

<Corrected> Consolidated Financial Summary
for the Fiscal Year Ended March 31, 2021
[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: Yoshinori Matsuzaki, Representative Director, President and CEO
 Contact: Takeo Nakazawa, Executive Officer and CFO
 Telephone: +81-3-5785-6325

Scheduled Date of Shareholder's Meeting: June 28, 2021
 Scheduled Date of Dividend Payment: —
 Scheduled Date of Reporting Date: June 29, 2021
 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, 2021
(April 1, 2020 to March 31, 2021)

(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 2021	121,712	(22.7)	(6,613)	—	(4,878)	—	(7,197)	—
Fiscal 2020	157,412	(0.9)	8,758	(20.8)	8,803	(22.2)	3,522	(45.1)

(Note) Comprehensive income:

As of March 31, 2021: ¥(6,555)million [(-%)]
 As of March 31, 2020: ¥4,180million [(39.2%)]

	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 2021	(252.74)	—	(21.0)	(7.3)	(5.4)
Fiscal 2020	124.15	—	9.2	12.5	5.6

(Reference) Equity in net income (losses) of affiliated companies:

As of March 31, 2021: ¥ (3) million
 As of March 31, 2020: ¥ (151) 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, 2021	63,619	29,844	46.9	1,045.93
As of March 31, 2020	70,007	42,072	55.2	1,362.01

(Reference) Shareholders' equity: As of March 31, 2021: ¥29,844million As of March 31, 2020: ¥38,647million

(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 Year
	¥ million	¥ million	¥ million	¥ million
Fiscal 2021	(4,277)	(4,079)	9,268	6,604
Fiscal 2020	5,510	(3,667)	(1,938)	5,726

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 2020	—	22.00	—	61.00	83.00	2,355	66.9	6.1
Fiscal 2021	—	0.00	—	0.00	0.00	—	—	—
Fiscal 2022 (Forecast)	—	7.00	—	12.00	19.00		31.0	

3. Projected Consolidated Performance of the Fiscal Year Ending March 2022 (From April 1, 2021 to March 31, 2022)

(% 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	124,800	2.5	3,000	—	3,580	—	1,750	—	61.33

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

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

(3) Number of Stocks Issued (Common Stocks)

1. Number of stocks issued at term end (including treasury stock)
 - As of March 31, 2021: 30,213,676 stocks
 - As of March 31, 2020: 30,213,676 stocks
2. Number of treasury stock
 - As of March 31, 2021: 1,679,373 stocks
 - As of March 31, 2020: 1,838,346 stocks
3. Average number of stocks issued and outstanding for the period
 - Year ended March 31, 2021: 28,477,882 stocks
 - Year ended March 31, 2020: 28,375,350 stocks

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

*Explanation regarding appropriate use of projected business performance

The above projection are 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 2020 (as of March 31, 2020)	Fiscal 2021 (as of March 31, 2021)
Assets		
Current assets		
Cash and deposits	6,002	6,604
Notes and accounts receivable-trade	193	163
Merchandise	27,293	19,214
Supplies	655	699
Accounts receivable-other	11,159	12,184
Other	695	878
Allowance for doubtful accounts	(3)	-
Total current assets	45,997	39,745
Noncurrent assets		
Tangible noncurrent assets		
Buildings and structures	22,369	20,739
Accumulated depreciation and impairment	(15,629)	(15,940)
Buildings and structures (net)	6,739	4,799
Machinery and equipment	1,081	1,081
Accumulated depreciation and impairment	(306)	(436)
Machinery and equipment (net)	774	645
Land	569	569
Construction in progress	109	284
Other	5,407	3,782
Accumulated depreciation and impairment	(4,535)	(3,260)
Other (net)	872	521
Total tangible noncurrent assets	9,065	6,820
Intangible noncurrent assets		
Other	2,838	1,799
Total intangible noncurrent assets	2,838	1,799
Investments and other assets		
Guarantee deposits	8,216	7,899
Deferred tax assets	2,622	4,689
Other	1,289	2,688
Allowance for doubtful accounts	(22)	(23)
Total investments and other assets	12,105	15,254
Total noncurrent assets	24,009	23,874
Total assets	70,007	63,619

(millions of yen)

	Fiscal 2020 (as of March 31, 2020)	Fiscal 2021 (as of March 31, 2021)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	10,814	7,880
Short-term loans payable	4,600	15,600
Trade accounts payable	4,001	4,032
Income taxes payable	174	-
Provision for bonuses	1,221	480
Provision for directors' bonuses	9	-
Asset retirement obligations	164	207
Other	2,672	1,363
Total current liabilities	23,658	29,564
Noncurrent liabilities		
Deferred tax liabilities	3	-
Asset retirement obligations	4,257	4,202
Other	15	7
Total noncurrent liabilities	4,275	4,210
Total liabilities	27,934	33,775
Net assets		
Shareholders' equity		
Capital stock	3,030	3,030
Capital surplus	4,435	4,415
Retained earnings	37,003	27,641
Treasury stock	(5,833)	(5,218)
Total shareholders' equity	38,634	29,868
Accumulated other comprehensive income		
Deferred gains or losses on hedges	2	-
Foreign currency translation adjustment	10	(23)
Total accumulated other comprehensive income	12	(23)
Non-controlling interests	3,425	-
Total net assets	42,072	29,844
Total liabilities and net assets	70,007	63,619

