

For the Three Months of Fiscal Year
Ending March 31, 2025

Financial Results Briefing

Financial Results Briefing

2024.08.07 UNITED ARROWS LTD.



UNITED ARROWS LTD.

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Cautionary Statement

Earnings forecasts and descriptions other than objective facts contained in this document are based on decisions made by UNITED ARROWS LTD. in light of information obtainable as of the date of this report and, therefore, include risks and uncertainties. Actual earnings may differ materially from forecasts due to global economic trends, market conditions and other factors. Investors are asked to refrain from making investment decisions based solely on the information contained in this document.

Use of Abbreviations

Abbreviations may be used for the following businesses/store brands:

UNITED ARROWS:UA

BEAUTY&YOUTH UNITED ARROWS: BY/BEAUTY&YOUTH

UNITED ARROWS green label relaxing: GLR/green label relaxing

Trend-conscious Market and Basic Trend-conscious Market includes the following store brands:

Trend-conscious Market

UA, BY, DRAWER, Odette e Odile, STEVEN ALAN, ROKU, BLAMINK, H BEAUTY&YOUTH, ASTRAET, California General Store

Basic Trend-conscious Market

GLR, and CITEN

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Overview of FY2025/3 1Q Business Results

Financial Highlights

Consolidated

Sales and gross profit exceeded the plan and the previous year, SGA expenses were roughly at the expected level, and operating income and ordinary income also exceeded the plan and the previous year. Net income attributable to owners of parent fell below the previous year due to an increase in extraordinary losses, including impairment losses associated with the relocation and renovation of stores of UNITED ARROWS LTD. and impairment losses at COEN CO., LTD., but still achieved the target.

Gross margin

Slightly below the previous year's level. This was mainly due to the negative impact of changing the membership system at UNITED ARROWS LTD., expansion of markdown sales at COEN CO., LTD., and inventory write-down.

