February 5, 2018

Consolidated Financial Summary for the Nine Months Ended December 31, 2017
〔Japanese GAAP〕

Note: Figures smaller than one million yen are rounded down.

Listed Company Name:	UNITED ARROWS LTD.
Securities Traded:	First Section of the Tokyo Stock Exchange
Code Number:	7606
URL:	http://www.united-arrows.co.jp/en/
Representative:	Mitsuhiro Takeda, Representative Director, President and CEO
Contact:	Takeo Nakazawa, Department Manager, Finance and Accounting Department
Telephone:	+81-3-5785-6325

Scheduled Date of Reporting Date:	February 14, 2018
Scheduled Date of Dividend Payment:	-
Supplementary materials for the financial results:	Yes
Holding of presentation of financial results:	Yes (for institutional investors and analysts)

1. Consolidated Business Results for the Nine-Month Period of the Fiscal Year Ending March 31, 2018 (April 1, 2017 to December 31, 2017)

(1) Consolidated Business Performance (aggregate)

(% indicates increase / decrease YoY)

	Total Sales		Operating Profit		Ordinary Profit		Net Income attributable to owners of parent	
Nine months ended	¥ million	%	¥ million	%	¥ million	%	¥ million	%
December 31, 2017	115,175	7.0	9,790	20.7	9,941	20.3	5,747	11.1
December 31, 2016	107,604	2.7	8,108	(17.3)	8,264	(16.0)	5,175	(15.4)

Note: Comprehensive income: Nine months ended December 31, 2017: ¥5,858 million (9.9%)
Nine months ended December 31, 2016: ¥5,329 million (-11.7%)

	Net Income per Share	Net Income per Share after Adjusting for Dilutive Effects
Nine months ended	yen	yen
December 31, 2017	202.74	—
December 31, 2016	172.02	—

Note: There are no dilutive shares as of December 31, 2016 and 2017.

(2) Consolidated Financial Conditions

	Total Assets	Net Assets	Equity Ratio	Per-share net worth
	¥ million	¥ million	%	¥
As of December 31, 2017	76,560	35,499	44.7	1,205.75
As of March 31, 2017	67,799	30,980	45.2	1,081.49

Reference: Shareholders' equity: December 31, 2017: ¥34,203 million March 31, 2017: ¥30,630 million

2. Conditions of Dividend Payment

	Annual Dividend				
	1Q End	2Q End	3Q End	Fiscal Year End	Annual
	yen	yen	yen	yen	yen
Fiscal year ended March 31, 2017	-	20.00	-	58.00	78.00
Fiscal year ending March 31, 2018	-	20.00			
Fiscal year ending March 31, 2018 (Est.)			-	58.00	78.00

Note: Revision to recently disclosed projected dividend payment: None

3. Projected Consolidated Performance of the Fiscal Year Ending March 2018 (From April 1, 2017 to March 31, 2018)

(% indicates increase / decrease YoY)

	Total Sales		Operating Profit		Ordinary Profit		Net Income attributable to owners of parent		Net Income per share
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	yen
Full Fiscal Year	153,859	5.7	9,953	8.6	10,100	7.2	5,496	5.9	194.06

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)

As of December 31, 2017:	30,213,676 stocks
As of March 31, 2017:	30,213,676 stocks

2. Number of treasury stock

As of December 31, 2017:	1,846,972 stocks
As of March 31, 2017:	1,890,835 stocks

3. Average number of stocks issued and outstanding for the period

Nine months ended December 31, 2017:	28,347,405 stocks
Nine months ended December 31, 2016:	30,085,166 stocks

*The quarterly financial statements are not subject to quarterly reviews.

*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.

Consolidated Financial Results

(1) Quarterly Consolidated Balance Sheet

(millions of yen)

	At the end of the previous fiscal year (March 31, 2017)	At the end of the third quarter (December 31, 2017)
Assets		
Current assets		
Cash and deposits	5,870	7,132
Notes and accounts receivable-trade	252	128
Merchandise	25,654	28,752
Supplies	555	556
Accounts receivable-other	10,161	15,589
Other	2,663	2,229
Allowance for doubtful accounts	(6)	(5)
Total current assets	45,152	54,385
Noncurrent assets		
Tangible noncurrent assets		
Buildings and structures (net)	8,332	8,009
Other (net)	1,877	1,757
Total tangible noncurrent assets	10,209	9,766
Intangible noncurrent assets		
Other	1,965	2,269
Total intangible noncurrent assets	1,965	2,269
Investments and other assets		
Guarantee deposits	8,716	8,147
Other	1,775	2,013
Allowance for doubtful accounts	(21)	(21)
Total investments and other assets	10,471	10,139
Total noncurrent assets	22,646	22,175
Total assets	67,799	76,560
Liabilities		
Current liabilities		
Notes and accounts payable-trade	9,399	12,784
Short-term loans payable	6,300	8,160
Current portion of long-term loans payable	3,992	2,489
Income taxes payable	1,346	1,399
Provision for bonuses	1,740	943
Provision for directors' bonuses	9	9
Other	7,017	9,538
Total current liabilities	29,805	35,324
Noncurrent liabilities		
Long term loans payable	3,500	2,000
Asset retirement obligations	3,494	3,719
Other	17	17
Total noncurrent liabilities	7,012	5,737
Total liabilities	36,818	41,061
Net assets		
Shareholders' equity		
Capital stock	3,030	3,030
Capital surplus	4,128	4,205
Retained earnings	29,515	32,839
Treasury stock	(6,000)	(5,861)
Total shareholders' equity	30,673	34,213
Accumulated other comprehensive income		
Deferred gains or losses on hedges	(46)	0
Forex adjustment account	4	(11)
Total accumulated other comprehensive income	(42)	(10)
Non-controlling interests	349	1,295
Total net assets	30,980	35,499
Total liabilities and net assets	67,799	76,560

