

**<Delayed> Consolidated Financial Summary
for the Three Months Ended June 30, 2022
[Japanese GAAP]**

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

Listed Company Name: UNITED ARROWS LTD.
Securities Traded: The Prime Market 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 Reporting Date: August 12, 2022
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 Three-Month Period of the Fiscal Year Ending March 31, 2023 (April 1, 2022 to June 30, 2022)

(1) Consolidated Business Performance (aggregate)

(% indicates increase / decrease YoY)

	Total Sales		Operating Profit		Ordinary Profit		Net Income attributable to owners of parent	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
Three months ended								
June 30, 2022	29,664	17.4	1,853	—	2,093	—	1,323	—
June 30, 2021	25,264	13.8	(903)	—	(718)	—	(648)	—

(Note) Comprehensive income:

As of June 30, 2022: ¥1,241million [(—)%]

As of June 30, 2021: ¥(692)million [(—)%]

	Net Income per Share	Net Income per Share after Adjusting for Dilutive Effects
Three months ended	yen	yen
June 30, 2022	46.45	—
June 30, 2021	(22.72)	—

(Note) There are no dilutive shares.

(2) Consolidated Financial Conditions

	Total Assets	Net Assets	Equity Ratio	Per-share net worth
	¥ million	¥ million	%	¥
As of June 30, 2022	54,722	30,983	56.6	1,087.33
As of March 31, 2022	59,703	30,069	50.4	1,055.23

(Reference) Shareholders' equity: June 30, 2022: ¥30,983 million March 31, 2022: ¥30,069 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, 2022	-	7.00	-	12.00	19.00
Fiscal year ending March 31, 2023	-				
Fiscal year ending March 31, 2023 (Est.)		12.00	-	20.00	32.00

(Note) Revision to recently disclosed projected dividend payment: None

3. Projected Consolidated Performance of the Fiscal Year Ending March 2022 (From April 1, 2022 to March 31, 2023)

(% 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	130,000	9.8	4,800	185.2	5,230	85.0	3,000	309.4	105.28

(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 Shares Issued (Common Stocks)

1. Number of shares issued at the end of the period (including treasury stock)

As of June 30, 2022:	30,213,676 shares
As of March 31, 2022:	30,213,676 shares

2. Number of treasury stocks at the end of the period

As of June 30, 2022:	1,718,367 shares
As of March 31, 2022:	1,718,367 shares

3. Average number of shares during the period

Three months ended June 30, 2022:	28,495,309 shares
Three months ended June 30, 2021:	28,534,303 shares

*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, 2022)	At the end of the first quarter (June 30, 2022)
Assets		
Current assets		
Cash and deposits	5,593	3,319
Notes and accounts receivable-trade	184	124
Merchandise	20,030	18,611
Supplies	516	527
Accounts receivable-other	11,385	10,846
Other	765	822
Total current assets	38,475	34,252
Noncurrent assets		
Tangible noncurrent assets		
Buildings and structures (net)	3,493	3,401
Machinery and equipment (net)	808	774
Land	569	569
Construction in progress	12	1
Other (net)	345	318
Total tangible noncurrent assets	5,229	5,066
Intangible noncurrent assets		
Other	1,356	1,353
Total intangible noncurrent assets	1,356	1,353
Investments and other assets		
Guarantee deposits	7,049	7,008
Deferred tax assets	4,141	3,662
Other	3,453	3,380
Allowance for doubtful accounts	(1)	(1)
Total investments and other assets	14,642	14,050
Total noncurrent assets	21,228	20,470
Total assets	59,703	54,722
Liabilities		
Current liabilities		
Notes and accounts payable-trade	8,858	7,435
Short-term loans payable	7,800	5,500
Accounts payable	4,434	2,795
Income taxes payable	662	343
Provision for bonuses	801	462
Provision for directors' bonuses	-	6
Asset retirement obligations	79	76
Other	2,801	2,897
Total current liabilities	25,437	19,518
Noncurrent liabilities		
Asset retirement obligations	4,164	4,187
Other	32	32
Total noncurrent liabilities	4,197	4,220
Total liabilities	29,634	23,738
Net assets		
Shareholders' equity		
Capital stock	3,030	3,030
Capital surplus	4,415	4,430
Retained earnings	27,771	28,753
Treasury stock	(5,006)	(5,006)
Total shareholders' equity	30,210	31,206
Accumulated other comprehensive income		
Foreign currency translation adjustment	(141)	(223)
Total accumulated other comprehensive income	(141)	(223)
Total net assets	30,069	30,983
Total liabilities and net assets	59,703	54,722