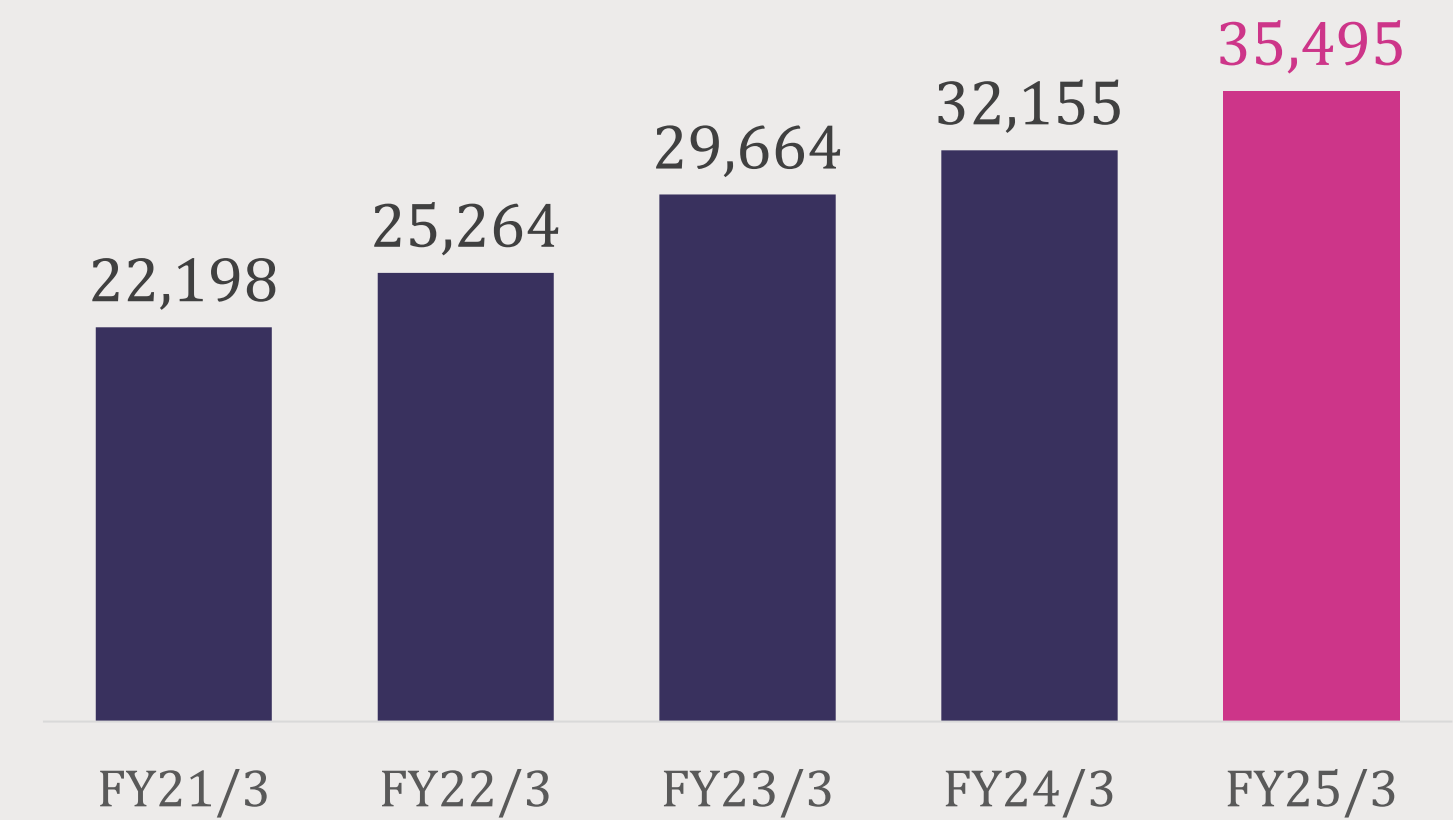
Non-consolidated

Sales, gross profit and all other profits exceeded the targets. Thanks to an aggressive inventory policy, both retail and online sales increased significantly from the previous year. While increasing the average spend per customer, the number of customers grew by double digits.

Consolidated Sales

YoY
¥35,495million 110.4%

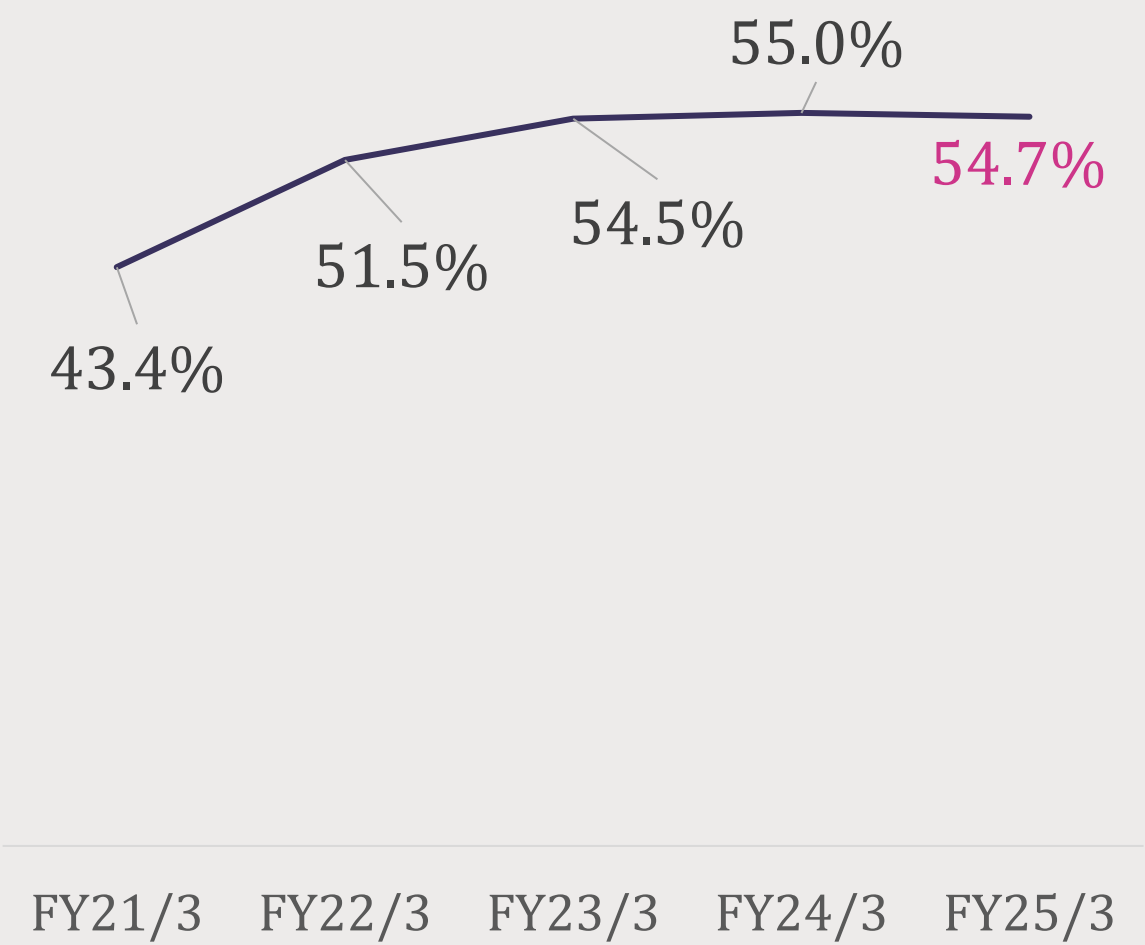
(Millions of yen)