(2) Statements of Consolidated Income and Comprehensive Income

Statements of Consolidated Income

Third Quarter (Nine Months Aggregate) (millions of yen)

	Nine months ended December 31, 2016 (April 1, 2016 to December 31, 2016)	Nine months ended December 31, 2017 (April 1, 2017 to December 31, 2017)
Net sales	107,604	115,175
Cost of sales	51,008	54,523
Gross profit	56,595	60,652
Selling, general and administrative expenses	48,486	50,861
Operating income	8,108	9,790
Non-operating income		
Interest income	0	0
Foreign exchange gains	96	52
Purchase discounts	45	41
Rent income	15	19
Other	68	116
Total non-operating income	226	229
Non-operating expenses		
Interest expenses	29	28
Rent expenses	14	19
Commission for Purchase of treasury stock	3	-
Other	22	30
Total non-operating expenses	70	79
Ordinary income	8,264	9,941
Extraordinary loss		
Loss on retirement of noncurrent assets	75	121
Impairment loss	379	847
Loss on valuation of investment securities	0	-
Other	13	10
Total extraordinary loss	468	979
Income before income taxes	7,795	8,961
Income taxes-current	2,664	2,872
Income taxes-deferred	(39)	261
Total income taxes	2,625	3,134
Net income	5,170	5,826
Profit (loss) attributable to non-controlling interests	(4)	79
Net income attributable to owners of parent	5,175	5,747

Statements of Consolidated Comprehensive Income

Third Quarter (Nine Months Aggregate)

(millions of yen)

	Nine months ended December 31, 2016 (April 1, 2016 to December 31, 2016)	Nine months ended December 31, 2017 (April 1, 2017 to December 31, 2017)
Profit	5,170	5,826
Other comprehensive income		
Deferred gains or losses on hedges	144	47
Foreign currency translation adjustment	14	(16)
Total other comprehensive income	159	31
Comprehensive income	5,329	5,858
Comprehensive income attributable to:		
Owners of the parent company	5,334	5,779
Non-controlling interests	(4)	79

(3) Consolidated Cash Flows

(millions of yen)

	Nine months ended December 31, 2016 (April 1, 2016 to December 31, 2016)	Nine months ended December 31, 2017 (April 1, 2017 to December 31, 2017)
Cash flows from operating activities		
Income before income taxes	7,795	8,961
Depreciation	1,366	1,341
Depreciation of intangible assets	162	218
Amortization of long-term prepaid expenses	205	117
Impairment loss	379	847
Increase (decrease) in provision for bonuses	(699)	(797)
Increase (decrease) in provision for directors' bonuses	(7)	(0)
Increase (decrease) in allowance for doubtful accounts	(3)	(1)
Interest and dividends income	(0)	(0)
Interest expenses	29	28
Decrease (increase) in notes receivable	(3,140)	(4,876)
Decrease (increase) in inventories	(6,721)	(3,099)
Decrease (increase) in other current assets	(1,999)	396
Increase (decrease) in purchase liabilities	3,477	4,167
Increase (decrease) in other current liabilities	482	2,050
Increase (decrease) in other noncurrent liabilities	11	-
Other	184	182
Subtotal	1,524	9,537
Interest and dividends income received	0	0
Interest expenses paid	(29)	(28)
Income taxes paid	(4,021)	(2,613)
Net cash provided by operating activities	(2,526)	6,894
Cash flows from investment activities		
Payments into time deposits	(9)	(9)
Payments of loans receivable	(18)	-
Purchase of property, plant and equipment	(2,914)	(1,823)
Payments for asset retirement obligations	(113)	(90)
Proceeds from sales of property, plant and equipment	0	-
Purchase of intangible assets	(345)	(304)
Purchase of long-term prepaid expenses	(540)	(395)
Payment for guarantee deposits	(544)	(164)
Proceeds from collection of guarantee deposits	406	734
Other	-	(242)
Net cash provided by investment activities	(4,077)	(2,296)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	8,300	1,860
Proceeds from long-term loans payable	6,000	-
Repayment of long-term loans payable	(1,503)	(3,003)
Purchase of treasury stock	(3,095)	-
Cash dividends paid	(2,294)	(2,186)
Net cash provided by financing activities	7,407	(3,329)
Effect of exchange rate change on cash and cash equivalents	14	(16)
Increase (decrease) in cash and cash equivalents	817	1,252
Cash and cash equivalents at beginning of term	5,799	5,630
Cash and cash equivalents at end of term	6,617	6,883