

Financial Results Briefing
for the Fiscal Year
Ended March 31, 2022

Financial Results Briefing

May 11, UNITED ARROWS LTD.



UNITED ARROWS LTD.

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Cautionary Statement

Earnings forecasts and other descriptions than objective facts contained in this document are based on decisions made by UNITED ARROWS LTD. in light of information obtainable as of the date of this report and, therefore, include risks and uncertainties. Actual earnings may differ materially from forecasts due to global economic trends, market conditions and other factors. Investors are asked to refrain from making investment decisions based solely on the information contained in this document.

Use of Abbreviations

Abbreviations may be used for the following businesses/store brands:

UNITED ARROWS	_____	UA
BEAUTY&YOUTH UNITED ARROWS	_____	BY/BEAUTY&YOUTH
UNITED ARROWS green label relaxing	_____	GLR/green label relaxing

Trend-conscious Market and Basic Trend-conscious Market include the following store brands:

Trend-conscious Market

UA, BY, DRAWER, Odette e Odile, BLAMINK, ROKU, and STEVEN ALAN

Basic Trend-conscious Market

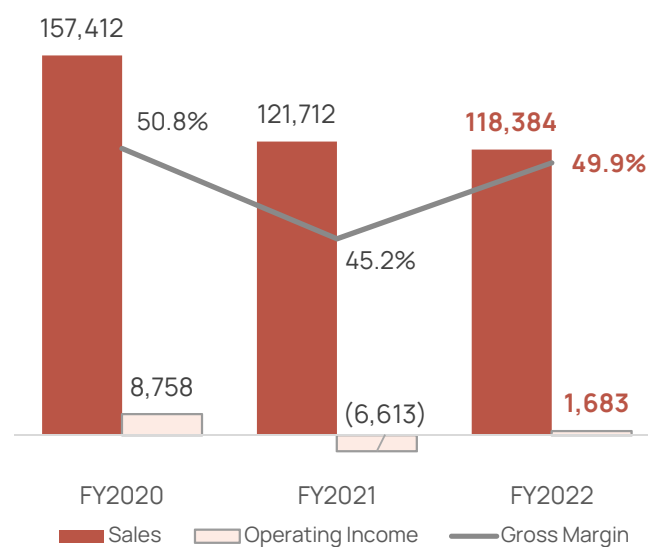
GLR, and CITEN

01

Overview of FY22 Business Results

Consolidated P/L

Compared with revised plan: 100.8% in sales, up 0.3 percentage points in gross margin, 140.3% in operating income, and 366.4% in net income attributable to owners of parent

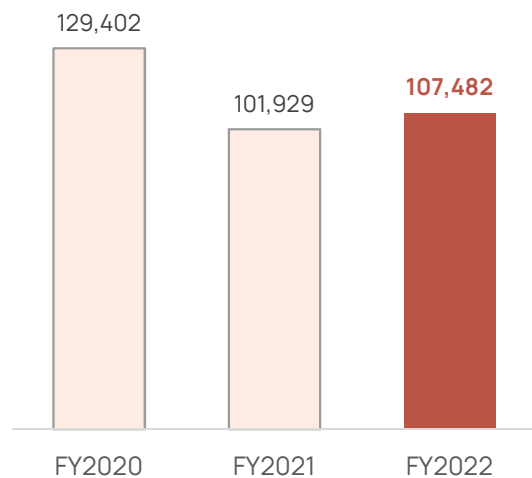


		(Millions of yen)	
		FY2022	
			Compared with same period of year before last, and diff. in pt vs. sales
			Compared with same period of last year, and diff. in pt vs. sales
Sales		118,384	75.2%
Excluding the impact of the changes in consolidation structure* and revenue recognition standards		—	84.9%
Gross Profit		59,090	73.9%
	vs. Sales	49.9%	- 0.9pt
Operating Income		1,683	19.2%
	vs. Sales	1.4%	- 4.1pt
Net Income Attributable to Owners of Parent		732	20.8%
	vs. Sales	0.6%	- 1.6pt

* The impact of the change in the consolidated structure is determined based on the sum of sales of the three companies of UNITED ARROWS LTD., COEN CO., LTD., and UNITED ARROWSTAIWAN LTD. It is used for reference only as transactions among the subsidiaries are also included in the actual consolidated sales.

Non-Consolidated Sales

Online sales were below the level of the previous year when sales were strong; however, we secured growth from the level of two years ago



	FY2022	Compared with same period of year before last, and diff. in pt vs. sales	Compared with same period of last year, and diff. in pt vs. sales
Non-consolidated sales	107,482	83.1%	105.4%
Excluding the impact of the change in revenue recognition standards	-	85.4%	108.5%
Total Business Unit Sales*	90,000	81.0%	104.8%
vs. Sales	83.1%	- 2.8pt	- 1.2pt
Excluding the impact of the change in revenue recognition standards	-	82.9%	107.3%
Retail	58,818	72.6%	112.4%
vs. Sales	54.3%	- 8.3pt	0.3pt
Online	29,763	101.9%	91.2%
vs. Sales	27.5%	4.9pt	- 4.5pt
Other (wholesale, etc.)	1,417	154.4%	153.3%
vs. Sales	1.3%	0.6pt	0.4pt
Outlet, etc.	18,338	100.5%	114.3%
vs. Sales	16.9%	2.8pt	1.2pt

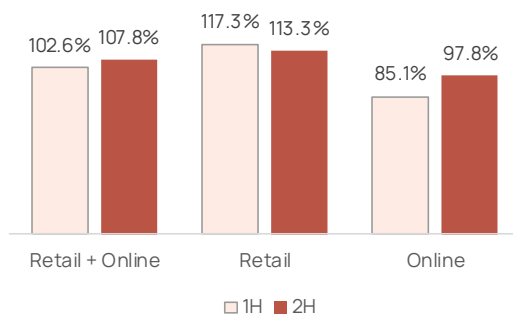
* "Total business unit sales" include retail, online, and wholesale sales

Non-Consolidated Existing Store Sales YoY

The magnitude of improvement became larger in 2H when economic activities started to normalize as a result of the lifting of the state of emergency, with the number of retail customers improving considerably in 2H in particular