* CHROME HEARTS JP, GK has been excluded from the scope of consolidation since FY21/3 4Q

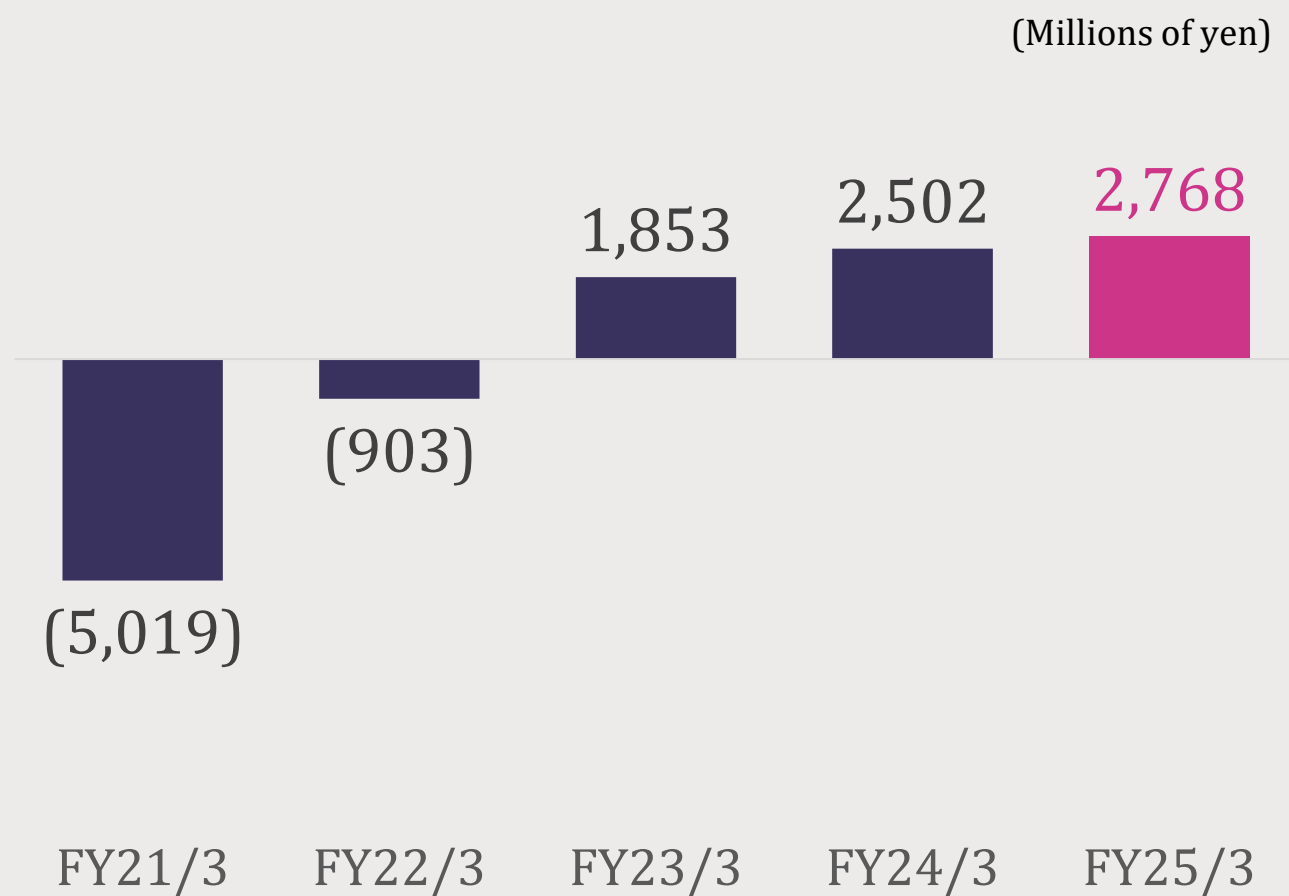
Consolidated Gross Margin

YoY
54.7% -0.3pt



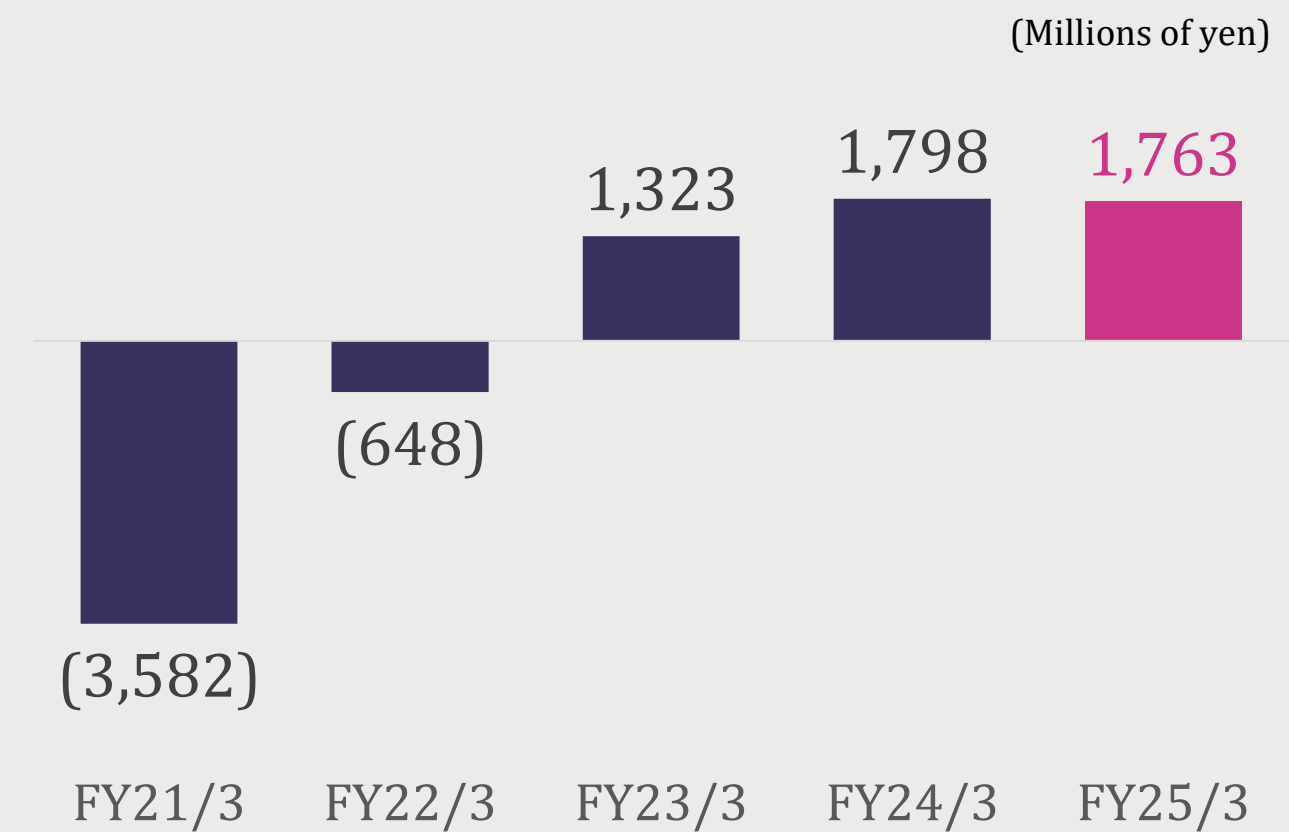
Consolidated operating income

YoY
¥2,768million 110.6%



Net income attributable to owners of parent

YoY
¥1,763million 98.0%



