



UNITED ARROWS LTD.

September 12, 2011

**Notice Concerning Earnings Forecasts for the First Half of Fiscal Year Ended March 2012 and
Revision of Earnings Forecasts for the Full Fiscal Year Ending March 2012**

UNITED ARROWS LTD. hereby announces earnings forecasts for the first half of fiscal year ended March 2012, which has been left undecided because of concerns surrounding the shortage of power during the peak summer period as a result of the Great East Japan Earthquake and uncertainties with respect to such issues as the need to implement energy conservation measures at commercial facilities and the impact on consumer spending and behavior.

The company also announces revision of earnings forecasts for the full fiscal year ending March 2012, previously announced on May 11, 2011.

Earnings forecasts for the first half of fiscal year ended March 2012 (from April 1, 2011 to September 30, 2011)

Consolidated

	Net sales (¥ million)	Operating profit (¥ million)	Ordinary profit (¥ million)	Net income (¥ million)	Net income per share (yen)
Previous forecast (A)	—	—	—	—	—
Current forecast (B)	45,036	3,461	3,454	1,714	53.54
Change in amount (B-A)	—	—	—	—	
Change in percentage (%)	—	—	—	—	
For reference Previous results (1H of FYE March 2011)	41,387	2,657	2,566	253	5.99

Non-consolidated

	Net sales (¥ million)	Operating profit (¥ million)	Ordinary profit (¥ million)	Net income (¥ million)	Net income per share (yen)
Previous forecast (A)	—	—	—	—	—
Current forecast (B)	42,240	3,312	3,316	1,691	52.82
Change in amount (B-A)	—	—	—	—	
Change in percentage (%)	—	—	—	—	
For reference Previous results (1H of FYE March 2011)	38,843	2,759	2,700	507	12.03

Revision of earnings forecasts for the full fiscal year ending March 2012 (from April 1, 2011 to March 31, 2012)

Consolidated

	Net sales (¥ million)	Operating profit (¥ million)	Ordinary profit (¥ million)	Net income (¥ million)	Net income per share (yen)
Previous forecast (A)	95,547	7,724	7,678	4,195	131.01
	-96,493	-8,124	-8,078	-4,423	-138.13
Current forecast (B)	98,512	8,497	8,486	4,608	143.91
Change in amount (B-A)	2,019	373	408	185	
	-2,964	-773	-808	-413	
Change in percentage (%)	2.1	4.6	5.1	4.2	
	-3.1	-10.0	-10.5	-9.8	
For reference Previous results (FYE March 2011)	90,571	7,384	7,240	3,596	97.02

Non-consolidated

	Net sales (¥ million)	Operating profit (¥ million)	Ordinary profit (¥ million)	Net income (¥ million)	Net income per share (yen)
Previous forecast (A)	89,112	7,124	7,100	3,826	119.49
	-90,057	-7,524	-7,500	-4,054	-126.61
Current forecast (B)	92,076	7,898	7,908	4,296	134.16
Change in amount (B-A)	2,019	373	408	241	
	-2,964	-773	-808	-469	
Change in percentage (%)	2.2	5.0	5.4	6.0	
	-3.3	-10.9	-11.4	-12.3	
For reference Previous results (FYE March 2011)	85,090	7,126	7,061	2,919	78.74

[Note] Information noted above is based on information obtained at present and include uncertainties. Therefore, actual results may differ from these forecasts depending on changes in business conditions.

Reasons of announcement

Because of concerns surrounding the shortage of power during the peak summer period as a result of the Great East Japan Earthquake and uncertainties with respect to such issues as the need to implement energy conservation measures at commercial facilities and the impact on consumer spending and behavior, the company left its earnings forecasts for the first half of fiscal year ended March 2012 undecided in its "Financial Results for the Fiscal Year Ended March 31, 2011 (Consolidated)", which was released on May 11, 2011. However, based on recent business conditions and information available at present the company decides to announce its earnings forecasts for the first half of fiscal year ended March 2012.

Reasons of revision

The company also announces revision of earnings forecasts for the full fiscal year ending March 2012. Non-consolidated same store sales of retail and online stores from April to August showed positive growth (+9.6%) compared to the same period in the previous year. The company estimates its non-consolidated same store sales growth year-on-year for the full fiscal year ending March 2012 to be 5.8% for retail and online stores, 3.9% for retail stores and 19.4% for online stores.

Consolidated gross profits are expected to be ¥52,838 million and consolidated selling, general and administrative expenses are to be ¥44,340 million for the full fiscal year ending March 2012.

Non-consolidated gross profits are expected to be ¥48,999 million and non-consolidated selling, general and administrative expenses are to be ¥41,100 million for the full fiscal year ending March 2012.

There is no change in dividend forecast for the fiscal year ending March 2012. (an interim cash dividend of ¥10 per share and a period-end cash dividend of ¥21 per share)