

**<Delayed> Consolidated Financial Summary**  
**for the Nine Months Ended December 31, 2020**  
**[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  
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Scheduled Date of Reporting Date: February 12, 2021  
 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, 2021 (April 1, 2020 to December 31, 2020)**

**(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, 2020	91,799	(22.9)	(3,470)	—	(2,241)	—	(3,014)	—
December 31, 2019	119,093	1.1	8,886	(7.3)	8,906	(8.2)	4,687	(18.9)

Note: Comprehensive income: Nine months ended December 31, 2020: ¥(2,349) million (—%)  
 Nine months ended December 31, 2019: ¥5,126 million (-15.8%)

	Net Income per Share	Net Income per Share after Adjusting for Dilutive Effects
Nine months ended	yen	yen
December 31, 2020	(105.92)	—
December 31, 2019	165.20	—

Note: Net Income per Share after Adjusting for Dilutive Effects are not stated since there are no dilutive shares.

**(2) Consolidated Financial Conditions**

	Total Assets	Net Assets	Equity Ratio	Per-share net worth
	¥ million	¥ million	%	¥
As of December 31, 2020	72,337	34,050	47.1	1,193.32
As of March 31, 2020	70,007	42,072	55.2	1,362.01

Reference: Shareholders' equity: December 31, 2020: ¥34,050 million      March 31, 2020: ¥38,647 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, 2020	-	22.00	-	61.00	83.00
Fiscal year ending March 31, 2021	-	0.00	-		
Fiscal year ending March 31, 2021 (Est.)				0.00	0.00

Note: Revision to recently disclosed projected dividend payment: None

### 3. Projected Consolidated Performance of the Fiscal Year Ending March 2021 (From April 1, 2020 to March 31, 2021)

(% 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	128,300	(18.5)	(6,500)	—	(5,300)	—	(6,070)	(213.15)

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, 2020:	30,213,676 stocks
As of March 31, 2020:	30,213,676 stocks
2. Number of treasury stock
 

As of December 31, 2020:	1,679,373 stocks
As of March 31, 2020:	1,838,346 stocks
3. Average number of stocks issued and outstanding for the period
 

Nine months ended December 31, 2020:	28,459,417 stocks
Nine months ended December 31, 2019:	28,375,357 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, 2020)	At the end of the third quarter (December 31, 2020)
<b>Assets</b>		
Current assets		
Cash and deposits	6,002	5,056
Notes and accounts receivable-trade	193	145
Merchandise	27,293	24,471
Supplies	655	962
Accounts receivable-other	11,159	15,732
Other	695	890
Allowance for doubtful accounts	(3)	(0)
Total current assets	45,997	47,258
Noncurrent assets		
Tangible noncurrent assets		
Buildings and structures (net)	6,739	5,807
Machinery and equipment (net)	774	677
Other (net)	1,551	1,246
Total tangible noncurrent assets	9,065	7,731
Intangible noncurrent assets		
Other	2,838	1,508
Total intangible noncurrent assets	2,838	1,508
Investments and other assets		
Guarantee deposits	8,216	8,101
Other	3,911	7,760
Allowance for doubtful accounts	(22)	(23)
Total investments and other assets	12,105	15,838
Total noncurrent assets	24,009	25,078
Total assets	70,007	72,337
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable-trade	10,814	9,102
Short-term loans payable	4,600	17,900
Income taxes payable	174	1
Provision for bonuses	1,221	524
Provision for directors' bonuses	9	5
Other	6,838	6,513
Total current liabilities	23,658	34,047
Noncurrent liabilities		
Asset retirement obligations	4,257	4,227
Other	18	11
Total noncurrent liabilities	4,275	4,239
Total liabilities	27,934	38,287
<b>Net assets</b>		
Shareholders' equity		
Capital stock	3,030	3,030
Capital surplus	4,435	4,415
Retained earnings	37,003	31,824
Treasury stock	(5,833)	(5,218)
Total shareholders' equity	38,634	34,051
Accumulated other comprehensive income		
Deferred gains or losses on hedges	2	2
Foreign currency translation adjustment	10	(3)
Total accumulated other comprehensive income	12	(1)
Non-controlling interests	3,425	-
Total net assets	42,072	34,050
Total liabilities and net assets	70,007	72,337

