
Consolidated Financial Summary
For the First Quarter of Fiscal 2015, the Fiscal Year Ending March 31, 2015

Prepared in Conformity with Accounting Principles Generally Accepted in Japan (Japanese GAAP)
English Translation of the Original Japanese-Language Report

Corporate Name:	UNITED ARROWS LTD.
Securities Traded:	Tokyo Stock Exchange, First Section
Code Number:	7606
URL:	http://www.united-arrows.co.jp
Representative:	Mitsuhiro Takeda, Representative Director, President and Executive Officer
Contact:	Takeo Nakazawa, Department Manager, Finance and Accounting Department
Telephone:	+81-3-5785-6325
Scheduled Date of Dividend Payment:	—
Scheduled Reporting Date:	August 13, 2014
Supplementary Information:	Yes

Note: Figures smaller than ¥100 million are rounded down.

1. Consolidated Business Results for the First Quarter of Fiscal 2015, the Fiscal Year Ending March 31, 2015 (April 1, 2014 to June 30, 2014)

(1) Consolidated Business Performance

(% indicates increase / decrease YoY)

	Total Sales		Operating Profit		Ordinary Profit		Net Income	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
1Q Fiscal 2015	29,850	2.1	2,959	(17.2)	3,010	(15.5)	1,720	(16.8)
1Q Fiscal 2014	29,247	13.6	3,572	(2.5)	3,561	(3.7)	2,067	(10.2)

Note: Comprehensive income 1Q Fiscal 2015: ¥1,715 million (-17.6%) 1Q Fiscal 2014: ¥2,082 million (-6.5%)

	Net Income per Share	Net Income per Share after Adjusting for Dilutive Effects
	yen	yen
1Q Fiscal 2015	54.03	—
1Q Fiscal 2014	65.00	—

Note: There is no dilutive shares for 1Q Fiscal 2014 and 1Q Fiscal 2015.

(2) Consolidated Financial Conditions

	Total Assets	Net Assets	Equity Ratio	Per-share net worth
	¥ million	¥ million	%	¥
June 30, 2014	59,410	31,751	53.4	997.09
March 31, 2014	59,296	31,532	53.2	990.22

Reference: Net worth June 30, 2014: ¥31,751million March 31, 2014 ¥31,532million

2. Conditions of Dividend Payment

	Annual Dividend				
	1Q End	2Q End	3Q End	Fiscal Year End	Annual
	yen	yen	yen	yen	yen
Fiscal 2014	-	20.00	-	47.00	67.00
Fiscal 2015	-				
Fiscal 2015 (Forecast)		20.00	-	58.00	78.00

Note: Revision to recently disclosed projected dividend payment: None

3. Projected Consolidated Performance of the Fiscal Year Ending March 2015 (From April 1, 2014 to March 31, 2015)

(% indicates increase / decrease YoY)

	Total Sales		Operating Profit		Ordinary Profit		Net Income		Net Income per Share
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	yen
Interim Period	59,754	5.4	3,663	(17.0)	3,702	(16.7)	1,819	(25.3)	57.14
Full Fiscal Year	135,914	5.8	14,119	3.4	14,200	3.4	8,257	4.3	259.31

Note: Revision to recently disclosed projected consolidated performance: None

4. Others

(1) Changes in Significant Subsidiaries during the Current Quarter: None

(Changes in special subsidiaries that caused a change in scope of consolidation)

(2) Adoption of Special Accounting Methods for Preparing Quarterly Consolidated Financial Statements: None

(3) Changes in Accounting Principles, Procedures, Methods of Presentation and Other Items

1. Changes due to revision of accounting standards: None
2. Changes other than 1: None
3. Changes in accounting estimates: None
4. Restatement of prior period financial statements after error corrections: None

(4) Number of Stocks Issued (Common Stocks)

1. Number of stocks issued at term end (including treasury stock)

1Q Fiscal 2015	37,800,000 stocks	Fiscal 2014	37,800,000 stocks
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2. Number of treasury stock