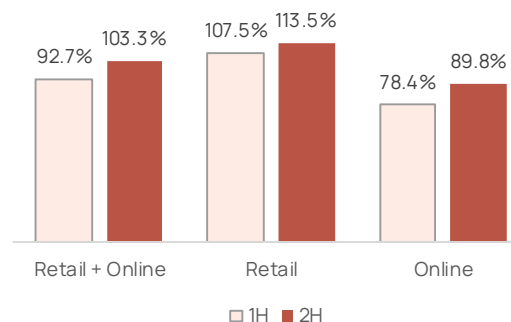
Average spend per customer also improved due to repercussions from sales promotion measures in the previous year and an improved ratio of regular price sales

Sales



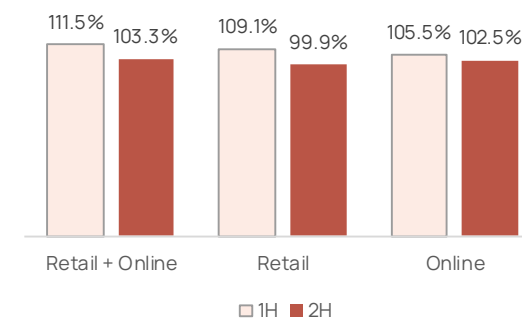
	1H	2H	Full
Retail + Online	102.6%	107.8%	105.5%
Retail	117.3%	113.3%	114.9%
Online	85.1%	97.8%	91.6%

Number of customers



	1H	2H	Full
Retail + Online	92.7%	103.3%	97.8%
Retail	107.5%	113.5%	110.6%
Online	78.4%	89.8%	83.4%

Ave. spend per customer



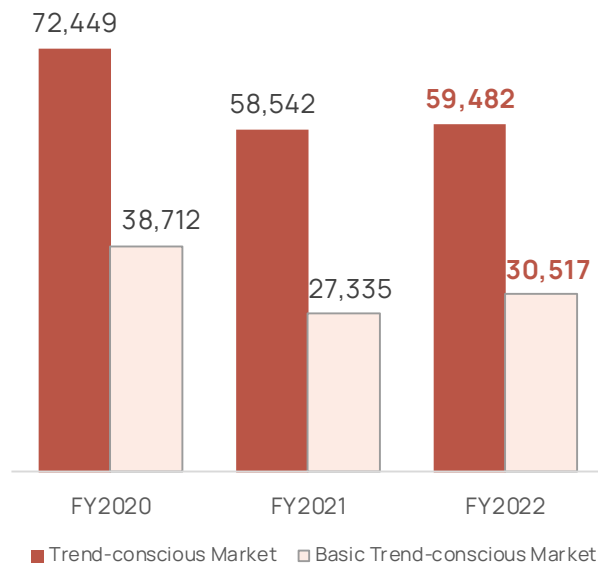
	1H	2H	Full
Retail + Online	111.5%	103.3%	107.6%
Retail	109.1%	99.9%	103.9%
Online	105.5%	102.5%	104.9%

* Data on number of customers and average spend per customer for existing Retail + Online stores as well as Online stores are calculated using data available to the Company through its own online stores and ZOZOTOWN stores.

* Due to the closure of its own online store, UNITED ARROWS Online Store, YoY increase (decrease) of the existing store sales, number of customers, and average spend per customer from September to November 2020 do not include the results of the same site.

Non-Consolidated Sales by Business

Despite a slow recovery in the Basic Trend-conscious Market compared with two years ago, an improvement trend started to be seen from 2H



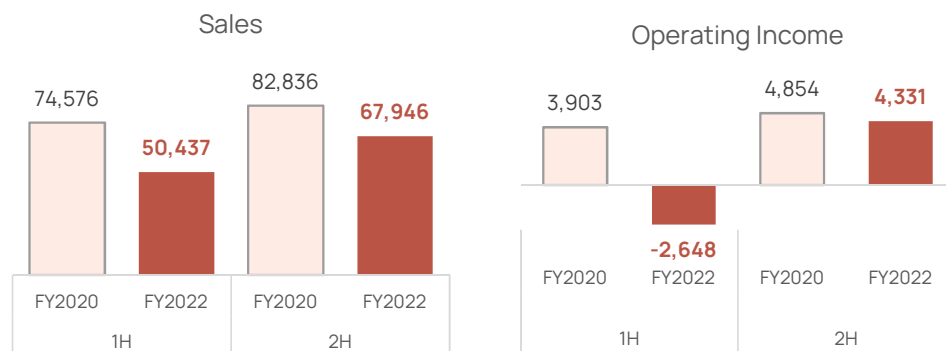
		(Millions of yen)	
	FY2022	Vs. same period of year before last	Vs. same period of last year
Trend-conscious Market	59,482	82.1%	101.6%
Excluding the impact of the change in revenue recognition standards	-	84.4%	104.4%
Basic Trend-conscious Market	30,517	78.8%	111.6%
Excluding the impact of the change in revenue recognition standards	-	79.8%	113.1%

Consolidated/Non-Consolidated: Comparison with Two Years Ago

Started to improve in 2H when economic activities started to normalize as a result of the lifting of the state of emergency, with operating income of UNITED ARROWS LTD. in 2H exceeding that of two years ago

Consolidated

(Millions of yen)

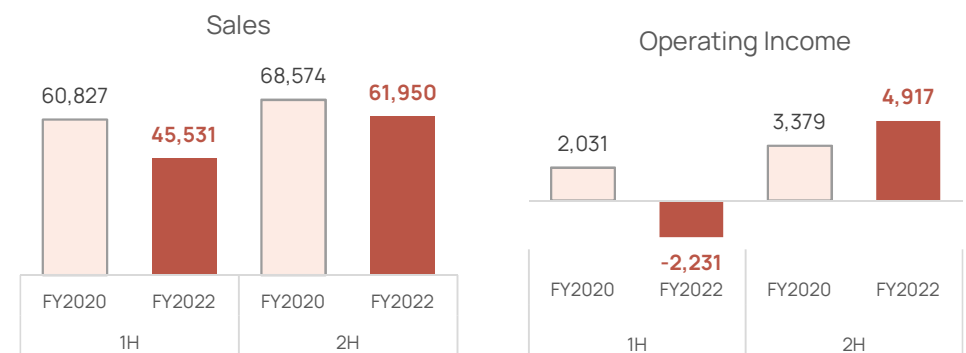


	1H	2H
Compared with same period of 2 years ago		
Sales*	77.0%	92.0%
Operating Income	-	89.2%

* YoY sales are calculated by excluding the impact of the change in the consolidated structure and that of the change in the revenue recognition standard

Non-Consolidated

(Millions of yen)



	1H	2H
Compared with same period of 2 years ago		
Sales*	77.1%	92.8%
Operating Income	-	145.5%

* YoY sales are calculated by excluding the impact of the change in the revenue recognition standard

* The impact of the change in the consolidated structure is determined based on the sum of sales of the three companies of UNITED ARROWS LTD., COEN CO., LTD., and UNITED ARROWS TAIWAN LTD. It is used for reference only as transactions among the subsidiaries are also included in the actual consolidated sales.

