

**<Delayed> Consolidated Financial Summary**  
**for the Fiscal Year Ended March 31, 2019**  
**[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 Shareholder's Meeting: June 21, 2019  
Scheduled Date of Dividend Payment: June 24, 2019  
Scheduled Date of Reporting Date: June 24, 2019  
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 Fiscal Year Ended March 31, 2019 (April 1, 2018 to March 31, 2019)**

**(1) Consolidated Business Performance**

(% indicates increase / decrease YoY)

	Total Sales		Operating Profit		Ordinary Profit		Net Income attributable to owners of parent	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
Fiscal 2019	158,918	2.9	11,063	5.2	11,312	5.0	6,417	22.3
Fiscal 2018	154,409	6.1	10,518	14.8	10,775	14.4	5,247	1.1

Note: Comprehensive income Fiscal 2019: ¥6,874 million (27.8%) Fiscal 2018: ¥5,379 million (2.5%)

	Net Income per Share	Net Income per Share after Adjusting for Dilutive Effects	Net Income / Net Worth	Ordinary Profit / Total Assets	Operating Profit / Total Sales
	yen	yen	%	%	%
Fiscal 2019	226.20	—	18.0	16.4	7.0
Fiscal 2018	185.08	—	16.3	16.0	6.8

Reference: Equity in earnings of affiliates Fiscal 2019: ¥-6 million Fiscal 2018: — million

Note: There are no dilutive shares.

**(2) Consolidated Financial Conditions**

	Total Assets	Net Assets	Equity Ratio	Per-share net worth
	¥ million	¥ million	%	¥
As of March 31, 2019	70,738	39,578	53.5	1,333.16
As of March 31, 2018	67,107	34,690	50.1	1,186.01

Reference: Net Worth As of March 31, 2019: ¥37,828 million As of March 31, 2018: ¥33,643 million

**(3) Consolidated Cash Flows**

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at the End of Period
	¥ million	¥ million	¥ million	¥ million
Fiscal 2019	9,140	(5,926)	(3,711)	5,839
Fiscal 2018	13,938	(2,442)	(10,812)	6,300

## 2. Conditions of Dividend Payment

	Cash dividends per share					Dividend Payment (Annual)	Dividend Payout Ratio (Consolidated)	Dividend to Net Assets (Consolidated)
	1Q End	2Q End	3Q End	Year-End	Annual			
	yen	yen	yen	yen	yen	¥ million	%	%
Fiscal 2018	—	20.00	—	58.00	78.00	2,212	42.1	6.6
Fiscal 2019	—	20.00	—	60.00	80.00	2,270	35.4	6.0
Fiscal 2020 (Forecast)	—	22.00	—	61.00	83.00		35.2	

## 3. Projected Consolidated Performance of the Fiscal Year Ending March 2020 (From April 1, 2019 to March 31, 2020)

(% 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	164,240	3.3	11,970	8.2	12,000	6.1	6,700	4.4	236.12

## 4. Others

### (1) Changes in Significant Subsidiaries during the Fiscal Year: None

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

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

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

### (3) Number of Stocks Issued (Common Stocks)

- Number of stocks issued at term end (including treasury stock)
  - As of March 31, 2019: 30,213,676 stocks
  - As of March 31, 2018: 30,213,676 stocks
- Number of treasury stock
  - As of March 31, 2019: 1,838,256 stocks
  - As of March 31, 2018: 1,846,972 stocks
- Average number of stocks issued and outstanding for the period
  - Year ended March 31, 2019: 28,372,794 stocks
  - Year ended March 31, 2018: 28,352,164 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) Consolidated Balance Sheet**

(millions of yen)

	Fiscal 2018 (as of March 31, 2018)	Fiscal 2019 (as of March 31, 2019)
<b>Assets</b>		
Current assets		
Cash and deposits	6,552	6,103
Notes and accounts receivable-trade	201	186
Merchandise	24,343	24,407
Supplies	456	581
Accounts receivable-other	11,578	12,587
Other	734	670
Allowance for doubtful accounts	(5)	(3)
Total current assets	43,861	44,533
Noncurrent assets		
Tangible noncurrent assets		
Buildings and structures	20,765	22,164
Accumulated depreciation and impairment loss	(13,444)	(13,969)
Buildings and structures (net)	7,320	8,195
Machinery and equipment	-	1,081
Accumulated depreciation and impairment loss	-	(151)
Machinery and equipment (net)	-	930
Land	569	569
Construction in progress	25	88
Other	5,142	5,401
Accumulated depreciation and impairment loss	(4,150)	(4,312)
Other (net)	991	1,088
Total tangible noncurrent assets	8,907	10,873
Intangible noncurrent assets		
Other	2,310	2,783
Total intangible noncurrent assets	2,310	2,783
Investments and other assets		
Investment securities	0	61
Guarantee deposits	8,038	8,180
Deferred tax assets	2,976	2,515
Other	1,034	1,812
Allowance for doubtful accounts	(21)	(22)
Total investments and other assets	12,028	12,548
Total noncurrent assets	23,246	26,205
Total assets	67,107	70,738

(millions of yen)

