
Consolidated Financial Summary
For the Third 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:	February 12, 2015
Supplementary Information:	Yes

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

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

(1) Consolidated Business Performance

(% indicates increase / decrease YoY)

	Total Sales		Operating Profit		Ordinary Profit		Net Income	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
3Q Fiscal 2015	96,399	2.9	9,577	(12.4)	9,663	(11.8)	5,760	(9.9)
3Q Fiscal 2014	93,638	10.6	10,927	(5.9)	10,954	(6.0)	6,396	(5.4)

Note: Comprehensive income 3Q Fiscal 2015: ¥5,777 million (-10.0%) 3Q Fiscal 2014: ¥6,422 million (-4.4%)

	Net Income per Share	Net Income per Share after Adjusting for Dilutive Effects
	yen	yen
3Q Fiscal 2015	180.91	—
3Q Fiscal 2014	200.95	—

Note: There is no dilutive shares for 3Q Fiscal 2014.

(2) Consolidated Financial Conditions

	Total Assets	Net Assets	Equity Ratio	Per-share net worth
	¥ million	¥ million	%	¥
December 31, 2014	70,004	35,176	50.2	1,104.67
March 31, 2014	59,296	31,532	53.2	990.22

Reference: Net worth December 31, 2014: ¥35,176 million March 31, 2014 ¥31,532 million

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	-	20.00	-		
Fiscal 2015 (Forecast)				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
Full Fiscal Year	130,000	1.2	10,800	(20.9)	11,000	(19.9)	6,100	(23.0)	191.56

Note: Revision to recently disclosed projected consolidated performance: Yes

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)

3Q Fiscal 2015	37,800,000 stocks	Fiscal 2014	37,800,000 stocks
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2. Number of treasury stock

3Q 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

3Q Fiscal 2015	31,843,976 stocks	3Q Fiscal 2014	31,830,674 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)	3Q Fiscal 2015 (as of December 31, 2014)
Assets		
Current assets		
Cash and deposits	5,633	5,979
Notes and accounts receivable-trade	245	147
Merchandise	20,026	27,879
Supplies	345	427
Accounts receivable-other	9,904	12,432
Other	2,639	1,922
Allowance for doubtful accounts	(3)	(2)
Total current assets	38,791	48,786
Noncurrent assets		
Tangible noncurrent assets		
Buildings and structures (net)	7,620	7,979
Other (net)	1,773	1,830
Total tangible noncurrent assets	9,394	9,810
Intangible noncurrent assets		
Other	1,746	1,680
Total intangible noncurrent assets	1,746	1,680
Investments and other assets		
Guarantee deposits	7,422	7,696
Other	1,967	2,053
Allowance for doubtful accounts	(26)	(21)
Total investments and other assets	9,363	9,727
Total noncurrent assets	20,504	21,217
Total assets	59,296	70,004

(millions of yen)

	Fiscal 2014 (as of March 31, 2014)	3Q Fiscal 2015 (as of December 31, 2014)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	9,155	10,896
Short-term loans payable	4,400	12,550
Current portion of long-term loans payable	681	-
Income taxes payable	3,421	253
Provision for bonuses	1,970	691
Provision for directors' bonuses	103	-
Provision for directors' retirement benefits	309	-
Other	5,077	7,629
Total current liabilities	25,120	32,020
Noncurrent liabilities		
Asset retirement obligations	2,631	2,795
Other	11	11
Total noncurrent liabilities	2,642	2,807
Total liabilities	27,763	34,827
Net assets		
Shareholders' equity		
Capital stock	3,030	3,030
Capital surplus	4,095	4,095
Retained earnings	30,517	34,144
Treasury stock	(6,119)	(6,119)
Total shareholders' equity	31,523	35,150
Accumulated other comprehensive income		
Other valuation adjustments on securities	7	17
Deferred gains or losses on hedges	(1)	4
Forex adjustment account	3	4
Total accumulated other comprehensive income	9	26
Total net assets	31,532	35,176
Total liabilities and net assets	59,296	70,004

(2) Statements of Consolidated Income and Comprehensive Income

Statements of Consolidated Income

Third Quarter (Nine Months Aggregate)

(millions of yen)

