
Consolidated Financial Summary
For the First Quarter of Fiscal 2016, the Fiscal Year Ending March 31, 2016

Prepared in Conformity with Accounting Principles Generally Accepted in Japan (Japanese GAAP)
English Translation of the Original Japanese-Language Report

Corporate Name:	UNITED ARROWS LTD.
Securities Traded:	Tokyo Stock Exchange, First Section
Code Number:	7606
URL:	http://www.united-arrows.co.jp
Representative:	Mitsuhiro Takeda, Representative Director, President and Executive Officer
Contact:	Takeo Nakazawa, Department Manager, Finance and Accounting Department
Telephone:	+81-3-5785-6325
Scheduled Date of Dividend Payment:	—
Scheduled Reporting Date:	August 13, 2015
Supplementary Information:	Yes

Note: Figures smaller than ¥100 million are rounded down.

1. Consolidated Business Results for the First Quarter of Fiscal 2016, the Fiscal Year Ending March 31, 2016 (April 1, 2015 to June 30, 2015)

(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	%
1Q Fiscal 2016	32,093	7.5	2,794	(5.6)	2,797	(7.1)	1,740	1.2
1Q Fiscal 2015	29,850	2.1	2,959	(17.2)	3,010	(15.5)	1,720	(16.8)

Note: Comprehensive income 1Q Fiscal 2016: ¥1,697 million (-1.0%) 1Q Fiscal 2015: ¥1,715 million (-17.6%)

	Net Income per Share		Net Income per Share after Adjusting for Dilutive Effects	
	yen		yen	
1Q Fiscal 2016	57.54		—	
1Q Fiscal 2015	54.03		—	

Note: There are no dilutive shares for 1Q Fiscal 2015 and 1Q Fiscal 2016.

(2) Consolidated Financial Conditions

	Total Assets		Net Assets		Equity Ratio		Per-share net worth	
	¥ million		¥ million		%		¥	
June 30, 2015	61,547		29,725		48.3		983.83	
March 31, 2015	62,020		31,186		50.3		1,019.68	

Reference: Net worth June 30, 2015: ¥29,725million March 31, 2015: ¥31,186million

2. Conditions of Dividend Payment

	Annual Dividend				
	1Q End	2Q End	3Q End	Fiscal Year End	Annual
Fiscal 2015	yen -	yen 20.00	yen -	yen 58.00	yen 78.00
Fiscal 2016	-				
Fiscal 2016 (Forecast)		20.00	-	58.00	78.00

Note: Revision to recently disclosed projected dividend payment: None

3. Projected Consolidated Performance of the Fiscal Year Ending March 2016 (From April 1, 2015 to March 31, 2016)

(% 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	
Interim Period	63,024	6.9	2,996	(14.2)	2,967	(16.5)	1,701	(13.1)	56.29	
Full Fiscal Year	141,401	7.9	11,686	3.0	11,669	1.1	7,103	12.2	235.05	

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: Yes
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)

1Q Fiscal 2016	37,800,000 stocks	Fiscal 2015	37,800,000 stocks
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2. Number of treasury stock

1Q Fiscal 2016	7,586,324 stocks	Fiscal 2015	7,215,124 stocks
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3. Average number of stocks issued and outstanding for the period

1Q Fiscal 2016	30,258,130 stocks	1Q Fiscal 2015	31,843,976 stocks
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*Note on the status of audit procedure implementation

This Financial Results Report is not subject to the audit procedures prescribed under the Financial Instruments and Exchange Act of Japan. As of the date this Financial Results Report was disclosed, however, audit procedures applicable to financial statements prescribed under the aforementioned Financial Instruments and Exchange Act were in the process of being carried out.

*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. Please refer to the attached documents starting from the next page for the preconditions and further information for the projected figures.

Consolidated Financial Results
(1) Quarterly Consolidated Balance Sheet

(millions of yen)

	Fiscal 2015 (as of March 31, 2015)	1Q Fiscal 2016 (as of June 30, 2015)
Assets		
Current assets		
Cash and deposits	5,801	4,184
Notes and accounts receivable-trade	209	89
Merchandise	22,984	24,375
Supplies	490	468
Accounts receivable-other	9,725	9,066
Other	2,230	1,908
Allowance for doubtful accounts	(2)	(2)
Total current assets	41,438	40,091
Noncurrent assets		
Property, plant and equipment		
Buildings and structures (net)	7,247	7,674
Other (net)	1,809	1,838
Total property, plant and equipment	9,057	9,513
Intangible noncurrent assets		
Other	1,685	1,676
Total intangible noncurrent assets	1,685	1,676
Investments and other assets		
Guarantee deposits	7,807	8,095
Other	2,053	2,191
Allowance for doubtful accounts	(21)	(21)
Total investments and other assets	9,839	10,265
Total noncurrent assets	20,582	21,455
Total assets	62,020	61,547

(millions of yen)