Consolidated Gross Margin (Full Year/4Q)

Gross margin compared with that of two years ago recovered as much as to down 0.9 percentage points for the full year, with an improvement of 1.5 percentage points recorded for the three months of 4Q

Loss at COEN CO., LTD. widened during 4Q due to inventory liquidation measures and extraordinary write-downs for goods of approximately ¥160 million

	FY2022 Full	v.s. FY2020	v.s. FY2021	FY2022 4Q	v.s. FY2020	v.s. FY2021
Consolidated	49.9%	- 0.9pt	4.7pt	46.7%	1.5pt	6.6pt
UNITED ARROWS LTD.	49.7%	- 0.4pt	6.2pt	46.7%	2.7pt	8.8pt
Total Business Unit Sales	-	0.3pt	4.3pt	-	3.6pt	3.0pt
Outlet, etc.	-	- 2.7pt	3.1pt	-	- 3.0pt	4.8pt
COEN CO., LTD.	-	- 1.7pt	- 1.2pt	-	- 1.9pt	- 9.3pt
UNITED ARROWS TAIWAN LTD.	-	8.1pt	4.7pt	-	13.8pt	6.2pt

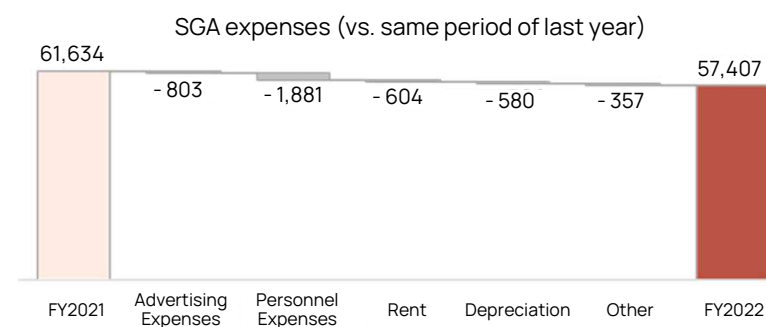
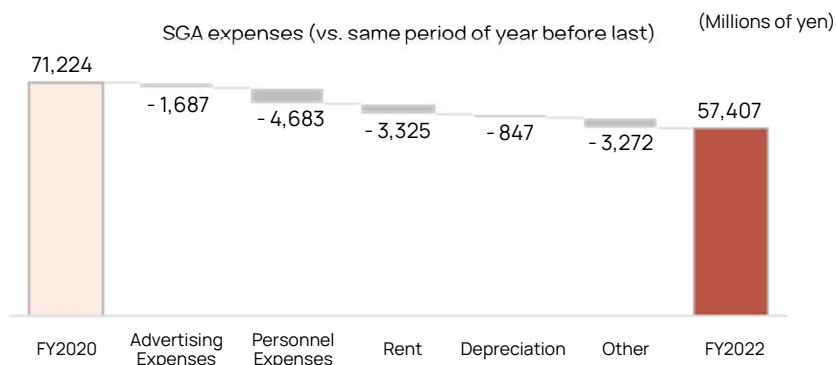
Consolidated Gross Margin (1H/2H)

As with sales and operating income, gross margin started to improve in 2H when economic activities started to normalize

	FY2022 1H	v.s. FY2020	v.s. FY2021	FY2022 2H	v.s. FY2020	v.s. FY2021
Consolidated	49.2%	- 2.5pt	6.2pt	50.5%	0.4pt	3.5pt
UNITED ARROWS LTD.	48.4%	- 2.4pt	7.8pt	50.7%	1.2pt	4.9pt
Total Business Unit Sales	-	- 1.9pt	6.5pt	-	2.1pt	2.5pt
Outlet, etc.	-	- 6.3pt	0.4pt	-	- 0.3pt	5.1pt
COEN CO., LTD.	-	0.4pt	3.9pt	-	- 3.4pt	- 5.6pt
UNITED ARROWS TAIWAN LTD.	-	5.1pt	5.0pt	-	10.8pt	4.6pt

Consolidated SGA Expenses

Maintained the 80% level of two years ago even with the impact of the change in the revenue recognition standard excluded, evidencing progress in the cost structure reform



	FY2022	Compared with same period of year before last, and diff. in pt vs. sales	Compared with same period of last year, and diff. in pt vs. sales
Total SGA Expenses	57,407	80.6%	93.1%
vs. Sales	48.5%	3.2pt	- 2.1pt
Excluding the impact of the change in revenue recognition standards	59,332	83.3%	96.3%
vs. Sales	48.8%	3.6pt	- 1.8pt
Advertising Expenses	2,575	60.4%	76.2%
vs. Sales	2.2%	- 0.5pt	- 0.6pt
Excluding the impact of the change in revenue recognition standards	4,500	105.6%	133.2%
vs. Sales	3.7%	1.0pt	0.9pt
Personnel Expenses	20,372	81.3%	91.5%
vs. Sales	17.2%	1.3pt	- 1.1pt
Rent	19,220	85.3%	97.0%
vs. Sales	16.3%	2.0pt	0.0pt
Depreciation	1,099	56.5%	65.5%
vs. Sales	0.9%	- 0.3pt	- 0.5pt
Other	14,140	81.2%	97.5%
vs. Sales	11.9%	0.9pt	0.0pt

Consolidated SGA Expenses: 1H/2H Results Compared with Two Years Ago

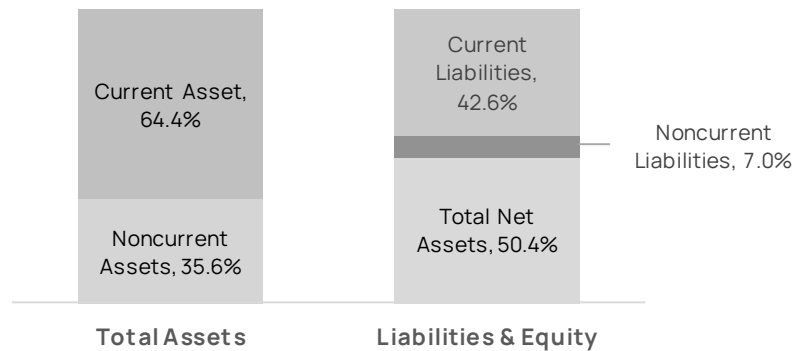
The ratio of SGA expenses during 2H, when the impact of the change in the revenue recognition standard is excluded, improved to up 0.4 percentage points from two years ago