(2) Statements of Consolidated Income and Comprehensive Income

Statements of Consolidated Income

First Quarter (Three Months Aggregate)

(millions of yen)

	Three months ended June 30, 2021 (April 1, 2021 to June 30, 2021)	Three months ended June 30, 2022 (April 1, 2022 to June 30, 2022)
Net sales	25,264	29,664
Cost of sales	12,265	13,482
Gross profit	12,998	16,181
Selling, general and administrative expenses	13,902	14,328
Operating income (loss)	(903)	1,853
Non-operating income		
Interest income	0	0
Foreign exchange gains	40	118
Purchase discounts	14	14
Rent income	3	3
Share of profit of entities accounted for using equity method	116	61
Other	28	56
Total non-operating income	202	253
Non-operating expenses		
Interest expenses	7	4
Rent expenses	3	3
Other	5	6
Total non-operating expenses	16	13
Ordinary income (loss)	(718)	2,093
Extraordinary loss		
Loss on retirement of noncurrent assets	17	-
Impairment loss	26	56
Office relocation expenses	3	-
Total extraordinary loss	47	56
Income (loss) before income taxes	(766)	2,037
Income taxes-current	31	234
Income taxes-deferred	(149)	478
Total income taxes	(117)	713
Net income (loss)	(648)	1,323
Net income (loss) attributable to owners of parent	(648)	1,323

Statements of Consolidated Comprehensive Income

First Quarter (Three Months Aggregate)

(millions of yen)

	Three months ended June 30, 2021 (April 1, 2021 to June 30, 2021)	Three months ended June 30, 2022 (April 1, 2022 to June 30, 2022)
Net income (loss)	(648)	1,323
Other comprehensive income		
Foreign currency translation adjustment	(44)	(81)
Total other comprehensive income	(44)	(81)
Comprehensive income	(692)	1,241
Comprehensive income attributable to:		
Owners of the parent company	(692)	1,241
Non-controlling interests	-	-

(3) Consolidated Cash Flows

(millions of yen)

	Three months ended June 30, 2021 (April 1, 2021 to June 30, 2021)	Three months ended June 30, 2022 (April 1, 2022 to June 30, 2022)
Cash flows from operating activities		
Income (loss) before income taxes	(766)	2,037
Depreciation	296	217
Depreciation of intangible assets	92	97
Amortization of long-term prepaid expenses	102	154
Impairment loss	26	56
Increase (decrease) in provision for bonuses	(160)	(338)
Increase (decrease) in provision for directors' bonuses	14	6
Interest and dividends income	(0)	(0)
Interest expenses	7	4
Decrease (increase) in notes receivable	878	590
Decrease (increase) in inventories	(771)	1,407
Decrease (increase) in other current assets	285	15
Increase (decrease) in trade payables	(150)	(1,615)
Increase (decrease) in other current liabilities	(27)	(230)
Share of loss (profit) of entities accounted for using equity method	(116)	(61)
Other	47	27
Subtotal	(242)	2,369
Interest and dividends received	0	0
Interest expenses paid	(7)	(4)
Income taxes paid	(62)	(409)
Net cash provided by operating activities	(312)	1,955
Cash flows from investment activities		
Purchase of property, plant and equipment	(88)	(66)
Payments for asset retirement obligations	(72)	(50)
Purchase of intangible assets	(340)	(185)
Purchase of long-term prepaid expenses	(13)	(1,274)
Payments of guarantee deposits	(54)	(2)
Proceeds from refund of guarantee deposits	210	43
Other	(13)	0
Net cash provided by investment activities	(371)	(1,536)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(130)	(2,300)
Dividends paid	(0)	(311)
Net cash provided by financing activities	(130)	(2,611)
Effect of exchange rate change on cash and cash equivalents	(44)	(81)
Increase (decrease) in cash and cash equivalents	(859)	(2,273)
Cash and cash equivalents at beginning of term	6,604	5,593
Cash and cash equivalents at end of term	5,745	3,319