UNITED ARROWS LTD.

Monthly Sales Report for March 2017, FY 2017

UNITED ARROWS LTD.

■ Sales Results (YoY)

Total company sales 96.7%

Same store sales (retail & online) 102.5%

·Sales, number of customers, and average spending per customer are disclosed against figures of the previous fiscal year.

♦ Sales Data and Number of Stores

(9/)

		2016									2017			Total by							
		Apr.	May.	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Mar.	1Q	2Q	3Q	4Q	1H	2H	End of FY
	Total company sales	102.0	101.9	105.0	110.4	92.2	93.3	96.7	99.4	93.9	99.2	91.6	96.7	98.6	103.0	99.2	96.5	96.5	101.1	96.5	98.6
0	Total company sales (reference)*	_	_	-	_	_	_	105.6	107.2	102.9	106.6	103.3	103.9	103.2	-	-	105.1	104.9	101.1	105.0	103.2
Com	Total business units sales *	101.5	102.1	105.6	111.4	91.9	94.0	105.6	108.6	102.4	106.5	104.6	102.3	103.3	103.1	99.9	105.4	104.6	101.5	105.0	103.3
pan	Retail sales of total company *	99.0	97.9	101.5	106.9	89.0	91.1	103.3	103.6	99.4	103.7	100.0	96.9	99.6	99.4	96.4	101.9	100.5	98.0	101.2	99.6
y To	Online sales of total company *	116.0	134.7	128.8	137.6	106.1	116.8	118.0	135.4	120.9	118.9	125.5	130.4	124.2	126.4	121.4	124.9	124.1	123.8	124.5	124.2
otals	Number of retail customers *	98.4	97.0	98.4	106.5	87.4	90.0	101.6	97.8	95.6	96.7	96.1	95.5	97.3	97.9	97.1	98.0	96.2	97.5	97.1	97.3
0,	Ave. spending per retail customer *	100.6	101.0	103.2	100.4	101.8	101.3	101.7	106.0	104.0	107.2	104.0	101.5	102.4	101.6	99.3	103.9	104.4	100.5	104.3	102.4
	Outlet sales	105.1	100.9	100.7	102.1	94.1	88.1	105.4	99.1	105.9	107.3	95.1	114.3	102.0	102.3	94.6	103.4	106.9	98.6	104.9	102.0
m	Same store sales (retail & online)	99.7	99.6	103.1	109.1	91.9	93.1	103.3	106.8	101.3	105.9	104.7	102.5	102.0	100.8	98.9	103.7	104.4	99.9	104.0	102.0
istir	Same store retail sales	97.2	95.3	98.7	104.7	88.8	89.4	100.6	101.3	97.9	102.2	96.9	96.2	97.8	97.0	95.2	99.8	98.9	96.2	99.4	97.8
S	Same store online sales	114.9	132.9	127.6	141.3	105.4	114.9	117.5	135.6	119.7	119.1	125.8	130.4	123.6	125.0	120.1	124.3	124.2	122.6	124.3	123.6
tore	Number of retail customers	96.7	94.5	95.3	103.8	86.9	88.8	100.0	97.1	95.4	96.5	94.2	95.3	96.0	95.4	95.8	97.3	95.7	95.6	96.5	96.0
Š	Ave. spending per retail customer	100.5	100.9	103.6	100.8	102.2	100.6	100.6	104.3	102.6	105.9	102.9	100.9	101.9	101.7	99.4	102.6	103.4	100.6	103.0	101.9
	Number of stores at month-end	331	331	331	326	325	336	326	324	325	324	322	322	-	-	-	-	-	-	-	-
N U	Number of retail stores	234	234	234	228	227	231	221	221	222	221	219	218	-	-	-	-	-	-	_	-
nbe	Number of online stores	73	73	73	73	73	80	80	79	79	79	79	80	-	-	-	-	-	-	-	
of	Number of outlet stores	24	24	24	25	25	25	25	24	24	24	24	24	-	-	-	-	-	-	-	-
Sto	Number of comparable stores	264	279	278	262	252	265	268	269	274	262	244	263	-	-	-	-	-	-	_	-
res	Comparable retail stores	200	215	213	209	187	200	201	202	204	192	174	193	-	-	-	-	-	-	_	-
	Comparable online stores	64	64	65	53	65	65	67	67	70	70	70	70	-	-	-	-	-	-	-	-

- · Total business units sales includes the sales of retail, online and wholesale, etc. Outlet sales includes sales of outlet stores and special events.
- · Number of customers and Ave. spending per customer are calculated based on retail sales.
- · An existing store is defined as a retail/online store that has been opened for more than 13 months and it was opened in the same month of the previous year. The number is subject to change.