	Fiscal 2018 (as of March 31, 2018)	Fiscal 2019 (as of March 31, 2019)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable-trade	10,315	10,648
Short-term loans payable	1,500	2,100
Current portion of long-term loans payable	2,000	1,500
Accounts payable—other	6,058	5,941
Income taxes payable	1,182	1,673
Provision for bonuses	2,479	2,340
Provision for directors' bonuses	91	111
Asset retirement obligations	120	107
Other	3,465	2,658
Total current liabilities	27,213	27,082
Noncurrent liabilities		
Long term loans payable	1,500	-
Asset retirement obligations	3,686	4,054
Deferred tax liabilities	-	8
Other	17	15
Total noncurrent liabilities	5,203	4,078
Total liabilities	32,417	31,160
<b>Net assets</b>		
Shareholders' equity		
Capital stock	3,030	3,030
Capital surplus	4,205	4,278
Retained earnings	32,340	36,335
Treasury stock	(5,861)	(5,833)
Total shareholders' equity	33,714	37,810
Accumulated other comprehensive income		
Deferred gains or losses on hedges	(62)	(8)
Forex adjustment account	(8)	27
Total accumulated other comprehensive income	(71)	18
Non-controlling interests	1,047	1,749
Total net assets	34,690	39,578
Total liabilities and net assets	67,107	70,738

## (2) Statements of Consolidated Income and Comprehensive Income

### Statements of Consolidated Income

(millions of yen)

	Fiscal 2018 (April 1, 2017 to March 31, 2018)	Fiscal 2019 (April 1, 2018 to March 31, 2019)
Net sales	154,409	158,918
Cost of sales	74,901	77,158
Gross profit	79,507	81,760
Selling, general and administrative expenses	68,989	70,696
Operating income	10,518	11,063
Non-operating income		
Interest income	0	0
Insurance dividend	40	35
Foreign exchange gains	47	6
Rent income	25	24
Purchase discounts	55	63
Fee and commission received	60	55
Other	131	147
Total non-operating income	360	332
Non-operating expenses		
Interest expenses	35	21
Rent expenses	25	24
Share of loss of entities accounted for using equity method	-	6
Other	42	32
Total non-operating expenses	103	83
Ordinary income	10,775	11,312
Extraordinary profit		
Gain on sales of noncurrent assets	1	-
Gain on donation of non-current assets	-	4
Total extraordinary profit	1	4
Extraordinary loss		
Loss on retirement of noncurrent assets	181	74
Impairment loss	1,842	472
Loss on valuation of other investments	-	43
Other	92	3
Total extraordinary loss	2,115	593
Income before income taxes	8,661	10,723
Income taxes-current	3,667	3,510
Income taxes-deferred	(414)	436
Total income taxes	3,252	3,947
Net income	5,408	6,776
Profit attributable to non-controlling interests	161	358
Profit attributable to owners of parent	5,247	6,417

## Statements of Consolidated Comprehensive Income

(millions of yen)

	Fiscal 2018 (April 1, 2017 to March 31, 2018)	Fiscal 2019 (April 1, 2018 to March 31, 2019)
Profit	5,408	6,776
Other comprehensive income		
Deferred gains or losses on hedges	(15)	61
Foreign currency translation adjustment	(13)	36
Total other comprehensive income	(28)	97
Comprehensive income	5,379	6,874
Comprehensive income attributable to:		
Owners of the parent company	5,227	6,507
Non-controlling interests	152	366

### (3) Consolidated Cash Flows

(millions of yen)

	Fiscal 2018 (April 1, 2017 to March 31, 2018)	Fiscal 2019 (April 1, 2018 to March 31, 2019)
<b>Cash flows from operating activities</b>		
Income before income taxes	8,661	10,723
Depreciation	1,810	1,859
Depreciation of intangible assets	296	467
Amortization of long-term prepaid expenses	192	190
Impairment loss	1,842	472
Increase (decrease) in provision for bonuses	739	(139)
Increase (decrease) in provision for directors' bonuses	81	20
Increase (decrease) in allowance for doubtful accounts	(1)	(1)
Interest and dividends income	(0)	(0)
Interest expenses	35	21
Decrease (increase) in notes receivable	(1,457)	(410)
Decrease (increase) in inventories	1,410	(188)
Decrease (increase) in other current assets	800	(24)
Increase (decrease) in purchase liabilities	826	430
Increase (decrease) in other current liabilities	2,273	(1,348)
Other	196	120
Subtotal	17,709	12,193
Interest and dividends income received	0	0
Interest expenses paid	(35)	(21)
Income taxes paid	(3,736)	(3,031)
Net cash provided by operating activities	13,938	9,140
<b>Cash flows from investment activities</b>		
Payments into time deposits	(12)	(12)
Purchase of property, plant and equipment	(1,891)	(3,548)
Payments for asset retirement obligations	(168)	(153)
Purchase of intangible assets	(375)	(955)
Purchase of long-term prepaid expenses	(430)	(1,046)
Payment for guarantee deposits	(286)	(437)
Proceeds from collection of guarantee deposits	964	296
Other	(242)	(67)
Net cash provided by investment activities	(2,442)	(5,926)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term loans payable	(4,800)	600
Repayment of long-term loans payable	(3,992)	(2,000)
Cash dividends paid	(2,209)	(2,212)
Dividends paid to non-controlling interests	(31)	(319)
Proceeds from sales of non-controlling interests	220	220
Net cash provided by financing activities	(10,812)	(3,711)
Effect of exchange rate change on cash and cash equivalents	(13)	36
Increase (decrease) in cash and cash equivalents	669	(461)
Cash and cash equivalents at beginning of term	5,630	6,300
Cash and cash equivalents at end of term	6,300	5,839