* FY2022 figures are calculated by excluding the impact of the change in the revenue recognition standard

(Millions of yen)						
	FY2022 1H	Vs. same period of year before last		FY2022 2H	Vs. same period of year before last	
		Increase (decrease)/diff. in pt vs. sales			Increase (decrease)/diff. in pt vs. sales	
Total SGA Expenses	28,228	(6,388)	81.5%	31,104	(5,502)	85.0%
vs. Sales	54.4%	8.0pt	-	44.6%	0.4pt	-
Advertising Expenses	1,883	167	109.8%	2,616	69	102.7%
vs. Sales	3.6%	1.3pt	-	3.8%	0.7pt	-
Personnel Expenses	10,167	(2,419)	80.8%	10,204	(2,264)	81.8%
vs. Sales	19.6%	2.7pt	-	14.6%	- 0.4pt	-
Rent	8,924	(1,831)	83.0%	10,295	(1,494)	87.3%
vs. Sales	17.2%	2.8pt	-	14.8%	0.5pt	-
Depreciation	588	(368)	61.5%	511	(478)	51.6%
vs. Sales	1.1%	- 0.1pt	-	0.7%	- 0.5pt	-
Other	6,665	(1,937)	77.5%	7,476	(1,334)	84.8%
vs. Sales	12.9%	1.3pt	-	10.7%	0.1pt	-

Consolidated B/S

Inventory ended at 103.2% of the end of the previous term; however, it was below 107.5% compared with effective sales of the previous year which exclude the impact of the change in the consolidated structure and that of the change in the revenue recognition standard



(Millions of yen)

	End of March 2022	vs. FY21-End
Total Assets	59,703	93.8%
Composition ratio	100.0%	
Current Assets	38,475	96.8%
Composition ratio	64.4%	
Noncurrent Assets	21,228	88.9%
Composition ratio	35.6%	
Current Liabilities	25,437	86.0%
Composition ratio	42.6%	
Noncurrent Liabilities	4,197	99.7%
Composition ratio	7.0%	
Total Net Assets	30,069	100.8%
Composition ratio	50.4%	
Reference: Inventory	20,546	103.2%
Reference: Balance of short- and long-term loans payable	7,800	50.0%

Consolidated cash flows (CF)

(Millions of yen)

	FY2021	FY2022	Major breakdown of the results for the term	
Cash flows from operating activities (sub-total)	(4,725)	5,828		
Cash flows from operating activities	(4,277)	6,891	Income before income taxes	1,759
			Depreciation	1,100
			Increase in inventory	(632)
			Share of profit of entities accounted for using equity method	(588)
Cash flows from investing activities	(4,079)	215	Refund of guarantee deposits	932
			Sale of investment in capital of subsidiaries and affiliates	991
			Purchases of intangible assets	(629)
			Acquisition of long-term prepaid expenses	(401)
Cash flows from financing activities	9,268	(8,000)	Decrease in short-term loans payable	(7,800)
			Dividends paid	(200)
Cash and cash equivalents at the end of the period	6,604	5,593		

Opening and Closing of Stores

Number of stores opened	6	
Number of stores closed	26	
Number of stores as of the term-end	310	* 14% decrease from FY2020-end

		(Number of stores)		
	Number of stores as of the end of the previous term	Opened	Closed	Number of stores as of the term-end
Group Total	330	6	26	310
UNITED ARROWS LTD.	236	4	24	216
COEN CO., LTD.	87	2	2	87
UNITED ARROWS TAIWAN LTD.	7	0	0	7

COEN CO., LTD.

(February - January)

Saw decrease in both revenue and income

- Sales: ¥10.4 billion, ending at 96.3% and 76.2%, respectively, compared with last year and the year before last
(Excluding the impact of the change in the revenue recognition standard: 97.8% vs. same period of last year, 77.4% vs. same period of year before last)
- The management structure was revamped in April 2022, aiming to achieve profitability during the current term

UNITED ARROWS TAIWAN LTD.

(February - January)

Saw increase in both revenue and income

- Sales: ¥1.1 billion, ending at 116.4% and 134.7%, respectively, compared with last year and the year before last
- Increased revenue due to expansion in online sales while retail stores struggled due to the spread of COVID-19 infection in Taiwan
- Aiming to achieve profitability during the current term

02

Overview of FY23 Business Plan

Forecasts for Consolidated Business Results and Major Shareholder Indicators

- Dividends **Full year: ¥32**
(Interim: ¥12, Year-end: ¥20)
- Dividend payout ratio **30.4%**
- DOE **2.7%**
- ROE **9.6%**

(Millions of yen)

	FY2023 Plan	v.s. FY2020		v.s. FY2022	
		Increase (decrease)/ diff. in pt vs. sales		Increase (decrease)/ diff. in pt vs. sales	
Sales	130,000	(27,412)	82.6%	11,615	109.8%
(Reference) Excluding the impact of the change in the consolidated structure/the change in the revenue recognition	—	—	Around 93.0%	—	—
Gross Profit	65,700	(14,283)	82.1%	6,609	111.2%
vs. Sales	50.5%	- 0.3pt	—	0.6pt	—
SG&A Expenses	60,900	(10,324)	85.5%	3,492	106.1%
vs. Sales	46.8%	1.6pt	—	- 1.6pt	—
Operating Income	4,800	(3,958)	54.8%	3,116	285.2%
vs. Sales	3.7%	- 1.9pt	—	2.3pt	—
Non Op. P/L	430	385	959.7%	(714)	37.6%
vs. Sales	0.3%	0.3pt	—	- 0.6pt	—
Ordinary Income	5,230	(3,573)	59.4%	2,402	185.0%
vs. Sales	4.0%	- 1.6pt	—	1.6pt	—
Extraordinary income (loss)	(830)	1,752	—	238	—
vs. Sales	—	—	—	—	—
Net Income Attributable to Owners of Parent	3,000	(522)	85.2%	2,267	409.4%
vs. Sales	2.3%	0.1pt	—	1.7pt	—

* The impact of the change in the consolidated structure is determined based on the sum of sales of the three companies of UNITED ARROWS LTD., COEN CO., LTD., and UNITED ARROWS TAIWAN LTD. It is used for reference only as transactions among the subsidiaries are also included in the actual consolidated sales.