## (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, 2019 (April 1, 2019 to December 31, 2019)	Nine months ended December 31, 2020 (April 1, 2020 to December 31, 2020)
Net sales	119,093	91,799
Cost of sales	56,432	48,772
Gross profit	62,660	43,027
Selling, general and administrative expenses	53,774	46,497
Operating income (loss)	8,886	(3,470)
Non-operating income		
Interest income	0	0
Foreign exchange gains	53	80
Purchase discounts	47	40
Rent income	18	15
Subsidy income	-	1,041
Other	117	124
Total non-operating income	237	1,303
Non-operating expenses		
Interest expenses	13	28
Rent expenses	19	17
Share of loss of entities accounted for using equity method	126	3
Other	57	24
Total non-operating expenses	217	74
Ordinary income (loss)	8,906	(2,241)
Extraordinary income		
Gain on sale of investments in capital of subsidiaries and affiliates	-	67
Total extraordinary income	-	67
Extraordinary loss		
Loss on retirement of noncurrent assets	43	11
Impairment loss	988	801
Other	13	18
Total extraordinary loss	1,045	830
Income (loss) before income taxes	7,860	(3,004)
Income taxes-current	2,273	824
Income taxes-deferred	472	(1,493)
Total income taxes	2,746	(668)
Net income (loss)	5,113	(2,335)
Net income attributable to non-controlling interests	426	678
Net income (loss) attributable to owners of parent	4,687	(3,014)

## Statements of Consolidated Comprehensive Income

Third Quarter (Nine Months Aggregate)

(millions of yen)

	Nine months ended December 31, 2019 (April 1, 2019 to December 31, 2019)	Nine months ended December 31, 2020 (April 1, 2020 to December 31, 2020)
Net income (loss)	5,113	(2,335)
Other comprehensive income		
Deferred gains or losses on hedges	21	(0)
Foreign currency translation adjustment	(9)	(13)
Total other comprehensive income	12	(13)
Comprehensive income	5,126	(2,349)
Comprehensive income attributable to:		
Owners of the parent company	4,693	(3,028)
Non-controlling interests	433	678

### (3) Consolidated Cash Flows

	(millions of yen)	
	Nine months ended December 31, 2019 (April 1, 2019 to December 31, 2019)	Nine months ended December 31, 2020 (April 1, 2020 to December 31, 2020)
<b>Cash flows from operating activities</b>		
Income (loss) before income taxes	7,860	(3,004)
Depreciation	1,457	1,283
Depreciation of intangible assets	311	287
Amortization of long-term prepaid expenses	332	326
Impairment loss	988	801
Increase (decrease) in provision for bonuses	(1,559)	(602)
Increase (decrease) in provision for directors' bonuses	(30)	(0)
Increase (decrease) in allowance for doubtful accounts	(0)	(2)
Interest and dividends income	(0)	(0)
Interest expenses	13	28
Subsidy income	-	(1,041)
Decrease (increase) in notes receivable	(3,285)	(3,415)
Decrease (increase) in inventories	(6,913)	(1,683)
Decrease (increase) in other current assets	(100)	121
Increase (decrease) in trade payables	4,451	208
Increase (decrease) in other current liabilities	699	(503)
Share of loss (gain) of entities accounted for using equity method	126	3
Loss (gain) on sale of investments in capital of subsidiaries and affiliates	-	(67)
Other	139	28
Subtotal	4,491	(7,232)
Interest and dividends received	0	0
Interest expenses paid	(13)	(28)
Subsidies received	-	1,041
Income taxes paid	(2,784)	(926)
Net cash provided by operating activities	1,693	(7,145)
<b>Cash flows from investment activities</b>		
Payments into time deposits	(9)	-
Proceeds from withdrawal of time deposits	-	276
Purchase of property, plant and equipment	(1,796)	(1,614)
Payments for asset retirement obligations	(122)	(97)
Purchase of intangible assets	(1,029)	(396)
Purchase of long-term prepaid expenses	(232)	(183)
Payments of guarantee deposits	(268)	(343)
Proceeds from refund of guarantee deposits	156	207
Payments for sale of investments in capital of subsidiaries resulting in change in scope of consolidation	-	(2,938)
Other	(101)	8
Net cash provided by investment activities	(3,403)	(5,080)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term loans payable	10,660	13,300
Repayment of long-term loans payable	(1,500)	-
Dividends paid	(2,794)	(1,729)
Other	(0)	-
Net cash provided by financing activities	6,365	11,570
Effect of exchange rate change on cash and cash equivalents	(9)	(13)
Increase (decrease) in cash and cash equivalents	4,645	(669)
Cash and cash equivalents at beginning of term	5,839	5,726
Cash and cash equivalents at end of term	10,484	5,056