



Fiscal Year Ended March 2010 First Quarter Earnings Announcement

UNITED ARROWS LTD.

Contents

I. Overview of business results in 1Q

P3-P9

II. Additional information on business results

P9-P14

III. Progress of important measures, etc.

P15-P22

***In this material, a fractional sum less than one million yen is rounded down and percentage is calculated from raw data.**

[Cautionary statement]

Earnings forecasts and objective views contained in this document are based on decisions made by UNITED ARROWS LTD. in light of information obtainable as of August 6, 2009, and therefore include risks and uncertainty. Actual earnings may differ materially from forecasts due to global economic trends, market conditions, exchange rate fluctuations and other factors. Investors are asked to refrain from making investment decisions based solely on this document.

[Indication of business in this material]

*Abbreviation of each business, structure of business are as below;

Main business; UNITED ARROWS: UA, green label relaxing: GLR, CHROME HEARTS: CH

Small Business Units (SBUs); Another Edition: AE, Jewel Changes : JC, Odette é Odile UNITED ARROWS: OEO, DRAWER: DRW, Cath Kidston: CK (*SOUNDS GOOD closed in July 2009)

UA Lab; TOKISHIRAZU: TSZ

I. Overview of business results in 1Q

1. Overview of business results in 1Q

2. Sales overview (consolidated/non-consolidated, 3 months aggregate)

3. B/S overview as of 1Q (consolidated/non-consolidated)

4. C/F overview (consolidated)

5. Plans of store openings/closings (non-consolidated)

Cf: Details of store openings, etc. (confirmed projects only)

1. P/L overview (consolidated/non-consolidated, 3 months aggregate)

- Results were as follows;

Consolidated net sales ¥19,080 million (102.0% YoY), ordinary income ¥1,423 million (129.4% YoY), quarterly net income ¥668 million (138.3% YoY)

- Increase in both earnings and profitability

	Consolidated results				<cf>		cf: Non-consolidated results				<cf>	
	FYE March 2010 1Q				Previous results		FYE March 2010 1Q				Previous results	
	Results	vs sales	+/- YoY	YoY	Results	vs sales	Results	vs sales	+/- YoY	YoY	Results	vs sales
Sales	19,080	100.0%	382	102.0%	18,698	100.0%	18,151	100.0%	197	101.1%	17,954	100.0%
Gross Profit	10,510	55.1%	340	103.3%	10,170	54.4%	9,992	55.0%	223	102.3%	9,769	54.4%
SGA Exp.	9,093	47.7%	35	100.4%	9,058	48.4%	8,315	45.8%	(331)	96.2%	8,646	48.2%
Operating Inc.	1,416	7.4%	305	127.4%	1,111	5.9%	1,676	9.2%	554	149.4%	1,122	6.3%
Non Op. P/L	6	0.0%	18	-	(12)	-0.1%	20	0.1%	18	1371.9%	1	0.0%
Ordinary Inc.	1,423	7.5%	323	129.4%	1,099	5.9%	1,697	9.3%	573	151.0%	1,123	6.3%
Extraordinary P/L	(16)	-0.1%	98	-	(114)	-0.6%	(16)	-0.1%	99	-	(115)	-0.6%
Net Income	668	3.5%	184	138.3%	483	2.6%	979	5.4%	407	171.2%	571	3.2%

2. Sales overview (consolidated/non-consolidated, 3 months aggregate)

- Non-consolidated sales increased 101.1% YoY to ¥18,151 million, 100.4% of forecast
- Total business unit sales was ¥15,302 million, 100.2% of forecast
- Retail and online same store sales was 96.1% YoY

	FYE March 2010 1Q (3 months aggregate)					(million yen)	
	Results	YoY +/-		vs Forecast +/-		<cf>	
			YoY		vs Forecast	Previous 1Q	Forecast
Consolidated Total Sales	19,080	382	102.0%	-	-	18,698	-
Non-consolidated Total Sales	18,151	197	101.1%	67	100.4%	17,954	18,084
Total Business Unit Sales	15,302	(159)	99.0%	27	100.2%	15,462	15,274
UA	8,202	(218)	97.4%	110	101.4%	8,420	8,091
GLR	3,482	(98)	97.3%	(124)	96.6%	3,580	3,606
CH	969	(13)	98.6%	23	102.5%	983	945
SBUs and UA Labs	2,648	170	106.9%	17	100.7%	2,478	2,630
Outlet	2,849	357	114.4%	39	101.4%	2,491	2,809
Same store sales (retail & online)			96.1%			-	-
UA			94.0%			-	-
GLR			97.8%			-	-
CH			96.4%			-	-
SBUs and UA Labs			100.3%			-	-

*For details of retail and online same store sales, please look at page 30.

3. B/S overview as of 1Q (consolidated/non-consolidated)

- Consolidated total assets was ¥46,728 million (105.8% YoY), non-consolidated total assets was ¥ 45,697 million (105.0% YoY)

***Major increase or decrease in consolidated B/S**

- Current assets: increase in cash and cash equivalents by ¥1.3 billion, increase in inventory due to business expansion of subsidiaries by ¥0.8 billion
- Noncurrent assets: increase in guarantee deposits for store openings of subsidiaries by ¥0.3 billion
- Current liabilities: decrease in short term loans payable (and current portion of long-term loans payable) by ¥1.4 billion, increase in income tax payable by ¥0.3 billion
- Noncurrent liabilities: increase in long-term loans payable by ¥3.4 billion