Non-Consolidated Sales Plan

(Millions of yen)

	FY2023 1H	v.s. FY2020	v.s. 2022	FY2023 2H	v.s. FY2020	v.s. 2022	FY2023 Full	v.s. FY2020	v.s. 2022
Non-consolidates sales	51,399	84.5%	112.9%	65,821	96.0%	106.2%	117,220	90.6%	109.1%
Excluding the impact of the change in revenue recognition standards	-	86.8%	-	-	98.3%	-	-	92.9%	-
Retail + Online existing stores	-	-	116.4%	-	-	110.3%	-	-	112.8%
Retail existing stores	-	-	123.9%	-	-	108.3%	-	-	114.6%
Online existing stores	-	-	103.9%	-	-	114.3%	-	-	109.5%

Details of Gross Margin Plan

	FY2023 1H	v.s. FY2020	v.s. FY2022	FY2023 2H	v.s. FY2020	v.s. FY2022	FY2023 Full	v.s. FY2020	v.s. FY2022
Consolidated	50.2%	- 1.5pt	1.0pt	50.8%	0.8pt	0.4pt	50.5%	- 0.3pt	0.6pt
UNITED ARROWS LTD.	49.7%	- 1.1pt	1.3pt	51.6%	2.0pt	0.9pt	50.8%	0.6pt	1.0pt
Total Business Unit Sales	-	- 0.1pt	1.8pt	-	2.5pt	0.4pt	-	1.3pt	1.0pt
Outlet, etc.	-	- 6.1pt	0.2pt	-	0.4pt	0.7pt	-	- 2.5pt	0.2pt
COEN CO., LTD.	-	- 2.1pt	- 2.5pt	-	1.4pt	4.7pt	-	- 0.4pt	1.4pt
UNITED ARROWS TAIWAN LTD.	-	- 1.1pt	1.3pt	-	2.0pt	0.9pt	-	0.6pt	1.0pt

Store Opening Plan

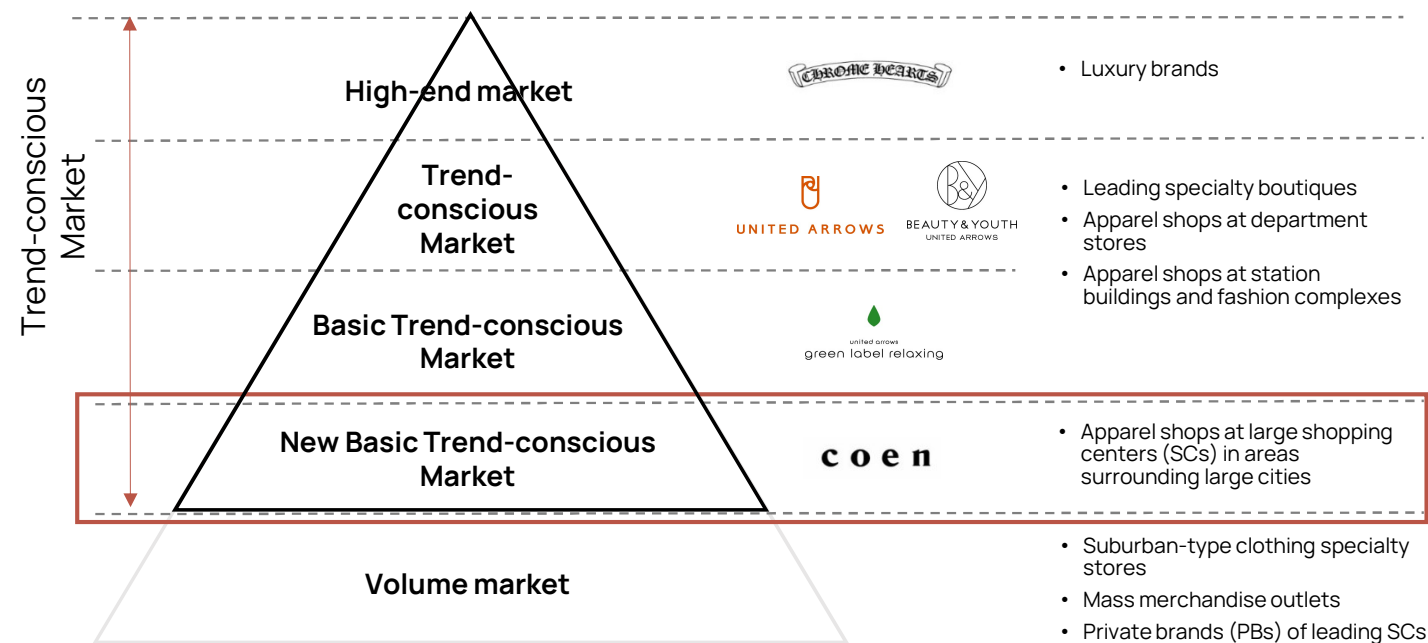
		(Number of stores)		
	Number of stores as of the end of the previous term	Opened	Closed	Number of stores as of the term-end
Group Total	310	5	8	307
UNITED ARROWS LTD.	216	2	6	212
COEN CO., LTD.	87	2	2	87
UNITED ARROWS TAIWAN LTD.	7	1	0	8

03

COEN: Future Initiatives
Tatsuya Kimura, Representative Director and
President of COEN CO., LTD.

Role of COEN CO., LTD. in the UA Group

- Established in 2008 targeting the New Basic Trend-conscious Market with heightened fashion sensitivity, while providing affordability
- Aspire to offer value for customers in this market in order to create the standard advocated in the Corporate Philosophy



- * Trend-conscious Market: Market that is highly fashionable and conscious of trends
- * Volume market: Market centered on clothing for daily use priced at relatively low levels

Current Market Environment and Competitive Edges of COEN CO., LTD.

Current market environment

- Further polarization of consumption
- Increased potential of local and suburban areas due to changes in flows of people and the way time is spent by customers as a result of the COVID-19 pandemic

→ **Tailwind environment for the New Basic Trend-conscious Market**

Competitive Edges of COEN CO., LTD.

