values (Forecasts for March 31, 2022)

Ube Industries

| Assets | | Liabilities | |
|--------------------|---------------------|------------------------------|---------------------|
| Current assets | 136,680 million yen | Interest-bearing liabilities | 47,923 million yen |
| Non-current assets | 170,555 million yen | Other liabilities | 74,771 million yen |
| Total | 307,234 million yen | Total | 122,694 million yen |

Mitsubishi Materials

| Assets | | Liabilities | |
|--------------------|---------------------|------------------------------|---------------------|
| Current assets | 79,230 million yen | Interest-bearing liabilities | 97,501 million yen |
| Non-current assets | 270,217 million yen | Other liabilities | 56,151 million yen |
| Total | 349,447 million yen | Total | 153,652 million yen |

Note: Assumed amounts will be the actual amounts as of the Joint Absorption-Type Company Split taking effect.

6. Status after the Joint Absorption-Type Company Split (Scheduled as of April 1, 2022)

(1) Overview of the Splitting Companies

| | | |
|-------------------------|--|---|
| 1. Name | Ube Industries, Ltd. | Mitsubishi Materials Corporation |
| 2. Location | 1978-96 Kogushi, Ube, Yamaguchi Prefecture | 3-2-3, Marunouchi, Chiyoda-ku, Tokyo |
| 3. Representative | Masato Izumihara, President and Representative Director | Naoki Ono, Chief Executive Officer |
| 4. Business Description | Business related to chemicals, construction materials, machinery, etc. | The manufacture and sale of copper & copper alloy products and electronic materials & components, the manufacture and sale of cemented carbide products and sintered parts, the smelting, refining and sale of copper, gold, and silver, the manufacture and sale of cement and ready-mixed concrete, and energy-related and environmental and recycling-related businesses |
| 5. Capital | 58,434 million yen | 119,457 million yen |
| 6. Fiscal Year-End | March 31 | March 31 |
| 7. Net Assets | Not finalized at this point in time | Not finalized at this point in time |
| 8. Gross Assets | Not finalized at this point in time | Not finalized at this point in time |

(2) Overview of the Successor Company

| | |
|-------------------------|--|
| 1. Name | To be decided |
| 2. Location | Chiyoda-ku, Tokyo |
| 3. Representative | To be decided |
| 4. Business Description | Manufacturing, processing, sales, purchasing, importing, and exporting of cement and other ceramic products, prefabricated homes, civil engineering and construction materials, and agricultural materials |
| 5. Capital | 50,000 million yen |
| 6. Fiscal Year-End | March 31 |

7. Overview of Accounting Process

The Joint Absorption-Type Company Split is scheduled to be processed as the formation of a jointly controlled enterprise, based on the Accounting Standard for Business Combinations and Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures.

8. Future Outlook

The Joint Absorption-Type Company Split will have no impact on the fiscal 2020 consolidated financial results of both companies. Matters to be disclosed will be promptly disclosed when decided.