*** Short and long term loans payable at quarter end: ¥12.9 billion, increase by ¥2.0 billion YoY**

	(million yen)				(million yen)			
	Consolidated results		<cf>		Non-consolidated results		<cf>	
	FYE March 2010 1Q		Previous 1Q		FYE March 2010 1Q		Previous 1Q	
	% of total Results	+/- YoY YoY	% of total Results		% of total Results	+/- YoY YoY	% of total Results	
Total assets	100.0% 46,728	2,551 105.8%	100.0% 44,176		100.0% 45,697	2,196 105.0%	100.0% 43,501	
Current assets	62.8% 29,365	2,506 109.3%	60.8% 26,858		60.9% 27,843	2,748 111.0%	57.7% 25,094	
Noncurrent assets	37.2% 17,362	45 100.3%	39.2% 17,317		39.1% 17,854	(552) 97.0%	42.3% 18,406	
Current liabilities	43.1% 20,160	(1,291) 94.0%	48.6% 21,452		39.3% 17,961	(2,670) 87.1%	47.4% 20,632	
Noncurrent liabilities	7.6% 3,555	3,462 3799.6%	0.2% 93		7.8% 3,551	3,462 3968.4%	0.2% 89	
Total net assets	49.2% 23,011	381 101.7%	51.2% 22,630		52.9% 24,184	1,404 106.2%	52.4% 22,779	

4. C/F overview (consolidated)

* Major increase or decrease in consolidated C/F

CF from operating activities: decrease in taxes payable	+¥1.5 Bn (previous 1Q -¥1.9 Bn)
decrease in inventory	+¥0.7 Bn (previous 1Q -¥0.3 Bn)
net income before taxes	+¥0.4 Bn (previous 1Q ¥0.9 Bn)
decrease in purchase liabilities	-¥1.3 Bn (previous 1Q -¥0.2 Bn)
CF from investing activities: decrease in payment for tangible noncurrent assets	+¥1.4 Bn (previous 1Q -¥1.7 Bn)
CF from financing activities: decrease in increase of short-term loans payable	-¥2.5 Bn (previous 1Q ¥4.4 Bn)

	(million yen)		
	Consolidated results (FYE March 2010 1Q)		<cf> Previous 1Q
	Results	+/- YoY	Results
Cash flows from operating activities	272	1,722 -	(1,449)
Cash flows from investment activities	(426)	1,700 20.0%	(2,126)
Cash flows from financing activities	561	(2,444) 18.7%	3,006
Increase/decrease in cash and cash equivalents	408	977 -	(569)
Cash and cash equivalents at beginning of term	3,322	347 111.7%	2,975
Cash and cash equivalents at end of term	3,730	1,324 155.1%	2,405

5. Plans of store openings/closings (non-consolidated)

- 3 store openings in 1Q, total store number as of quarter end was 141 stores
 - 2 B&Y stores (changed from annex stores to independent stores), 1 Jewel Changes store
- 3 TOKISHIRAZU stores will close during 2Q

Number of new stores by retail business (Non-consolidated)

		Stores at beg. of 1Q	1Q results		Stores at end of 1Q	Store openings (est)			Close	Term end forecast
			Open	Close		full term	1H	2H		
Total		138	3		141	9	5	4	8	139
Main Biz	UA Total	45	2		47	3	2	1	1	47
	UA (Original)	14			14					14
	UA (New)	13			13				1	12
	B&Y	15	2		17	3	2	1		18
	UA LIS	3			3					3
	GLR	37			37	1		1	1	37
	CH	5			5					5
SBU and UA Labs Total		51	1		52	5	3	2	6	50
SBU and UA Labs	SBU	Another Edition			14	1	1		1	14
		Jewel Changes	1		7	1	1			7
		Odette é Odile			18				1	17
		DRAWER			5	1		1		6
		SOUNDS GOOD			1				1	0
		Cath Kidston			3	2	1	1		5
	UAlab	TOKISHIRAZU			4				3	1
Outlet		15			15					15

*Liquor,woman&tears, which used to be a SBU (Small Business Unit) is now a UA LIS (Label Image Store) from FYE March 2010.

* UA LIS (Label Image Stores): THE SOVEREIGN HOUSE (1 store), District UNITED ARROWS (1 store) and Liquor,woman&tears (1store).

Cf: Details of store openings, etc. (confirmed projects only)

Details of store openings/transfer/extension for FYE March 2010 (confirmed projects only)

Form	Biz	Business unit	Outline	Timing	Store name	Name of facility	Total space (m ²)	Opening day (est*)
new	SBU	Jewel Changes	new	May	Shibuya	Roadside	217	5/30/2009
new	SBU	Another Edition	new	Sep	Tachikawa	LUMINE TACHIKAWA	115	Early Sep 2009*
new	SBU	Cath Kidston	new	Sep	Marunouchi	Marunouchi BRICK SQUARE	92	9/3/2009*
new	UA	B&Y	new	Oct	TAMAPLAZA WOMEN'S STORE	TAMA-PLAZA TERRACE GATE PLAZA	211	10/22/2009*
extention	UA	UA	extention	Apr	SENDAI	SAKURANO SENDAI	699	4/24/2009
extention	UA	B&Y	extention	Aug	SHIBUYA KOENDORI	Roadside	970	8/29/2009*
extention	UA	UA	extention	Sep	FUTAKOTAMAGAWA	Tamagawa Takashimaya S・C	524	9/17/2009*
transfer expansion	GLR	GLR	transfer expansion	Apr	amu plaza kokura	AMU PLAZA KOKURA	396	4/11/2009
renovation	UA	B&Y	renovation	Aug	MACHIDA	LUMINE MACHIDA	419	8/20/2009*
renovation	UA	UA	renovation	Sep	SHINJUKU	LUMINE Shinjuku LUMINE I	792	9/4/2009*
close	UA	UA (New)	close	Jul	SHIBUYA KOENDORI	Roadside	320	7/26/2009
close	SBU	SOUNDS GOOD	close	Jul	SHINJUKU	LUMINE Shinjuku LUMINE	164	7/26/2009
close	UA Lab	TOKISHIRAZU	close	Jul	HARAJUKU	Roadside	73	7/26/2009
close	UA Lab	TOKISHIRAZU	close	Jul	OSAKA	SHINSAIBASHI OPA KIREIKAN	120	7/31/2009
close	UA Lab	TOKISHIRAZU	close	Aug	NAGOYA	Nagoya PARCO	100	8/16/2009*
close	SBU	Another Edition	close	Jul	Shinsaibashi	SHINSAIBASHI OPA KIREIKAN	134	7/31/2009
close	SBU	Odette é Odile	close	Aug	yurakucho hankyu	YURAKUCHO HANKYU	67	8/16/2009*