- Retail store assets of more than 80 outlets across the country at which you can recognize and experience the brand value
- Leveraging the brand value of the UA Group (product development capability, name recognition, and credibility)

→ **Value that no direct-to-consumer (D2C) brands and competitors have**

Major Initiatives during the Current Fiscal Year

1. Branding

- Re-defining the COEN Brand
- Re-establishing the target customers and product taste
- Internal penetration of branding

2. Merchandising (MD) reform

- Product planning based on styling proposals
- Price-setting appropriate for the New Basic Trend-conscious Market
- Establishing a balance between required inventory volume and a variety in product lineup

3. Promotion of digital transformation (DX)

- Renewal of our own e-commerce (EC)
- Upgrading customer relationship management (CRM) program
- Introducing and making use of an inventory analysis system

04

**FY23 Group Management Policy
Message from Yoshinori Matsuzaki,
Representative Director, President and CEO**

Group Management Policy

Slogan

Offer thrills

Kándou Téikyo

Wonderful customer service

Wonderful products

Strength of people

Strength of goods

Measures to focus on

Underlying strategies

Revitalize existing stores

1. Impressive customer service
Enhance sales capability
2. Creation of thrills
Enhance product capability
3. Challenge for new UA
Through an aggressive trial-and-error approach

Promotion of employee satisfaction (ES)

- Improved employee satisfaction through revision to the HR system, provision of learning opportunities, and the assignment of the right talented people in the right positions

Promotion of digital transformation (DX)

- Promotion of online merges with offline (OMO), digitalization of the supply chain, and strengthening of digital marketing

Promotion of sustainability

- Promotion of reduction in disposal and respect for human rights in the supply chain, among other things, and proactive disclosure

Revitalize existing stores

Measures to focus on

Impressive customer service

Improving customer experience value through sales DX

- OMO initiatives
- Working to turn people into customers
- ◎ Major key performance indicators (KPIs)
Purchase ratio, and store productivity

Creation of thrills

Developing supply chain management (SCM) through product DX

- 'Five Right' initiatives
(Right timing, right product, right volume, right price, and right place)
- ◎ Major key performance indicators (KPIs)
Ratio of regular price sales, demand-supply ratio, and gross margin

Challenge for new UA

Re-enhancing corporate branding through reorganization

- Preparing for the establishment of new labels and brands
- Promoting sustainable initiatives
- ◎ Major key performance indicators (KPIs)
Number of new customers



Underlying strategies



Promotion of employee satisfaction (ES)



Promotion of digital transformation (DX)



Promotion of sustainability

Regarding Reorganization Effective April 1, 2022

1. CX Group

To **enhance sales capability**

Increase productivity through cross-cutting and comprehensive measures, while consolidating sales functions to enhance customer service capability to revitalize existing stores

2. Creative Group

To **enhance product capability**

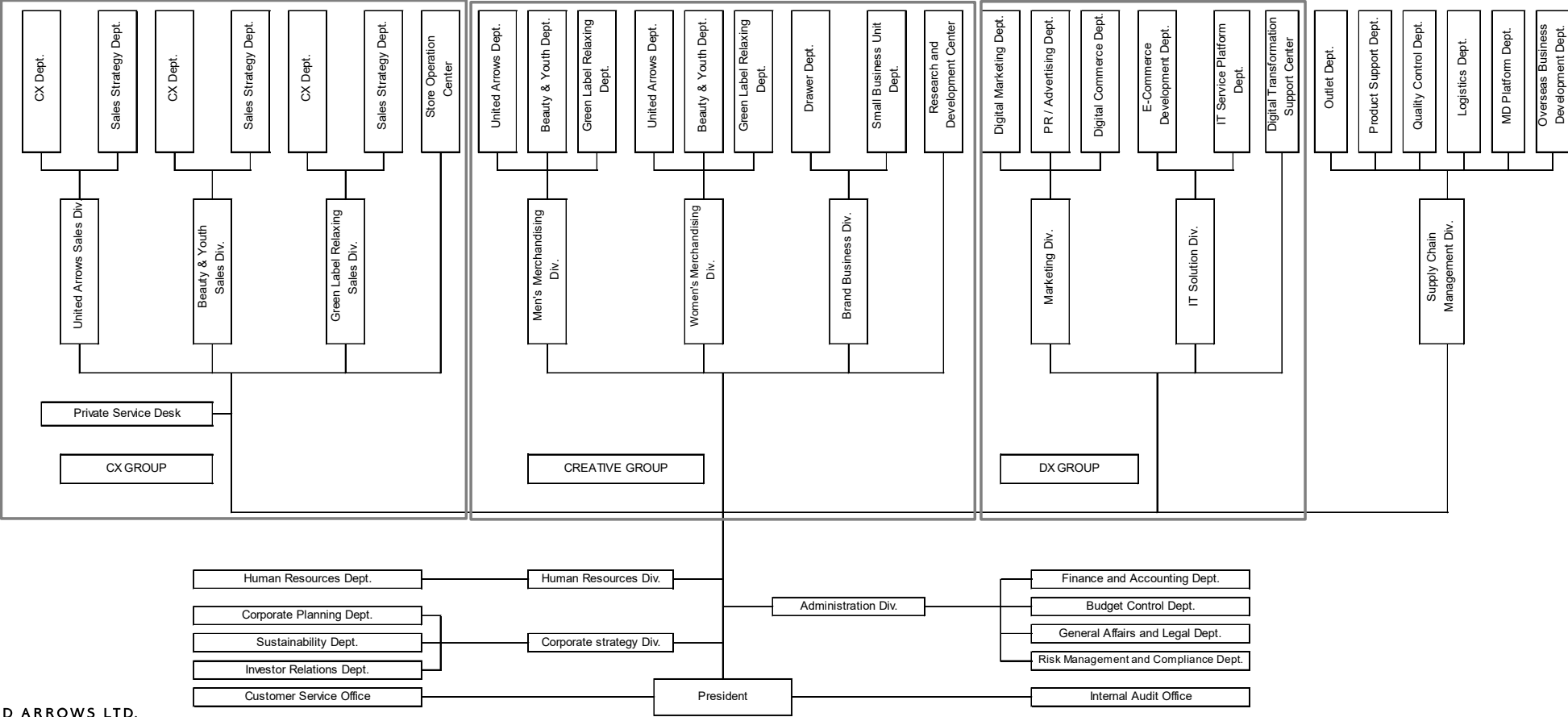
Raise creativity and achieve inventory efficiency and improved gross margin, by consolidating product functions to ensure product planning capability is shared horizontally