In following cases, stores are excluded from the existing store count; retail stores which close one or more days or open in smaller sales spaces due to renovation or other reasons, online stores which close one or more days due to system upgrades or other reasons.

- For details of store openings, please refer to: http://www.united-arrows.co.jp/en/ir/monthly/index.html#store
- · Number of comparable stores does not include that of Outlet.

♦Sales Data by Business

(%)

		UA	GLR	SBU
п	Total business units sales	101.8	102.3	98.5
usir	Retail sales of total company	96.1	99.9	92.1
Business L Totals	Online sales of total company	147.6	114.8	114.2
s Unit	Number of retail customers	97.4	95.7	87.7
=:	Ave. spending per retail customer	98.6	104.4	105.0
Ü	Same store sales (retail & online)	101.5	104.0	101.5
Existing	Same store retail sales	92.1	101.9	96.9
e Bu	Same store online sales	149.9	114.2	112.4
Stores	Number of retail customers	94.7	98.0	87.0
Se	Ave. spending per retail customer	97.3	104.0	111.4

- · UA: UNITED ARROWS, GLR: UNITED ARROWS green label relaxing, SBU: Small Business Units
- · UA includes UNITED ARROWS, BEAUTY&YOUTH UNITED ARROWS, THE SOVEREIGN HOUSE, District UNITED ARROWS, ASTRAET, monkey time BEAUTY&YOUTH UNITED ARROWS, STEVEN ALAN, ROKU BEAUTY&YOUTH and H BEAUTY&YOUTH.
- · GLR includes green label relaxing and WORK TRIP OUTFITS GREEN LABEL RELAXING.
- SBU include Another Edition, Jewel Changes, Odette e Odile, Boisson Chocolat, Drawer, EN ROUTE, THE AIRPORT STORE UNITED ARROWS LTD., THE STATION STORE UNITED ARROWS LTD.
- · ASTRAET's results of FY2016 is included in UA's results and excluded from SBU's results of FY2016 to calculate the YOY data due to our organizational change at April 2016.

* Retroactive Companywide year-on-year monthly numerical data

UNITED ARROWS LTD. took steps to spin off the CHROME HEARTS business in October 2016. As a result, CHROME HEARTS business sales are not included in the Company's non-consolidated net sales effective from the month of spinoff. In order to present comparative data for existing businesses in an easier to understand manner, year-on-year monthly information relating to total company sales, the number of customers, and average spending per customer marked with an asterisk is provided after excluding CHROME HEARTS business results from the corresponding month of the previous year (October 2015).

CHROME HEARTS business results are also not included in same store sales, the number of customers, and average spending per customer from the corresponding month of the previous year because the CHROME HEARTS business has been excluded from the number of existing stores from October 2016.

Sales Summary

Total company sales declined 3.3% to a year ago in March; the YOY sales excluding CHROME HEARTS business' sales in the same month a year ago climbed 3.9%. Same store sales of retail and online stores grew 2.5% to a year earlier.

Business items showed robust results for Men and Women in Match. Cut-and-sewn, pants, and sneakers were popular for Men, and printed patterned blouses and dresses, skirt, and pants also sold well for Women.

Due to the consolidation of clearance items to online stores and a discount coupon promotion at a major shopping site, online sales' growth was especially strong.

While number of customers at existing retail stores declined 4.7% to a year ago, number of customers at existing stores including retail, UNITED ARROWS LTD. Online Store and ZOZOTOWN increased around 4.0% to a year earlier. In CHROME HEARTS business that was split from UNITED ARROWS LTD. in October 2016, sales declined 17.5% to a year ago.