Consolidated P/L

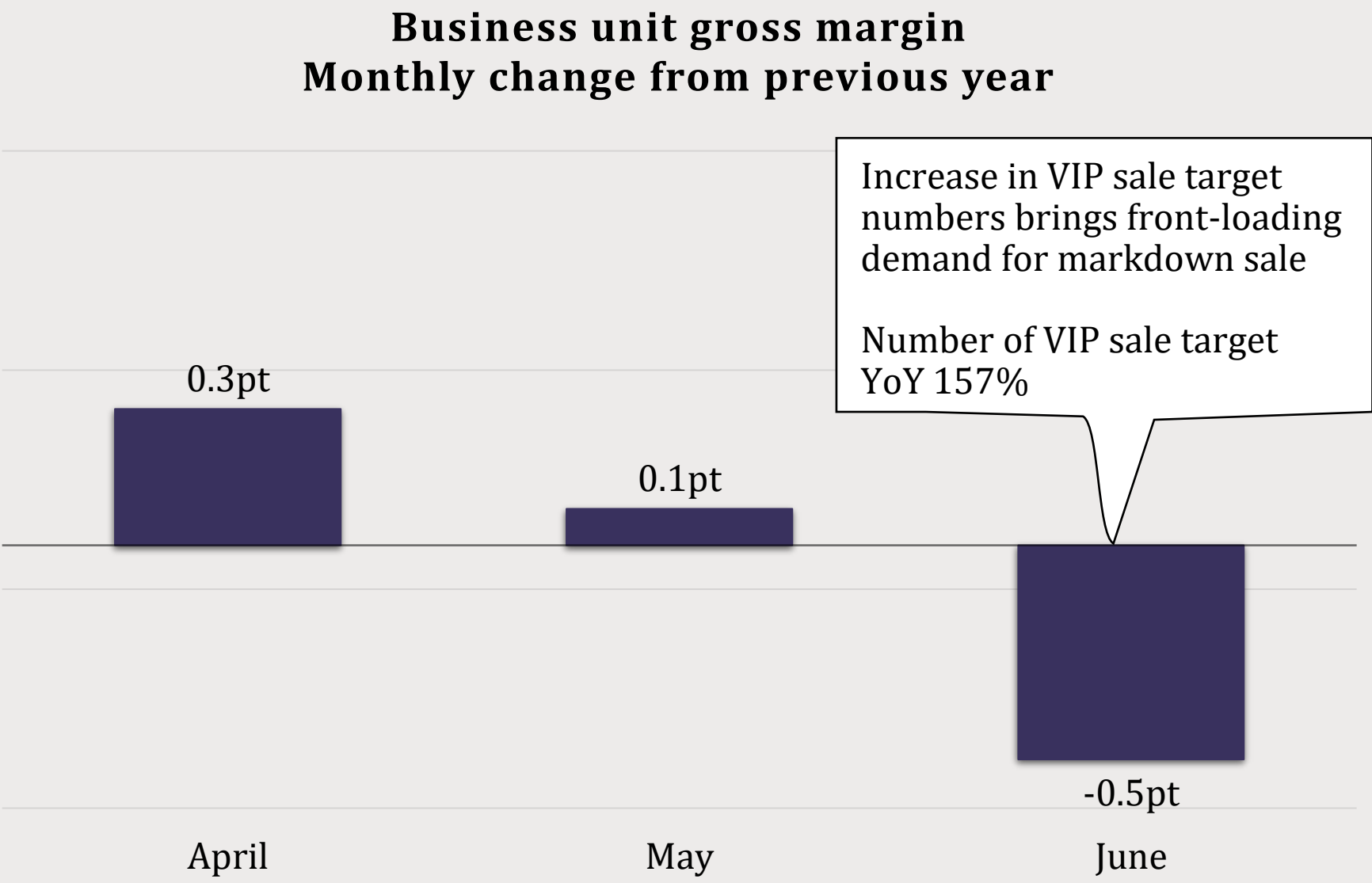
(Millions of yen)					
		FY24/3 3M	FY25/3 3M	Change/pt difference	YoY
Sales		32,155	35,495	3,340	110.4%
Gross profit		17,678	19,412	1,734	109.8%
	vs. sales	55.0%	54.7%	- 0.3pt	—
SGA expenses		15,176	16,644	1,468	109.7%
	vs. sales	47.2%	46.9%	- 0.3pt	—
Operating income		2,502	2,768	266	110.6%
	vs. sales	7.8%	7.8%	0.0pt	—
Non op. P/L		264	230	(33)	87.1%
	vs. sales	0.8%	0.6%	- 0.2pt	—
Ordinary income		2,766	2,999	232	108.4%
	vs. sales	8.6%	0	- 0.2pt	—
Extraordinary P/L		(34)	(194)	(159)	—
	vs. sales	—	—	—	—
Net income attributable to owners of parent		1,798	1,763	(35)	98.0%
	vs. sales	5.6%	5.0%	- 0.6pt	—