*Store space is approximately 80% to 85% of total space.

II. Additional information on business results

1. Trend of inventories (non-consolidated)

2. Trend of gross margin (non-consolidated)

3. Details of SGA expenses (non-consolidated)

4. Progress of subsidiaries

1. Trend of inventories (non-consolidated)

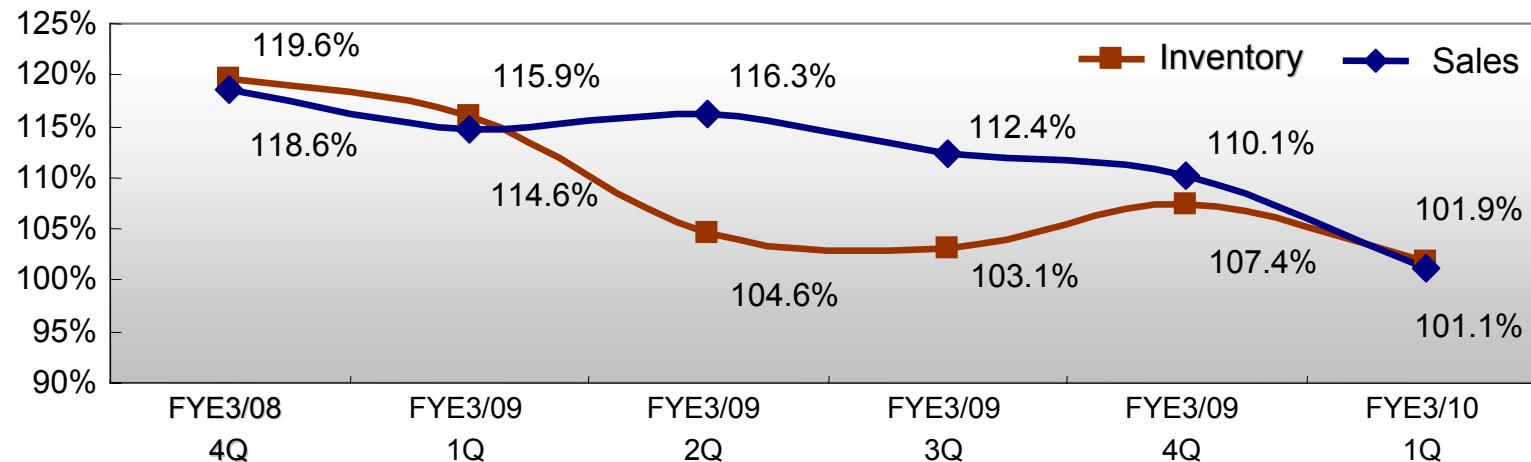
- Non-consolidated inventory in 1Q increased to ¥17,232 million, 101.9% YoY
- Growth of inventory is higher than growth of sales in 1Q but inventory of current season is controlled while inventory of past years are still slightly a burden
- Inventory at term end (March 2010) is projected to be around the same level as the previous year

Change in inventories (product inventory + stored goods)

(million yen)

(end of quarter)	FYE3/09 4Q	FYE3/09 1Q	FYE3/09 2Q	FYE3/09 3Q	FYE3/09 4Q	FYE3/10 1Q
Inventory at end of quarter	16,563	16,913	18,546	18,809	17,792	17,232
YoY	119.6%	115.9%	104.6%	103.1%	107.4%	101.9%
*Growth of sales	118.6%	114.6%	116.3%	112.4%	110.1%	101.1%

Historical inventory and sales



2. Trend of gross margin (non-consolidated)

- Non-consolidated gross margin increased by 0.6 points to 55.0%
- Gross margin of total business units decreased by 0.8 points to 58.5% due to increase in markdowns and discounts in regular stores, etc.
- Gross margin of outlet stores improved by 10.8 points to 33.3% due to earlier sales of current season items, etc.
- Other COGS improved as product valuation loss decreased due to fewer items to be abandoned

Change in Gross Margin

	FYE March 2010 1Q			FYE March 2010 (est)	
	Results	Previous 1Q	YoY	Forecast	YoY
Total Company	55.0%	54.4%	0.6%	51.2%	0.3%
Total Business Units	58.5%	59.3%	-0.8%	57.4%	0.8%
Outlet	33.3%	22.6%	10.8%	24.1%	2.1%
Other COGS (Mn yen)	(93)	(37)	(55)	1,244	332

*"Total Business Units" includes sales of retail, w wholesale, mail-order and formal wear rental, etc.

