



February 5, 2015

Notice Concerning Revision of Earnings Forecasts

UNITED ARROWS LTD. hereby announces its revision of earnings forecasts for the full fiscal year ended March 2015, previously announced on May 8, 2014, resolved at the meeting of the Board of Directors held on February 5, 2015.

1. Revision of earnings forecasts for the full fiscal year ending March 2015 (from April 1, 2014 to March 31, 2015)

Consolidated

	Net sales (¥ million)	Operating profit (¥ million)	Ordinary profit (¥ million)	Net income (¥ million)	Net income per share (yen)
Previous forecast (A)	135,914	14,119	14,200	8,257	259.31
Current forecast (B)	130,000	10,800	11,000	6,100	191.56
Change in amount (B-A)	(5,914)	(3,319)	(3,200)	(2,157)	
Change in percentage (%)	(4.4)	(23.5)	(22.5)	(26.1)	
For reference Previous results (Fiscal 2014)	128,489	13,649	13,739	7,920	248.80

2. Reasons of revision:

Confronting increasing costs due to the continuing yen's depreciation, the company raised prices of some products with increasing product value. A weakened balance between price and quality in part of the 2014 autumn/winter products, however, resulted in slow sales from October 2014. The gross profit was also reduced owing to growing discount sales aiming at an inventory adjustment. Although the company has set about several reform measures including a revision of seasonal merchandising strategies, a price revision, and others, the effect is expected to appear in the next fiscal year. Due to these circumstances, the company lowered its earnings forecasts for the full fiscal year ending March 2015.

Since the company recognizes the maximization of shareholder value by ensuring the stable payment of dividends and achieving a consolidated dividend payout ratio target, it maintains its year-end dividend payout forecast of 58.00 yen, and an annual dividend per share of 78.00 yen including 20.00 yen of interim dividend.

*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.