1Q Fiscal 2015	5,956,024 stocks	Fiscal 2014	5,956,024 stocks
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3. Average number of stocks issued and outstanding for the period

1Q Fiscal 2015	31,843,976 stocks	1Q Fiscal 2014	31,803,765 stocks
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*Note on the status of audit procedure implementation

This Financial Results Report is not subject to the audit procedures prescribed under the Financial Instruments and Exchange Act of Japan. As of the date this Financial Results Report was disclosed, however, audit procedures applicable to financial statements prescribed under the aforementioned Financial Instruments and Exchange Act were in the process of being carried out.

*Explanation regarding appropriate use of projected business performance

The above projection was made based on information available at present. Please note in advance that potential risks and uncertainties are included. The actual figures might differ from the figures stated above due to any possible factor. Please refer to the attached documents starting from the next page for the preconditions and further information for the projected figures.

Consolidated Financial Results
(1) Quarterly Consolidated Balance Sheet

(millions of yen)

	Fiscal 2014 (as of March 31, 2014)	1Q Fiscal 2015 (as of June 30, 2014)
Assets		
Current assets		
Cash and deposits	5,633	5,224
Notes and accounts receivable-trade	245	48
Merchandise	20,026	22,168
Supplies	345	378
Accounts receivable-other	9,904	8,336
Other	2,639	2,092
Allowance for doubtful accounts	(3)	(2)
Total current assets	38,791	38,245
Noncurrent assets		
Property, plant and equipment		
Buildings and structures (net)	7,620	7,883
Other (net)	1,773	1,884
Total property, plant and equipment	9,394	9,767
Intangible noncurrent assets		
Other	1,746	1,714
Total intangible noncurrent assets	1,746	1,714
Investments and other assets		
Guarantee deposits	7,422	7,474
Other	1,967	2,234
Allowance for doubtful accounts	(26)	(26)
Total investments and other assets	9,363	9,682
Total noncurrent assets	20,504	21,164
Total assets	59,296	59,410

Liabilities		
Current liabilities		
Notes and accounts payable-trade	9,155	8,656
Short-term loans payable	4,400	8,400
Current portion of long-term loans payable	681	—
Income taxes payable	3,421	497
Provision for bonuses	1,970	797
Provision for directors' bonuses	103	1
Provision for directors' retirement benefits	309	—
Other	5,077	6,558
Total current liabilities	25,120	24,911
Noncurrent liabilities		
Asset retirement obligations	2,631	2,735
Other	11	11
Total noncurrent liabilities	2,642	2,747
Total liabilities	27,763	27,658
Net assets		
Shareholders' equity		
Capital stock	3,030	3,030
Capital surplus	4,095	4,095
Retained earnings	30,517	30,741
Treasury stock	(6,119)	(6,119)
Total shareholders' equity	31,523	31,747
Accumulated other comprehensive income		
Other valuation adjustments on securities	7	11
Deferred gains or losses on hedges	(1)	(10)
Forex adjustment account	3	2
Total accumulated other comprehensive income	9	4
Total net assets	31,532	31,751
Total liabilities and net assets	59,296	59,410

(2) Statements of Consolidated Income and Comprehensive Income

Statements of Consolidated Income

First Quarter (Three Months Aggregate)

	Previous 1Q (3 months aggregate) (from April 1, 2013 to June 30, 2013)	Current 1Q (3 months aggregate) (from April 1, 2014 to June 30, 2014)
Net sales	29,247	29,850
Cost of sales	12,627	12,941
Gross profit	16,620	16,908
Selling, general and administrative expenses	13,047	13,949
Operating income	3,572	2,959
Non-operating income		
Interest income	0	0
Dividend income	-	7
Foreign exchange gains	-	31
Purchase discounts	12	12
Rent income	10	8
Other	16	17
Total non-operating income	38	77
Non-operating expenses		
Interest expenses	15	6
Foreign exchange loss	19	-
Rent expenses	5	6
Other	9	13
Total non-operating expenses	50	27
Ordinary income	3,561	3,010
Extraordinary profit		
Gains from sale of noncurrent assets	1	19
Total extraordinary profit	1	19
Extraordinary loss		
Loss on retirement of noncurrent assets	24	60
Impairment loss	92	149
Total extraordinary loss	116	209
Income before income taxes	3,446	2,819
Income taxes-current	755	450
Income taxes-deferred	624	649
Total income taxes	1,379	1,099
Income before minority interests	2,067	1,720
Net income	2,067	1,720