*"Outlet" includes sales of outlet stores and special events.

*"Other COGS" means product valuation loss and abolition loss, etc.

3. Details of SGA expenses (non-consolidated)

- SGA expenses to sales ratio declined by 2.3 points YoY to 45.8%
- Repairing expenses, cost for consumables and advertisements, etc. were lower than forecast

Details of SGA expenses (non-consolidated)

(vs Sales)	Current 1Q	Previous 1Q	YoY	Details
Total SGA expenses	45.8%	48.2%	-2.3%	
Advertisement	1.3%	2.0%	-0.7%	decline in advertisements in magazines and newspapers, etc.
Personnel	17.1%	17.6%	-0.5%	decrease in bonus payment reserve, decline in cost for training due to decline in new recruitments
Rent	12.9%	12.6%	0.4%	increase in fee due to expansion in online sales, higher cost for general services due to increase in number of stores
Depreciation	1.4%	1.5%	-0.2%	decrease due to more stores with impairment loss
Others	13.1%	14.5%	-1.4%	decrease in cost for consumables and transportation expenses

4. Progress of subsidiaries

	FIGO CO., LTD.	PERENNIAL UNITED ARROWS	c o e n
number of stores	1Q new stores 0 number of stores at 1Q end 12 number of stores at term end 11	1Q new stores 2 number of stores at 1Q end 4 (1 store open for limited period) number of stores at term end 6	1Q new stores 7 number of stores at 1Q end 23 number of stores at term end 27
1Q results	* All subsidiaries were short of projected sales. Sales of new subsidiaries PERENNIAL and COEN were short of projected sales by around 20%. * All subsidiaries were slightly short of projected profitability. * All subsidiaries are taking measures to control cost to achieve projected profitability		
future measures	* Strengthen measures to avoid lack of stock of best sellers and standard items * Increase color variation of Felisi bags sold at directly operated stores to differentiate items sold at other stores * Review price of clothing	* Review product range and increase entry price items, increase timely offerings of coats, etc. * Increase collaboration with magazines and strengthen lease to improve acknowledgement of brand	* Review brand concept, target customers, price range etc. * Increase sales by measures such as selling in sets, or distributing discount coupons * Increase collaboration with magazines and fliers to improve acknowledgement of brand

III. Progress of key challenges, etc.

1. Summary of 1Q results

2. Progress of important tasks

Cf: Key challenges of main businesses

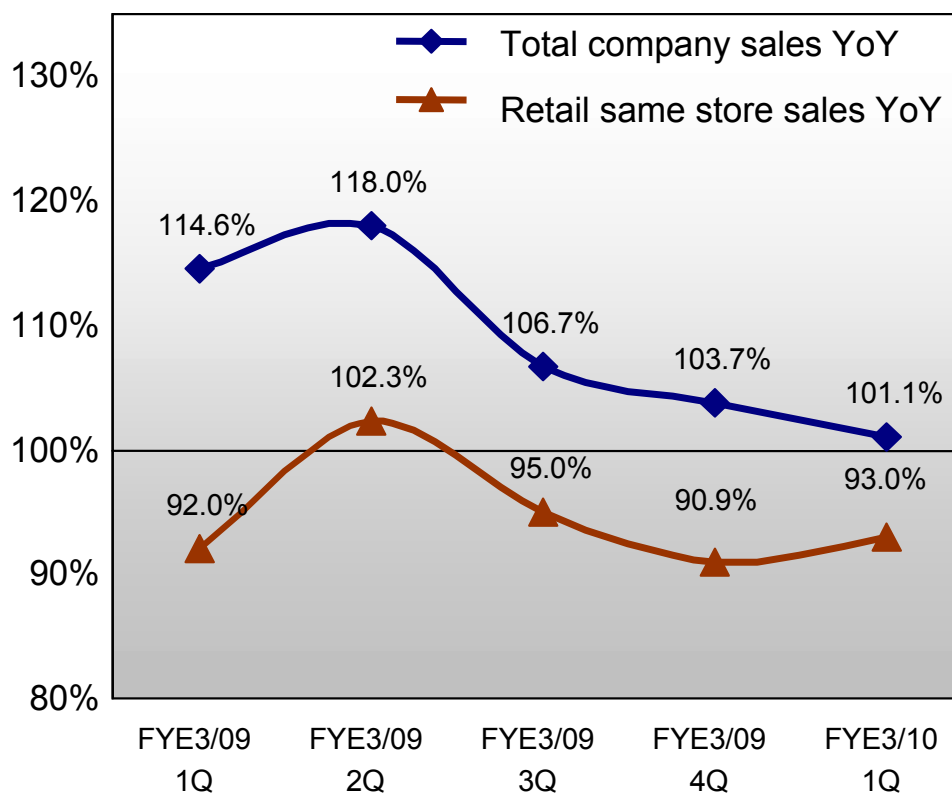
1. Summary of 1Q results

- Consolidated sales was 102.0% YoY, while non-consolidated sales was 100.4% YoY of forecast
- Total business unit sales and outlet sales both reached forecasts
- Consolidated gross margin, ordinary income and net income were in line with forecasts and profitability improved compared to the previous 1Q

Summary of FYE March 2010 1Q

	results (in Bn)	YoY	vs forecast
Consolidated net sales	19.0	102.0%	-
Non-consolidated net sales	18.1	101.1%	100.4%
Total Business Unit sales	15.3	99.0%	100.2%
Outlet	2.8	114.4%	101.4%
Consolidated gross profit	10.5	103.3%	-
Consolidated ordinary income	1.4	129.4%	-
Consolidated net income	0.6	138.3%	-