Consolidated Gross Margin

The business unit carried out markdown sales ahead of schedule, but gross margin for total business unit remained at the same level as the previous year

The decrease in the non-consolidated gross margin is mainly due to the difference in the exchange rate with the previous membership system

	FY25/3 3M	YoY pt difference
Consolidated	54.7%	-0.3pt
UNITED ARROWS LTD.	54.9%	-0.1pt
Total business unit	-	0.0pt
Outlet, etc.	-	3.2pt
COEN CO., LTD.	-	-2.8pt
UNITED ARROWS TAIWAN LTD.	-	1.1pt



Consolidated SGA expenses

(Millions of yen)					
		FY24/3 3M	FY25/3 3M	Change/pt difference	YoY
Total SGA expenses		15,176	16,644	1,468	109.7%
	vs. sales	47.2%	46.9%	-0.3pt	-
Advertising expenses		720	920	199	127.7%
	vs. sales	2.2%	2.6%	0.4pt	-
Personnel expenses		5,429	5,891	462	108.5%
	vs. sales	16.9%	16.6%	-0.3pt	-
Rent		4,429	4,665	235	105.3%
	vs. sales	13.8%	13.1%	-0.6pt	
Depreciation		212	269	56	126.4%
	vs. sales	0.7%	0.8%	0.1pt	-
Other		4,383	4,897	513	111.7%
	vs. sales	13.6%	13.8%	0.2pt	-

Consolidated B/S

			(Millions of yen)	
	As of Mar. 31, 2024	As of Jun. 30, 2024	vs. previous term-end Change	
Total Assets	60,204	62,992	2,787	104.6%
Composition ratio	100.0%	100.0%	-	-
Current Assets	40,372	42,734	2,362	105.9%
Composition ratio	67.1%	67.8%		-
Noncurrent Assets	19,831	20,257	425	102.1%
Composition ratio	32.9%	32.2%		-
Current Liabilities	20,997	23,469	2,472	111.8%
Composition ratio	34.9%	37.3%		-
Noncurrent Liabilities	4,177	3,805	(371)	91.1%
Composition ratio	6.9%	6.0%		-
Total Net Assets	35,030	35,717	687	102.0%
Composition ratio	58.2%	56.7%		-
Reference: Balance of shor	202	2,856	2,654	1413.9%
	As of Jun. 30, 2023	As of Jun. 30, 2024	vs. 1Q-end of the previous fiscal year Change	
Reference: Inventory	20,373	21,815	1,441	107.1%