	Previous 3Q (9 months aggregate) (from April 1, 2013 to December 31, 2013)	Current 3Q (9 months aggregate) (from April 1, 2014 to December 31, 2014)
Net sales	93,638	96,399
Cost of sales	42,566	44,395
Gross profit	51,071	52,003
Selling, general and administrative expenses	40,144	42,425
Operating income	10,927	9,577
Non-operating income		
Interest income	0	0
Dividend income	0	8
Foreign exchange gains	—	3
Purchase discounts	37	33
Rent income	27	31
Other	83	107
Total non-operating income	150	185
Non-operating expenses		
Interest expenses	44	25
Comission fees	0	-
Foreign exchange loss	25	-
Rent expenses	17	26
Other	35	46
Total non-operating expenses	123	98
Ordinary income	10,954	9,663
Extraordinary profit		
Gain on sales of noncurrent assets	1	19
Total extraordinary profit	1	19
Extraordinary loss		
Loss on retirement of noncurrent assets	44	74
Impairment loss	225	307
Other	22	8
Total extraordinary loss	292	390
Income before income taxes	10,663	9,292
Income taxes-current	3,719	2,704
Income taxes-deferred	547	827
Total income taxes	4,267	3,531
Income before minority interests	6,396	5,760
Net income	6,396	5,760

Statements of Consolidated Comprehensive Income

Third Quarter (Nine Months Aggregate)

(millions of yen)

	Previous 3Q (9 months aggregate) (from April 1, 2013 to December 31, 2013)	Current 3Q (9 months aggregate) (from April 1, 2014 to December 31, 2014)
Income before minority interests	6,396	5,760
Other comprehensive income		
Other valuation adjustments on securities	28	9
Deferred gains or losses on hedges	(2)	5
Forex adjustment account	0	1
Total other comprehensive income	25	17
Quarterly comprehensive income	6,422	5,777
(Breakdown)		
Quarterly comprehensive income attributable to owners of the parent	6,422	5,777
Quarterly comprehensive income attributable to minority interests	-	-

(3) Consolidated Cash Flows

(millions of yen)

	Previous 3Q (9 months aggregate) (from April 1, 2013 to December 31, 2013)	Current 3Q (9 months aggregate) (from April 1, 2014 to December 31, 2014)
Cash flows from operating activities		
Income before income taxes	10,663	9,292
Depreciation	1,264	1,333
Depreciation of intangible assets	138	127
Amortization of long-term prepaid expenses	95	100
Impairment loss	225	307
Increase (decrease) in provision for bonuses	(1,357)	(1,279)
Increase (decrease) in provision for directors' bonuses	(113)	(103)
Increase (decrease) in provision for directors' retirement benefits	(4)	-
Increase (decrease) in allowance for doubtful accounts	(0)	(6)
Interest and dividends income	(1)	(8)
Interest expenses	44	25
Increase in notes receivable	(2,831)	(2,457)
Increase in inventories	(6,636)	(7,934)
Increase in other current assets	(405)	(46)
Increase in purchase liabilities	4,129	4,036
Increase (decrease) in other current liabilities	(433)	683
Increase (decrease) in other noncurrent liabilities	8	0
Other	38	(37)
Subtotal	4,823	4,034
Interest and dividends income received	1	8
Interest expenses paid	(44)	(25)
Income taxes paid	(4,479)	(5,797)
Directors' retirement benefits paid	—	(309)
Net cash provided by operating activities	301	(2,089)

(millions of yen)

	Previous 3Q (9 months aggregate) (from April 1, 2013 to December 31, 2013)	Current 3Q (9 months aggregate) (from April 1, 2014 to December 31, 2014)
Cash flows from investment activities		
Payments into time deposits	(9)	(9)
Purchase of investment securities	(39)	-
Purchase of property, plant and equipment	(1,990)	(2,177)
Payments for asset retirement obligations	(14)	(15)
Proceeds from sales of property, plant and equipment	2	21
Purchase of intangible assets	(193)	(122)
Purchase of long-term prepaid expenses	(364)	(408)
Payment for guarantee deposits	(496)	(356)
Proceeds from collection of guarantee deposits	206	82
Other	0	0
Net cash provided by investment activities	(2,898)	(2,982)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	6,100	8,150
Repayment of long-term loans payable	(2,342)	(681)
Proceeds from disposal of treasury stock	62	-
Cash dividends paid	(1,775)	(2,061)
Other	(0)	-
Net cash provided by financing activities	2,044	5,407
Effect of exchange rate change on cash and cash equivalents	(0)	1
Increase (decrease) in cash and cash equivalents	(553)	336
Cash and cash equivalents at beginning of term	6,142	5,429
Cash and cash equivalents at end of term	5,588	5,766