3. DX Group

To **recover customer attraction**

Promote enhanced digitization of sales promotion and develop measures with a high hitting ratio, by integrating EC, PR and marketing to promote DX comprehensively

Organization chart as of April 1, 2022



05

Reference Materials

Consolidated P/L

(Millions of yen)

	FY2020	FY2021	FY2022	Vs. same period of year before last		Vs. same period of last year	
				Increase (decrease)/diff . in pt vs. sales		Increase (decrease)/diff . in pt vs. sales	
Sales	157,412	121,712	118,384	(39,028)	75.2%	(3,328)	97.3%
Excluding the impact of the change in consolidation structure*	—	—	—	—	82.7%	—	104.7%
Excluding the impact of the change in revenue recognition standards	—	—	—	—	77.2%	—	99.9%
Excluding the impact of both changes	—	—	—	—	84.9%	—	107.5%
Gross Profit	79,983	55,020	59,090	(20,892)	73.9%	4,070	107.4%
vs. Sales	50.8%	45.2%	49.9%	- 0.9pt	—	4.7pt	—
SG&A Expenses	71,224	61,634	57,407	(13,816)	80.6%	(4,226)	93.1%
vs. Sales	45.2%	50.6%	48.5%	3.2pt	—	- 2.1pt	—
Operating Income	8,758	(6,613)	1,683	(7,075)	19.2%	8,296	—
vs. Sales	5.6%	—	1.4%	- 4.1pt	—	—	—
Non Op. P/L	44	1,735	1,144	1,099	2554.3%	(591)	65.9%
vs. Sales	0.0%	1.4%	1.0%	0.9pt	—	- 0.5pt	—
Ordinary Income	8,803	(4,878)	2,827	(5,975)	32.1%	7,705	—
vs. Sales	5.6%	—	2.4%	- 3.2pt	—	—	—
Extraordinary income (loss)	(2,582)	(2,641)	(1,068)	1,514	—	1,573	—
vs. Sales	—	—	—	0.7pt	—	—	—
Net Income Attributable to Owners of Parer	3,522	(7,197)	732	(2,790)	20.8%	7,930	—
vs. Sales	2.2%	—	0.6%	- 1.6pt	—	—	—

Consolidated P/L during 2H

	FY2020 2H	FY2021 2H	FY2022 2H	vs. same period of year before last		vs. same period of last year	
				Increase (decrease)/diff . in pt vs. sales		Increase (decrease)/diff . in pt vs. sales	
Sales	82,836	68,452	67,946	(14,889)	82.0%	(506)	99.3%
Excluding the impact of the change in consolidation structure*	—	—	—	—	89.7%	—	105.5%
Excluding the impact of the change in revenue recognition standards	—	—	—	—	84.2%	—	101.9%
Excluding the impact of both changes	—	—	—	—	92.0%	—	108.2%
Gross Profit	41,461	32,150	34,289	(7,172)	82.7%	2,138	106.7%
vs. Sales	54.2%	47.0%	50.5%	- 3.8pt	—	3.5pt	—
SG&A Expenses	36,606	31,923	29,957	(6,649)	81.8%	(1,966)	93.8%
vs. Sales	43.0%	46.6%	44.1%	1.1pt	—	- 2.5pt	—
Operating Income	4,854	226	4,331	(522)	—	4,105	1913.1%
vs. Sales	11.2%	0.3%	6.4%	- 4.8pt	—	6.0pt	—
Non Op. P/L	55	682	678	622	1218.1%	(4)	99.3%
vs. Sales	0.1%	1.0%	1.0%	0.9pt	—	0.0pt	—
Ordinary Income	4,910	909	5,010	99	102.0%	4,100	551.1%
vs. Sales	11.3%	1.3%	7.4%	- 3.9pt	—	6.0pt	—
Extraordinary income (loss)	(2,197)	(1,831)	(569)	1,627	—	1,262	—
vs. Sales	—	-2.7%	-0.8%	—	—	—	—
Net Income Attributable to Owners of Parer	1,580	(2,099)	2,727	1,147	172.6%	4,827	—
vs. Sales	6.2%	-3.1%	4.0%	- 2.2pt	—	—	—

Consolidated SGA Expenses

(Millions of yen)

	FY2020	FY2021	FY2022	Vs. same period of year before last		Vs. same period of last year	
				Increase (decrease)/ diff. in pt vs. sales		Increase (decrease)/ diff. in pt vs. sales	
Total SG&A Expenses	71,224	61,634	57,407	(13,816)	80.6%	(4,226)	93.1%
vs.Sales	45.2%	50.6%	48.5%	3.2pt	-	- 2.1pt	-
Excluding the impact of the change in revenue recognition standards	-	-	59,332	(11,892)	83.3%	(2,302)	96.3%
vs.Sales	-	-	48.8%	3.6pt	-	- 1.8pt	-
Advertising Expenses	4,263	3,378	2,575	(1,687)	60.4%	(803)	76.2%
vs.Sales	2.7%	2.8%	2.2%	- 0.5pt	-	- 0.6pt	-
Excluding the impact of the change in revenue recognition standards	-	-	4,500	237	105.6%	1,122	133.2%
vs.Sales	-	-	3.7%	1.0pt	-	0.9pt	-
Personnel Expenses	25,055	22,253	20,372	(4,683)	81.3%	(1,881)	91.5%
vs.Sales	15.9%	18.3%	17.2%	1.3pt	-	- 1.1pt	-
Rent	22,545	19,824	19,220	(3,325)	85.3%	(604)	97.0%
vs.Sales	14.3%	16.3%	16.3%	2.0pt	-	0.0pt	-
Depreciation	1,946	1,679	1,099	(847)	56.5%	(580)	65.5%
vs.Sales	1.2%	1.4%	0.9%	- 0.3pt	-	- 0.5pt	-
Other	17,413	14,498	14,140	(3,272)	81.2%	(357)	97.5%
vs.Sales	11.1%	11.9%	11.9%	0.9pt	-	0.0pt	-

Non-Consolidated Sales by Channel

(Millions of yen)