Growth of total company sales and same store sales (YoY, non-consolidated)



2. Progress in key challenges

For reference: Key challenges for FYE March 2010

Management Policy

Improve profitability within this fiscal year without regard of growth of sales

Key challenges

1. Generate higher gross profits by controlling product procurement and inventory reduction

2. Optimize the entire value chain by reviewing business processes for all business activities

3. Optimize HR system by reviewing headquarter and business head office business processes

4. Achieve optimal allocation of business resources by establishing a business management control cycle

Improve
gross
margin

Control
SGA
expense to
sales ratio

Improve
CF and
B/S

Improve earnings and profitability

1. Generate higher gross profits by controlling product procurement and inventory reduction

Measures

- Promote optimal procurement plan by controlling amount of necessary procurement and inventory
maintain optimal inventory level to improve gross margin
= Build and manage product planning platform and production platform

□ Term end goals

- Visualize process of product planning operation and manage, improve, and define workflow
- Build production platform and complete organizational system related to production

Progress

1) Product planning platform

□ Progress during 1Q

- Build and use the platform to improve important business indicators

□ Future outlook

- Fine-tune procurement of fall/winter 2009 items by weekly control

2) Production platform

□ Progress during 1Q

- Review production processes to establish optimal organization
- Share information of factories used within the company

□ Future outlook

- Clarify factories used by each business and also find new factories
- Choose major business partners and share information between brands

2. Optimize the entire value chain by reviewing business processes for all business activities

Measures

- Find out problems and review business processes of all operation related to products
- Restructure business models and standardize operation to optimize the entire value chain
- Five priority businesses

Main business category: product planning, production, distribution

Sub business category: accounting, HR

□ Term end goals

Create manual for new business processes and test them

Introduce new businesses processes in the following term

Progress

□ Progress during 1Q

Visualize business processes by reviewing current operations

□ Future outlook

2Q: Review business measures and examine ways to improve

3. Optimize HR system by reviewing headquarter and business head office business processes

Measures

- Revise and redefine business processes in the headquarters and business head offices
- Cut headquarter cost by placing optimal number of headcount to new businesses

□ Term end goals

Control headquarter cost to sales under 14.4% (FYE March 2010 forecast)

Create staff replacement plan

Decrease overtime work in the headquarters and business head offices

Progress

□ Progress during 1Q

Review business processes in the headquarters and business head offices

Examine optimal number of headcount

□ Future outlook

2Q: Finish review of operations in the headquarters and business head offices

4. Achieve optimal allocation of business resources by establishing a business management control cycle

Measures

- Create accurate annual forecasts and mid-term business strategies
- Analyze quarterly cost of business headquarters
- Examine effectiveness of investments made in FYE March 2009 and improve accuracy of investment decisions in FYE March 2010

□ Term end goals

By end of 3Q:	Build mid-term business strategies
By end of 4Q:	Build business strategies and earnings projections for FYE March 2011

Progress

□ Progress during 1Q

- Review and decide business management control cycle
- Review effect of investment (ie. return of investment)
- Decide review process of investment decisions

□ Future outlook

- Examine group strategy based on business management control cycle
- Review streamlining of businesses

For reference: Key challenges of main businesses

UA business

1. Improve development skills of private label brands
 - Make core items with sales staff (who have the information of our customers' needs)
 - Include information from buyers (who are in the front line of fashion trends) when developing private label brands
2. Proceed product planning reform
 - Cut purchase amount and decrease inventory, reduce number of SKU (stock keeping units) and increase volume of top selling items
 - Develop items to sell strategically
3. Activate events at stores
4. Strengthen OJT for sales staff, promote stronger customer relationship
 - ▣ Recent measures
 - Sell slim-silhouette business suits at the price of ¥47,000 (men's dress wear)
 - Increase items in minimum price range (men's and women's casual wear)

GLR business

1. Decrease cost of purchased goods
2. Promote sales through collaboration with magazines and fliers
3. Strengthen OJT for sales staff, Off-JT for store managers
 - ▣ Recent measures
 - Develop items with functions (ex. material with extra warmth)
 - Increase sales of trend conscious "spot-on" items

FYE March 2010

1Q Earnings Announcement

Appendix

1. Term end B/S (consolidated/non-consolidated)
2. Full term P/L (consolidated/non-consolidated)
3. Full term SGA expenses (non-consolidated)
4. FYE March 2010 1H&2H P/L forecast (consolidated/non-consolidated)
5. Historical full term sales and forecast (consolidated/non-consolidated)
6. FYE March 2010 1H&2H sales forecast (non-consolidated)
7. Sales summary (non-consolidated, 3 months aggregate)
8. Same store sales by business (non-consolidated)
9. Historical full term store openings/CAPEX and forecast (non-consolidated)

1. Term end B/S (consolidated/non-consolidated)

Consolidated B/S		(million yen)					
	FYE March 2007	FYE March 2008			FYE March 2009		
	Results composition	Results composition	+/-		Results composition	+/-	
Total Assets	38,132 100.0%	43,362 100.0%	5,229		46,821 100.0%	3,458	
Current Assets	23,478 61.6%	27,283 62.9%	3,805		29,460 62.9%	2,176	
Fixed Assets	14,654 38.4%	16,078 37.1%	1,424		17,360 37.1%	1,282	
Current Liabilities	16,646 43.7%	20,140 46.4%	3,494		19,854 42.4%	(285)	
Fixed Liabilities	3,850 10.1%	510 1.2%	(3,340)		3,962 8.5%	3,451	
Total Net Assets	17,635 46.2%	22,711 52.4%	5,075		23,004 49.1%	292	