Statements of Consolidated Comprehensive Income

First Quarter (Three Months Aggregate)

(millions of yen)

	Previous 1Q (3 months aggregate) (from April 1, 2013 to June 30, 2013)	Current 1Q (3 months aggregate) (from April 1, 2014 to June 30, 2014)
Income before minority interests	2,067	1,720
Other comprehensive income		
Other valuation adjustments on securities	7	4
Deferred gains or losses on hedges	7	(8)
Forex adjustment account	-	(0)
Total other comprehensive income	15	(5)
Quarterly comprehensive income	2,082	1,715
(Breakdown)		
Quarterly comprehensive income attributable to owners of the parent	2,082	1,715
Quarterly Comprehensive income attributable to minority interests	-	-

(3) Consolidated Cash Flows

(millions of yen)

	Previous 1Q (3 months aggregate) (from April 1, 2013 to June 30, 2013)	Current 1Q (3 months aggregate) (from April 1, 2014 to June 30, 2014)
Cash flows from operating activities		
Income before income taxes	3,446	2,819
Depreciation	403	420
Depreciation of intangible assets	46	44
Amortization of long-term prepaid expenses	30	33
Impairment loss	92	149
Increase (decrease) in provision for bonuses	(1,345)	(1,173)
Increase (decrease) in provision for directors' bonuses	(106)	(101)
Increase (decrease) in provision for directors' retirement benefits	(4)	-
Increase (decrease) in allowance for doubtful accounts	(0)	(0)
Interest and dividends income	(0)	(7)
Interest expenses	15	6
Increase in notes receivable	378	1,645
Increase in inventories	(1,758)	(2,174)
Increase in other current assets	(124)	34
Increase in purchase liabilities	1,313	1,197
Increase (decrease) in other current liabilities	(856)	78
Increase (decrease) in other noncurrent liabilities	3	5
Other	25	(25)
Subtotal	1,560	2,951
Interest and dividends income received	0	7
Interest expenses paid	(15)	(6)
Income taxed paid	(2,322)	(3,306)
Provision for directors' retirement benefits paid	-	(309)
Net cash provided by operating activities	(777)	(664)

(millions of yen)

	Previous 1Q (3 months aggregate) (from April 1, 2013 to June 30, 2013)	Current 1Q (3 months aggregate) (from April 1, 2014 to June 30, 2014)
Cash flows from investment activities		
Payments into time deposits	(3)	(3)
Purchase of property, plant and equipment	(980)	(1,156)
Payments for asset retirement obligations	(10)	-
Proceeds from sales of property, plant and equipment	-	21
Purchase of intangible assets	(62)	(64)
Purchase of long-term prepaid expenses	(326)	(493)
Payment for guarantee deposits	(157)	(97)
Proceeds from collection of guarantee deposits	20	45
Other	2	0
Net cash provided by investment activities	(1,517)	(1,747)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	3,400	4,000
Repayment of long-term loans payable	(843)	(681)
Proceeds from disposal of treasury stock	62	-
Cash dividends paid	(1,062)	(1,319)
Other	(0)	-
Net cash provided by financing activities	1,556	1,999
Effect of exchange rate change on cash and cash equivalents	-	(0)
Increase (decrease) in cash and cash equivalents	(739)	(412)
Cash and cash equivalents at beginning of term	6,142	5,429
Cash and cash equivalents at end of term	5,402	5,016