	FY2020	FY2021	FY2022	Vs. same period of year before last Increase (decrease)/diff. in pt vs. sales		Vs. same period of last year Increase (decrease)/diff. in pt vs. sales	
Non-consolidated sales	129,402	101,929	107,482	(21,919)	83.1%	5,553	105.4%
Excluding the impact of the change in revenue recognition standards	-	-	-	-	85.4%	-	108.5%
Total Business Unit Sales	111,162	85,878	90,000	(21,162)	81.0%	4,121	104.8%
vs. Sales	85.9%	84.3%	83.1%	- 2.8pt	-	- 1.2pt	-
Excluding the impact of the change in revenue recognition standards	-	-	-	-	82.9%	-	107.3%
Retail	81,026	52,323	58,818	(22,207)	72.6%	6,494	112.4%
vs. Sales	62.6%	51.3%	54.3%	- 8.3pt	-	0.3pt	-
Online	29,217	32,630	29,763	546	101.9%	(2,866)	91.2%
vs. Sales	22.6%	32.0%	27.5%	4.9pt	-	- 4.5pt	-
Other (wholesale, etc.)	918	924	1,417	499	154.4%	493	153.3%
vs. Sales	0.7%	0.9%	1.3%	0.6pt	-	0.4pt	-
Outlet, etc.	18,240	16,050	18,338	98	100.5%	2,287	114.3%
vs. Sales	14.1%	15.7%	16.9%	2.8pt	-	1.2pt	-

Existing Store Sales YoY

	Sales	Number of customers	Ave. spend per customer
Retail + Online	105.5%	97.8%	107.6%
Retail	114.9%	110.6%	103.9%
Online	91.6%	83.4%	104.9%

Non-Consolidated Sales by Business

(Millions of yen)

	FY2020	FY2021	FY2022	Vs. same period of year before last		Vs. same period of last year	
				Increase (decrease)		Increase (decrease)	
Total Business Unit Sales	111,162	85,878	90,000	(21,162)	81.0%	4,121	104.8%
Excluding the impact of the change in revenue recognition standards	-	-	-	-	82.9%	-	107.3%
Trend-conscious Market	72,449	58,542	59,482	(12,967)	82.1%	939	101.6%
Excluding the impact of the change in revenue recognition standards	-	-	-	-	84.4%	-	104.4%
Basic Trend-conscious Market	38,712	27,335	30,517	(8,194)	78.8%	3,182	111.6%
Excluding the impact of the change in revenue recognition standards	-	-	-	-	79.8%	-	113.1%

Existing store sales YoY

	Retail + Online	Retail	Online
Trend-conscious Market	102.0%	113.2%	85.1%
Basic Trend-conscious Market	113.2%	118.5%	105.5%

Consolidated BS

(Millions of yen)

	As of Mar. 31, 2021	As of Mar. 31, 2022	Vs. FY21-End Increase (decrease)	
Total Assets	63,619	59,703	(3,916)	93.8%
Composition ratio	100.0%	100.0%	-	-
Current Assets	39,745	38,475	(1,269)	96.8%
Composition ratio	62.5%	64.4%	-	-
Noncurrent Assets	23,874	21,228	(2,646)	88.9%
Composition ratio	37.5%	35.6%	-	-
Current Liabilities	29,564	25,437	(4,127)	86.0%
Composition ratio	46.5%	42.6%	-	-
Noncurrent Liabilities	4,210	4,197	(13)	99.7%
Composition ratio	6.6%	7.0%	-	-
Total Net Assets	29,844	30,069	224	100.8%
Composition ratio	46.9%	50.4%	-	-
Reference: Inventory	19,914	20,546	632	103.2%
Reference: Balance of short- and long-term loans payable	15,600	7,800	(7,800)	50.0%

Opening/Closure of Retail Stores of UNITED ARROWS LTD.

		(Number of stores)		
	Number of stores as of the end of the	Opened	Closed	Number of stores as of the term-end
UNITED ARROWS LTD. Total	236	4	24	216
Trend-conscious Market Total	117	2	13	106
UNITED ARROWS (General Merchandise Store)	14	0	0	14
UNITED ARROWS	26	0	2	24
BEAUTY&YOUTH	38	0	2	36
Other	39	2	9	32
Basic Trend-conscious Market Total	92	2	10	84
green label relaxing	85	2	3	84
Other	7	0	7	0
Outlet	27	0	1	26

* STEVEN ALAN TOKYO and STEVEN ALAN OSAKA are recorded as annexes to each BY store in the number of stores listed above.

* WORK TRIP OUTFITS GLR which had been included in 'Other' of the Basic Trend-conscious Market until the previous term, was renamed to GLR on 4/1/2021. It is counted as GLR in the number of stores as of the end of the previous term for the sake of convenience.

FY23 P/L Plan

(Millions of yen)

	FY2020 Full	FY2022 Full	FY2023 Plan	v.s. FY2020 Increase (decrease)/ diff. in pt vs. sales		v.s. FY2022 Increase (decrease)/ diff. in pt vs. sales	
Sales	157,412	118,384	130,000	(27,412)	82.6%	11,615	109.8%
(Reference) Excluding the impact of the change in the consolidated structure/the change in the revenue recognition	—	—	—	—	Around 93.0%	—	—
Gross Profit	79,983	59,090	65,700	(14,283)	82.1%	6,609	111.2%
vs. Sales	50.8%	49.9%	50.5%	- 0.3pt	—	0.6pt	—
SG&A Expenses	71,224	57,407	60,900	(10,324)	85.5%	3,492	106.1%
vs. Sales	45.2%	48.5%	46.8%	1.6pt	—	- 1.6pt	—
Operating Income	8,758	1,683	4,800	(3,958)	54.8%	3,116	285.2%
vs. Sales	5.6%	1.4%	3.7%	- 1.9pt	—	2.3pt	—
Non Op. P/L	44	1,144	430	385	959.7%	(714)	37.6%
vs. Sales	0.0%	1.0%	0.3%	0.3pt	—	- 0.6pt	—
Ordinary Income	8,803	2,827	5,230	(3,573)	59.4%	2,402	185.0%
vs. Sales	5.6%	2.4%	4.0%	- 1.6pt	—	1.6pt	—
Extraordinary income (loss)	(2,582)	(1,068)	(830)	1,752	—	238	—
vs. Sales	—	—	—	—	—	—	—
Net Income Attributable to Owners of Parent	3,522	732	3,000	(522)	85.2%	2,267	409.4%
vs. Sales	2.2%	0.6%	2.3%	0.1pt	—	1.7pt	—