The following items were especially popular in this month: [Men's] Jackets, Cut-and-sewn, Pants, and Sneakers etc.



[Women's] Jackets, Pants, Blouses Dresses and Skirts etc.









Store Openings and Closings

[Retail] Newly opened 2: SBU 2

Renovated 4: UNITED ARROWS 2, green label relaxing 1, SBU 1

Closed 3: SBU 3

[Online] Newly opened 1: UNITED ARROWS 1

[Outlet] None

♦ Data of same stores for the past 3 years

(%)

								•			,				Total by	40	20	20	40	411	01.1	5 5
			Apr.	May.	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Mar.	1Q	2Q	3Q	4Q	1H	2H	End of FY
		13/04 - 14/03	100.4	102.3	110.3	96.2	102.5	104.0	98.1	103.4	105.5	102.9	109.0	112.1	104.0	104.3	100.3	102.7	108.6	102.4	105.4	104.0
	retail & online	14/04 - 15/03	96.5	103.9	95.0	99.4	104.8	102.8	95.7	97.6	97.3	94.0	104.7	89.9	97.7	98.5	102.0	97.0	94.5	100.2	95.8	97.7
		15/04 - 16/03	104.2	103.5	102.7	101.7	106.0	109.8	109.8	100.5	104.7	101.3	103.4	101.0	103.8	103.4	105.6	104.7	101.7	104.4	103.3	103.8
		13/04 - 14/03	100.2	102.5	109.6	95.4	101.5	102.9	96.6	102.8	105.0	104.9	107.7	112.4	103.4	104.1	99.4	101.8	108.2	101.8	104.7	103.4
Sales	retail	14/04 - 15/03	96.6	103.9	94.3	98.6	103.5	101.7	95.1	97.9	95.7	91.7	101.7	87.1	96.6	98.3	101.0	96.3	91.8	99.5	94.2	96.6
		15/04 - 16/03	101.6	103.4	100.3	101.5	104.4	108.6	109.3	99.9	104.4	98.0	99.1	98.0	102.3	101.8	104.7	104.2	98.2	103.1	101.5	102.3
	online	13/04 - 14/03	102.3	100.6	115.7	101.6	115.1	117.8	114.9	109.3	112.4	111.7	122.8	108.9	109.8	106.3	108.0	112.0	113.2	107.0	112.5	109.8
		14/04 - 15/03	94.8	105.1	103.3	106.4	118.8	112.3	99.8	95.7	109.0	107.4	119.6	111.4	106.6	101.3	111.5	101.8	111.5	106.7	106.5	106.6
		15/04 - 16/03	123.2	104.1	117.9	102.7	113.5	117.7	112.6	104.1	106.5	116.7	122.0	118.2	112.8	114.9	110.5	107.4	118.5	112.6	112.9	112.8
		13/04 - 14/03	92.7	97.2	106.9	92.5	96.7	98.0	92.3	96.4	96.7	99.3	101.7	101.1	97.4	99.3	94.9	95.3	100.3	97.0	97.8	97.4
	No. of customers 14/04 - 15/03		95.9	97.2	87.9	91.7	95.3	91.7	86.2	89.7	90.3	86.4	86.6	82.3	90.0	93.3	92.7	89.0	85.2	93.0	87.0	90.0
15/04 - 16/03		91.5	95.1	93.5	96.8	90.0	105.1	103.3	94.9	96.8	93.7	93.7	96.6	95.8	93.5	97.4	98.0	94.6	95.4	96.3	95.8	
Ave. spending per customer 13/04 - 14/03 14/04 - 15/03 15/04 - 16/03		108.0	105.4	102.5	103.1	104.9	105.0	104.6	106.6	108.5	105.7	105.9	111.2	106.2	104.7	104.7	106.8	107.8	104.9	107.0	106.2	
		14/04 - 15/03	100.7	106.8	107.3	107.5	108.6	110.8	110.3	109.1	106.0	106.1	117.3	105.8	107.3	105.4	108.9	108.2	107.8	107.0	108.2	107.3
		111.0	108.8	107.3	104.8	116.0	103.3	105.8	105.3	107.8	104.6	105.8	101.4	106.7	108.9	107.4	106.4	103.9	108.1	105.5	106.7	