(2) Statements of Consolidated Income and Comprehensive Income

Statements of Consolidated Income

(millions of yen)

	Fiscal 2020 (April 1, 2019 to March 31, 2020)	Fiscal 2021 (April 1, 2020 to March 31, 2021)
Net sales	157,412	121,712
Cost of sales	77,429	66,691
Gross profit	79,983	55,020
Selling, general and administrative expenses	71,224	61,634
Operating income (loss)	8,758	(6,613)
Non-operating income		
Interest income	0	0
Dividend income of insurance	35	38
Foreign exchange gains	50	162
Rent income	24	18
Purchase discounts	63	55
Commission income	31	24
Subsidy income	-	1,041
Settlement received	-	325
Other	123	159
Total non-operating income	329	1,828
Non-operating expenses		
Interest expenses	18	36
Rent expenses	25	20
Share of loss of entities accounted for using equity method	151	3
Other	89	31
Total non-operating expenses	285	92
Ordinary income (loss)	8,803	(4,878)
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	50	16
Impairment loss	2,509	1,903
Loss (gain) on sale of shares of subsidiaries and affiliates	-	457
Loss on cancellation of rental contracts	8	331
Other	12	-
Total extraordinary loss	2,582	2,709
Income (loss) before income taxes	6,221	(7,519)
Income taxes-current	2,163	852
Income taxes-deferred	(121)	(1,854)
Total income taxes	2,041	(1,001)
Net income (loss)	4,179	(6,518)
Net income attributable to non-controlling interests	656	678
Net income (loss) attributable to owners of parent	3,522	(7,197)

Statements of Consolidated Comprehensive Income

(millions of yen)

	Fiscal 2020 (April 1, 2019 to March 31, 2020)	Fiscal 2021 (April 1, 2020 to March 31, 2021)
Net income (loss)	4,179	(6,518)
Other comprehensive income		
Deferred gains or losses on hedges	18	(2)
Foreign currency translation adjustment	(17)	(33)
Total other comprehensive income	0	(36)
Comprehensive income	4,180	(6,555)
Comprehensive income attributable to:		
Owners of the parent company	3,517	(7,233)
Non-controlling interests	663	678

(3) Consolidated Cash Flows

(millions of yen)

	Fiscal 2020 (April 1, 2019 to March 31, 2020)	Fiscal 2021 (April 1, 2020 to March 31, 2021)
Cash flows from operating activities		
Income (loss) before income taxes	6,221	(7,519)
Depreciation	1,948	1,681
Depreciation of intangible assets	402	386
Amortization of long-term prepaid expenses	445	436
Impairment loss	2,509	1,903
Increase (decrease) in provision for bonuses	(1,118)	(630)
Increase (decrease) in provision for directors' bonuses	(101)	(3)
Increase (decrease) in allowance for doubtful accounts	(0)	(2)
Interest and dividends income	(0)	(0)
Interest expenses	18	36
Subsidy income	-	(1,041)
Decrease (increase) in notes receivable	2,258	(897)
Decrease (increase) in inventories	(2,960)	3,056
Decrease (increase) in other current assets	(39)	(67)
Increase (decrease) in trade payables	50	(2,043)
Increase (decrease) in other current liabilities	(795)	(607)
Share of loss (gain) of entities accounted for using equity method	151	3
Loss (gain) on sale of investments in capital of subsidiaries and associates	-	(67)
Loss (gain) on sale of shares of subsidiaries and associates	-	457
Other	150	193
Subtotal	9,139	(4,725)
Interest and dividends received	0	464
Interest expenses paid	(18)	(36)
Subsidies received	-	1,041
Income taxes paid	(3,611)	(1,021)
Net cash provided by operating activities	5,510	(4,277)
Cash flows from investment activities		
Payments into time deposits	(12)	-
Proceeds from withdrawal of time deposits	-	276
Purchase of property, plant and equipment	(1,966)	(1,925)
Payments for asset retirement obligations	(146)	(184)
Purchase of intangible assets	(1,158)	(558)
Purchase of long-term prepaid expenses	(247)	(282)
Payments of guarantee deposits	(451)	(361)
Proceeds from refund of guarantee deposits	415	346
Proceeds from sale of investments in capital of subsidiaries	-	991
Proceeds from sale of investments in capital of subsidiaries resulting in change in scope of consolidation	-	547
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	(3,667)	(4,079)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	2,500	11,000
Repayment of long-term loans payable	(1,500)	-
Dividends paid	(2,325)	(1,731)
Dividends paid to non-controlling interests	(1,604)	-
Proceeds from sale of equity interests to non-controlling interests	991	-
Other	(0)	-
Net cash provided by financing activities	(1,938)	9,268
Effect of exchange rate change on cash and cash equivalents	(17)	(33)
Increase (decrease) in cash and cash equivalents	(112)	878
Cash and cash equivalents at beginning of term	5,839	5,726
Cash and cash equivalents at end of term	5,726	6,604