	Fiscal 2015 (as of March 31, 2015)	1Q Fiscal 2016 (as of June 30, 2015)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	7,896	10,112
Short-term loans payable	4,500	5,080
Current portion of long-term loans payable	2,004	2,004
Income taxes payable	1,263	791
Provision for bonuses	1,548	837
Provision for directors' bonuses	11	-
Other	6,877	6,565
Total current liabilities	24,101	25,391
Noncurrent liabilities		
Long term loans payable	3,996	3,495
Asset retirement obligations	2,723	2,923
Other	12	12
Total noncurrent liabilities	6,731	6,430
Total liabilities	30,833	31,821
Net assets		
Shareholders' equity		
Capital stock	3,030	3,030
Capital surplus	4,095	4,095
Retained earnings	34,716	34,683
Treasury stock	(10,734)	(12,119)
Total shareholders' equity	31,107	29,689
Accumulated other comprehensive income		
Other valuation adjustments on securities	31	24
Deferred gains or losses on hedges	41	6
Forex adjustment account	6	4
Total accumulated other comprehensive income	79	35
Total net assets	31,186	29,725
Total liabilities and net assets	62,020	61,547

(2) Statements of Consolidated Income and Comprehensive Income

Statements of Consolidated Income

First Quarter (Three Months Aggregate)

(millions of yen)

	Previous 1Q (3 months aggregate) (from April 1, 2014 to June 30, 2014)	Current 1Q (3 months aggregate) (from April 1, 2015 to June 30, 2015)
Net sales	29,850	32,093
Cost of sales	12,941	14,616
Gross profit	16,908	17,476
Selling, general and administrative expenses	13,949	14,682
Operating income	2,959	2,794
Non-operating income		
Interest income	0	0
Dividend income	7	3
Foreign exchange gains	31	23
Purchase discounts	12	13
Rent income	8	4
Other	17	17
Total non-operating income	77	63
Non-operating expenses		
Interest expenses	6	11
Rent expenses	6	4
Commission for Purchase of treasury stock	-	33
Other	13	11
Total non-operating expenses	27	60
Ordinary income	3,010	2,797
Extraordinary profit		
Gain on sales of noncurrent assets	19	-
Gain on sales of investment securities	-	27
Total extraordinary profit	19	27
Extraordinary loss		
Loss on retirement of noncurrent assets	60	2
Impairment loss	149	16
Total extraordinary loss	209	19
Income before income taxes	2,819	2,805
Income taxes-current	450	756
Income taxes-deferred	649	307
Total income taxes	1,099	1,064
Net income	1,720	1,740
Net income attributable to owners of parent	1,720	1,740

Statements of Consolidated Comprehensive Income

First Quarter (Three Months Aggregate)

(millions of yen)

	Previous 1Q (3 months aggregate) (from April 1, 2014 to June 30, 2014)	Current 1Q (3 months aggregate) (from April 1, 2015 to June 30, 2015)
Income before minority interests	1,720	1,740
Other comprehensive income		
Other valuation adjustments on securities	4	(6)
Deferred gains or losses on hedges	(8)	(35)
Forex adjustment account	(0)	(1)
Total other comprehensive income	(5)	(43)
Comprehensive income	1,715	1,697
Comprehensive income attributable to:		
Owners of the parent company	1,715	1,697
Non-controlling interests	-	-

(3) Consolidated Cash Flows

(millions of yen)

	Previous 1Q (3 months aggregate) (from April 1, 2014 to June 30, 2014)	Current 1Q (3 months aggregate) (from April 1, 2015 to June 30, 2015)
Cash flows from operating activities		
Income before income taxes	2,819	2,805
Depreciation	420	432
Depreciation of intangible assets	44	42
Amortization of long-term prepaid expenses	33	33
Impairment loss	149	16
Increase (decrease) in provision for bonuses	(1,173)	(710)
Increase (decrease) in provision for directors' bonuses	(101)	(11)
Increase (decrease) in allowance for doubtful accounts	(0)	(0)
Interest and dividends income	(7)	(3)
Interest expenses	6	11
Increase in notes receivable	1,645	771
Increase in inventories	(2,174)	(1,369)
Increase in other current assets	34	(68)
Increase in purchase liabilities	1,197	2,440
Increase (decrease) in other current liabilities	78	(566)
Increase (decrease) in other noncurrent liabilities	5	0
Other	(25)	14
Subtotal	2,951	3,837
Interest and dividends income received	7	3
Interest expenses paid	(6)	(12)
Income taxed paid	(3,306)	(1,231)
Payments for directors retirement benefits	(309)	-
Net cash provided by operating activities	(664)	2,597

(millions of yen)

	Previous 1Q (3 months aggregate) (from April 1, 2014 to June 30, 2014)	Current 1Q (3 months aggregate) (from April 1, 2015 to June 30, 2015)
Cash flows from investment activities		
Payments into time deposits	(3)	(3)
Proceeds from sales of investment securities	-	52
Purchase of property, plant and equipment	(1,156)	(809)
Payments for asset retirement obligations	-	(39)
Proceeds from sales of property, plant and equipment	21	-
Purchase of intangible assets	(64)	(68)
Purchase of long-term prepaid expenses	(493)	(157)
Payment for guarantee deposits	(97)	(341)
Proceeds from collection of guarantee deposits	45	53
Other	0	0
Net cash provided by investment activities	(1,747)	(1,311)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	4,000	580
Repayment of long-term loans payable	(681)	(501)
Purchase of treasury stock	-	(1,418)
Cash dividends paid	(1,319)	(1,565)
Net cash provided by financing activities	1,999	(2,904)
Effect of exchange rate change on cash and cash equivalents	(0)	(1)
Increase (decrease) in cash and cash equivalents	(412)	(1,619)
Cash and cash equivalents at beginning of term	5,429	5,585
Cash and cash equivalents at end of term	5,016	3,965