Non-consolidated B/S		(million yen)					
	FYE March 2007	FYE March 2008			FYE March 2009		
	Results composition	Results composition	+/-		Results composition	+/-	
Total Assets	37,489 100.0%	42,733 100.0%	5,244		45,901 100.0%	3,167	
Current Assets	22,041 58.8%	25,638 60.0%	3,597		27,868 60.7%	2,230	
Fixed Assets	15,448 41.2%	17,095 40.0%	1,647		18,032 39.3%	937	
Current Liabilities	16,021 42.7%	19,453 45.5%	3,432		18,077 39.4%	(1,376)	
Fixed Liabilities	3,845 10.3%	506 1.2%	(3,338)		3,958 8.6%	3,451	
Total Net Assets	17,622 47.0%	22,773 53.3%	5,151		23,865 52.0%	1,092	

2. Full term P/L (consolidated/non-consolidated)

Consolidated P/L							(million yen)			
	FYE March 2008		FYE March 2009				FYE March 2010 (est)			
	Results	vs Sales	Results	+/- YoY		YoY	Forecast	+/- YoY		YoY
				vs Sales			vs Sales			
Total Sales	72,221	100.0%	79,665	100.0%	7,443	110.3%	82,644	100.0%	2,979	103.7%
Gross Profit	36,891	51.1%	40,647	51.0%	3,755	110.2%	42,207	51.1%	1,560	103.8%
SGA Exp.	31,960	44.3%	36,327	45.6%	4,366	113.7%	37,728	45.7%	1,400	103.9%
Operating Inc.	4,930	6.8%	4,319	5.4%	(610)	87.6%	4,478	5.4%	159	103.7%
Non-operating Profit/Loss	86	0.1%	(36)	0.0%	(123)	-	(178)	-0.2%	(142)	-
Ordinary Inc.	5,017	6.9%	4,283	5.4%	(734)	85.4%	4,300	5.2%	16	100.4%
Extraordinary Profit/Loss	1,798	2.5%	(1,224)	-1.5%	(3,023)	-	(476)	-0.6%	747	-
Net Income	3,800	5.2%	1,274	1.6%	(2,525)	33.5%	1,943	2.4%	668	152.5%

Non-consolidated P/L							(million yen)			
	FYE March 2008		FYE March 2009				FYE March 2010 (est)			
	Results	vs Sales	Results	+/- YoY		YoY	Forecast	+/- YoY		YoY
				vs Sales			vs Sales			
Total Sales	69,560	100.0%	76,582	100.0%	7,021	110.1%	76,906	100.0%	324	100.4%
Gross Profit	35,423	50.9%	38,965	50.9%	3,542	110.0%	39,371	51.2%	405	101.0%
SGA Exp.	30,686	44.1%	34,127	44.6%	3,440	111.2%	34,380	44.7%	253	100.7%
Operating Inc.	4,737	6.8%	4,838	6.3%	101	102.1%	4,990	6.5%	152	103.1%
Non-operating Profit/Loss	101	0.1%	27	0.0%	(73)	27.4%	(90)	-0.1%	(118)	-
Ordinary Inc.	4,839	7.0%	4,866	6.4%	27	100.6%	4,900	6.4%	33	100.7%
Extraordinary Profit/Loss	1,816	2.6%	(1,219)	-1.6%	(3,035)	-	(461)	-0.6%	758	-
Net Income	3,875	5.6%	2,074	2.7%	(1,800)	53.5%	2,529	3.3%	455	122.0%

3. Full term SGA expenses (non-consolidated)

	(million yen)			
	FYE March 2008	FYE March 2009		FYE March 2010 (est)
	vs Sales	vs Sales	YoY	vs Sales YoY
	Results	Results	+/- YoY	Forecast +/- YoY
Total SGA Expenses	44.1% 30,686	44.6% 34,127	111.2% 3,440	44.7% 34,380
	1.7%	1.5%	100.0%	1.4%
Advertisement	1,183	1,184	0	1,098
	15.2%	15.9%	114.9%	16.4%
Personnel	10,592	12,172	1,580	12,619
	11.9%	12.4%	114.7%	12.5%
Rent	8,287	9,505	1,218	9,622
	1.2%	1.6%	138.9%	1.5%
Depreciation	854	1,187	332	1,143
	14.0%	13.2%	103.2%	12.9%
Others	9,768	10,077	309	9,897
	0.1%	0.0%	27.4%	-0.1%
Non-operating P/L	101	27	(73)	(90)
	0.4%	0.3%	84.1%	0.1%
Non-operating profit	247	208	(39)	99
	0.2%	0.2%	123.8%	0.2%
Non-operating loss	145	180	34	190

4. FYE March 2009 1H&2H P/L forecast (consolidated/non-consolidated)

Consolidated P/L forecast

	FYE March 2010 1H (est)			
	Forecast	+/- YoY		YoY
		vs sales		
Total Sales	38,471	100.0%	1,802	104.9%
Gross Profit	19,702	51.2%	1,030	105.5%
SGA Exp.	18,532	48.2%	714	104.0%
Operating Inc.	1,170	3.0%	315	136.9%
Non-operating P/L	(90)	-0.2%	(99)	-
Ordinary Inc.	1,079	2.8%	215	125.0%
Extraordinary P/L	(120)	-0.3%	99	-
Net Income	359	0.9%	193	216.7%

(million yen)

	FYE March 2010 2H (est)			
	Forecast	+/- YoY		YoY
		vs sales		
Total Sales	44,173	100.0%	1,177	102.7%
Gross Profit	22,504	50.9%	530	102.4%
SGA Exp.	19,195	43.5%	686	103.7%
Operating Inc.	3,308	7.5%	(156)	95.5%
Non-operating P/L	(88)	-0.2%	(42)	-
Ordinary Inc.	3,220	7.3%	(199)	94.2%
Extraordinary P/L	(356)	-0.8%	648	-
Net Income	1,583	3.6%	475	142.9%

Non-consolidated P/L forecast

	FYE March 2010 1H (est)			
	Forecast	+/- YoY		YoY
		vs sales		
Total Sales	35,895	100.0%	503	101.4%
Gross Profit	18,490	51.5%	521	102.9%
SGA Exp.	16,910	47.1%	(52)	99.7%
Operating Inc.	1,580	4.4%	574	157.1%
Non-operating P/L	(45)	-0.1%	(87)	-
Ordinary Inc.	1,534	4.3%	486	146.5%
Extraordinary P/L	(120)	-0.3%	99	-
Net Income	777	2.2%	329	173.5%

(million yen)

	FYE March 2010 2H (est)			
	Forecast	+/- YoY		YoY
		vs sales		
Total Sales	41,011	100.0%	(179)	99.6%
Gross Profit	20,880	50.9%	(116)	99.4%
SGA Exp.	17,470	42.6%	305	101.8%
Operating Inc.	3,410	8.3%	(422)	89.0%
Non-operating P/L	(44)	-0.1%	(30)	-
Ordinary Inc.	3,365	8.2%	(453)	88.1%
Extraordinary P/L	(341)	-0.8%	658	-
Net Income	1,752	4.3%	125	107.7%

5. Historical full term sales and forecast (consolidated/non-consolidated)

	FYE March 2008	FYE March 2009		(million yen)		
	Results	Results	+/- YoY YoY	FYE March 2010 (est) Forecast	+/- YoY YoY	
Consolidated Total Sales	72,221	79,665	7,443 110.3%	82,644	2,979 103.7%	
Non-consolidated Total Sales	69,560	76,582	7,021 110.1%	76,906	324 100.4%	
Business Unit Total	62,173	66,588	4,414 107.1%	66,284	(303) 99.5%	
UA	35,118	36,802	1,684 -	35,655	(1,146) 96.9%	
GLR	13,264	14,422	1,158 108.7%	14,758	335 102.3%	
CH	3,310	3,818	507 115.3%	3,873	55 101.4%	
SBU and UALabs	10,480	11,544	1,064 -	11,996	452 103.9%	
Outlet	7,387	9,993	2,606 135.3%	10,621	627 106.3%	
Same store sales	-	-		97.8%		
UA	-	-		95.9%		
GLR	-	-		101.0%		
CH	-	-		101.1%		
SBU and UALabs	-	-		98.5%		

*Cath Kidston is included in SBUs and UA Labs from FYE March 2009 (previously included in UA business) and data of FYE March 2008 has been retroactively calculated.

*Liquor, woman&tears and Personal Styling Department is included in UA business from FYE March 2010 (previously SBUs and UA Labs) and data of FYE March 2009 has been retroactively calculated.

6. FYE March 2009 1H&2H sales forecast (non-consolidated)



UNITED ARROWS LTD.

(million yen)											
	FYE March 2010 Full Term			FYE March 2010 1H					FYE March 2010 2H		
	Forecast	+/- YoY				1H	+/- YoY		2H	+/- YoY	
		YoY		1Q	2Q	Forecast	YoY		Forecast	YoY	
Total Sales	76,906	324	100.4%	18,084	17,810	35,895	503	101.4%	41,011	(179)	99.6%
Total Business Units	66,284	(303)	99.5%	15,274	15,474	30,748	(42)	99.9%	35,536	(260)	99.3%
UA	35,655	(1,146)	96.9%	8,091	8,185	16,277	(369)	97.8%	19,378	(777)	96.1%
GLR	14,758	335	102.3%	3,606	3,312	6,919	116	101.7%	7,839	219	102.9%
CH	3,873	55	101.4%	945	967	1,912	(31)	98.4%	1,961	86	104.6%
SBU and UALabs	11,996	452	103.9%	2,630	3,008	5,639	240	104.5%	6,357	211	103.4%
Outlet	10,621	627	106.3%	2,809	2,336	5,146	546	111.9%	5,475	81	101.5%
Same Store Sales	97.8%			95.4%	96.9%	96.1%			99.1%		
UA	95.9%			93.4%	94.9%	94.1%			97.2%		
GLR	101.0%			100.5%	100.6%	100.5%			101.5%		
CH	101.1%			93.3%	100.7%	97.1%			105.0%		
SBU and UALabs	98.5%			95.5%	96.8%	96.2%			100.7%		

7. Sales summary (non-consolidated, 3 months aggregate)

(million yen)

	FYE March 2010 1Q (3 months aggregate)			<cf>
	Results	+/- YoY		Previous 1Q
		YoY		
Total retail sales	13,738	(618)	95.7%	14,357
UA	7,570	(380)	95.2%	7,951
GLR	3,088	(223)	93.2%	3,312
CH	969	(13)	98.6%	983
SBU's and UA Labs	2,110	0	100.0%	2,110
Same store retail sales			93.0%	92.0%
UA			92.1%	—
GLR			93.8%	100.4%
CH			96.4%	104.1%
SBU's and UA Labs			93.5%	—

	FYE March 2010 1Q (3 months aggregate)		<cf>
	Results	+/- YoY	Previous 1Q
		YoY	
Total online sales	1,345	372 138.3%	972
UA	530	106 125.2%	424
GLR	381	120 146.4%	260
CH	0	0 0.0%	0
SBU's and UA Labs	432	144 150.2%	287
Same store online sales		138.0%	-
UA		125.8%	-
GLR		146.4%	-
CH		0.0%	-
SBU's and UA Labs		148.5%	-

8. Same store sales by business (non-consolidated, YoY)

UA

	FYE3/09				FYE3/10			
	1Q	2Q	3Q	4Q	1Q	April	May	June
Same store retail & online sales YoY	-	-	-	-	94.0%	96.2%	93.8%	92.2%
Same store retail sales	-	-	-	-	92.1%	93.9%	92.0%	90.5%
Same store online sales	-	-	-	-	125.8%	142.0%	130.5%	113.0%

Same store retail sales by category, etc. (YoY)

Men's	-	-	-	-	89.4%	89.7%	89.3%	89.1%
Women's	-	-	-	-	93.7%	95.9%	93.3%	92.0%
CHROME HEARTS	-	-	-	-	110.1%	114.9%	115.3%	101.3%
Miscellaneous	-	-	-	-	96.7%	114.7%	92.4%	83.9%
Number of customers	-	-	-	-	94.8%	97.8%	94.6%	92.5%
Ave. customer spending	-	-	-	-	97.2%	96.0%	97.3%	97.9%

GLR

	FYE3/09				FYE3/10			
	1Q	2Q	3Q	4Q	1Q	April	May	June
Same store retail & online sales YoY	-	-	-	-	97.8%	98.3%	98.0%	97.0%
Same store retail sales	100.4%	109.3%	95.5%	95.9%	93.8%	94.5%	94.7%	92.3%
Same store online sales	-	-	-	-	146.4%	149.2%	142.8%	147.0%

Same store retail sales by category, etc. (YoY)

Men's	96.0%	98.5%	94.3%	90.2%	91.7%	90.4%	94.2%	90.5%
Women's	106.4%	119.5%	95.4%	99.9%	95.6%	96.6%	95.0%	95.2%
Miscellaneous	97.1%	118.7%	102.6%	105.5%	95.3%	102.2%	95.8%	88.8%
Number of customers	104.4%	114.8%	100.8%	102.3%	101.2%	102.1%	101.0%	100.6%
Ave. customer spending	96.2%	95.2%	94.8%	93.8%	92.7%	92.6%	93.8%	91.7%

**CH**

	FYE3/09				FYE3/10			
	1Q	2Q	3Q	4Q	1Q	April	May	June
Same store retail & online sales YoY	104.1%	94.5%	89.4%	70.5%	96.4%	97.2%	91.8%	101.0%
Same store retail sales	104.1%	94.5%	89.4%	70.5%	96.4%	97.2%	91.8%	101.0%
Same store online sales	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Same store retail sales by category, etc. (YoY)

Number of customers	91.9%	89.6%	84.0%	80.8%	102.2%	102.2%	105.6%	99.0%
Ave. customer spending	113.2%	105.6%	106.4%	87.3%	94.3%	95.2%	86.9%	102.0%

***For reference: Total company sales of CH (including UA business) YoY**

Total company sales	114.5%	106.6%	101.8%	114.1%	101.0%	106.5%	96.6%	100.8%
Same store sales	96.9%	91.9%	87.9%	76.0%	99.5%	101.6%	96.7%	101.0%

SBU's and UA Labs

	FYE3/09				FYE3/10			
	1Q	2Q	3Q	4Q	1Q	April	May	June
Same store retail & online sales YoY	-	-	-	-	100.3%	97.8%	101.9%	101.0%
Same store retail sales	-	-	-	-	93.5%	91.6%	95.4%	93.3%
Same store online sales	-	-	-	-	148.5%	142.7%	152.1%	150.4%

Same store retail sales by category, etc. (YoY)

Men's	-	-	-	-	84.0%	83.1%	90.2%	79.3%
Women's	-	-	-	-	94.4%	91.4%	96.5%	95.1%
Number of customers	-	-	-	-	101.1%	102.7%	104.2%	96.5%
Ave. customer spending	-	-	-	-	92.4%	89.2%	91.6%	96.7%

*Sales of miscellaneous items in SBU's and UA Labs are not disclosed as amount is small.

9. Historical full term store openings/CAPEX and forecast (non-consolidated)

	FYE March 2008	FYE March 2009	FYE March 2010 (est)
Number of store openings, employees, etc.			(/ term end)
Number of store openings	34	20	9 / 139
UA	9	11	3 / 47
GLR	9	1	1 / 37
CH	2	0	0 / 5
SBUs and UA Labs	14	8	5 / 50
Removal (inc. brand transfer)	10	10	8
Term end retail stores	128	138	139
Outlet stores	11	15	0 / 15
Term end employees	2,567	2,692	2,788
Term end part-timers			
CAPEX and Depreciation			
Operating CAPEX	2,310	2,988	655
Land	-	-	-
Others	522	286	371
CAPEX Total	2,832	3,275	1,026
Guarantee Deposits	908	328	(8)
Depreciation (as of P/L)	854	1,187	1,143

* Part-time workers have been converted to full-time workers in August 2007, and are indicated together from FYE March 2008.

* Total employees include full-time workers and contract workers (and part-time workers from FYE March 2008) and do not include those who are sent to subsidiaries.