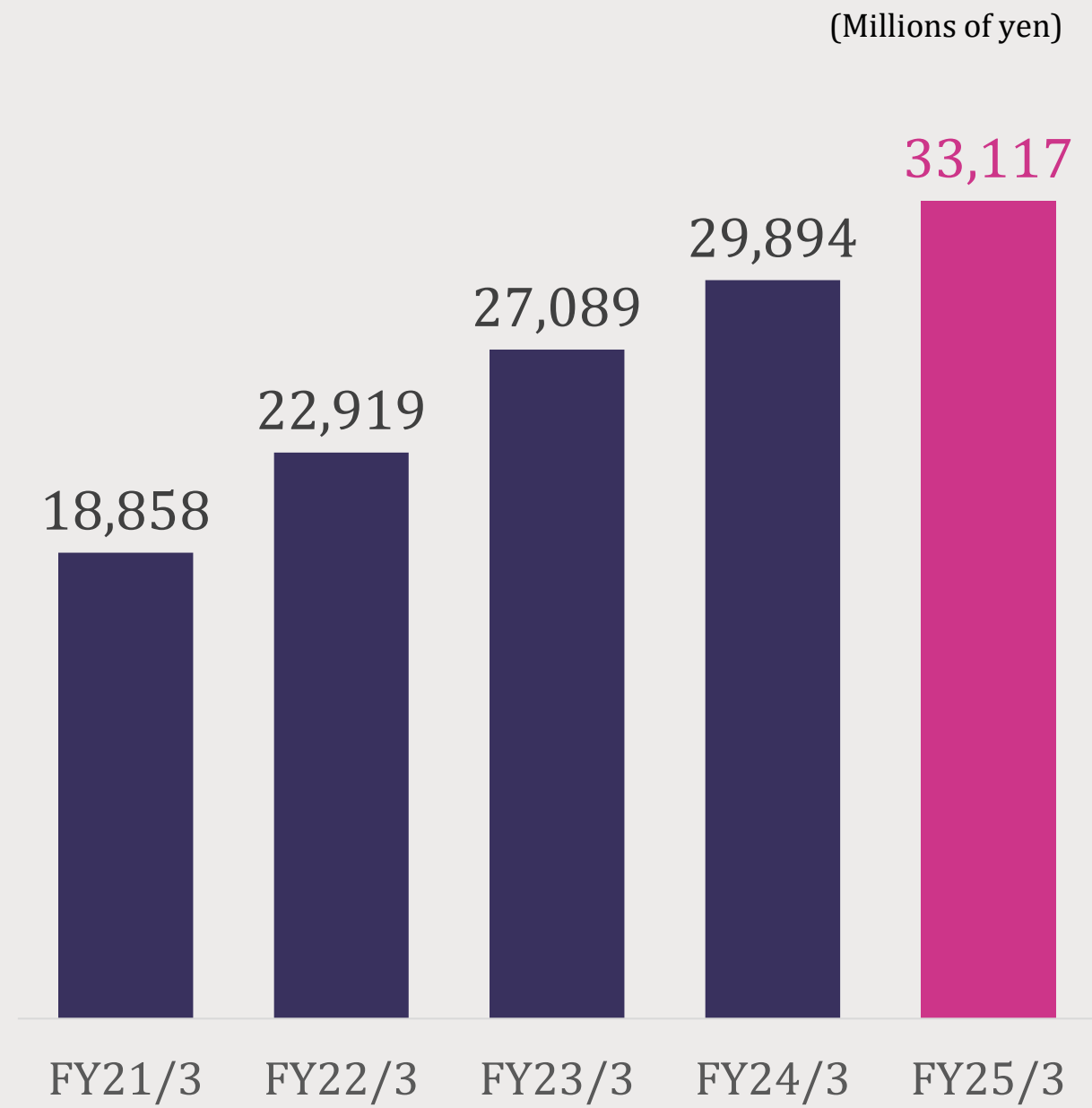
Consolidated C/F

(Millions of yen)

	FY24/3 3M	FY25/3 3M	Major breakdown of the results for the term	
Cash flows from operating activities (sub-total)	(5)	2,470		
Cash flows from operating activities	(1,040)	2,148	Income before income taxes	2,804
			Increase in other current liabilities	449
			Decrease in trade payables	(1,007)
			Decrease in provision for bonuses	(466)
Cash flows from investing activities	(818)	(1,292)	Purchase of intangible assets	(656)
			Purchase of property, plant and equipment	(444)
			Payments of guarantee deposits	(114)
Cash flows from financing activities	(2,582)	1,670	Net increase in short-term loans payable	2,654
			Dividends paid	(983)
Cash and cash equivalents at the end of the period	4,111	9,017		

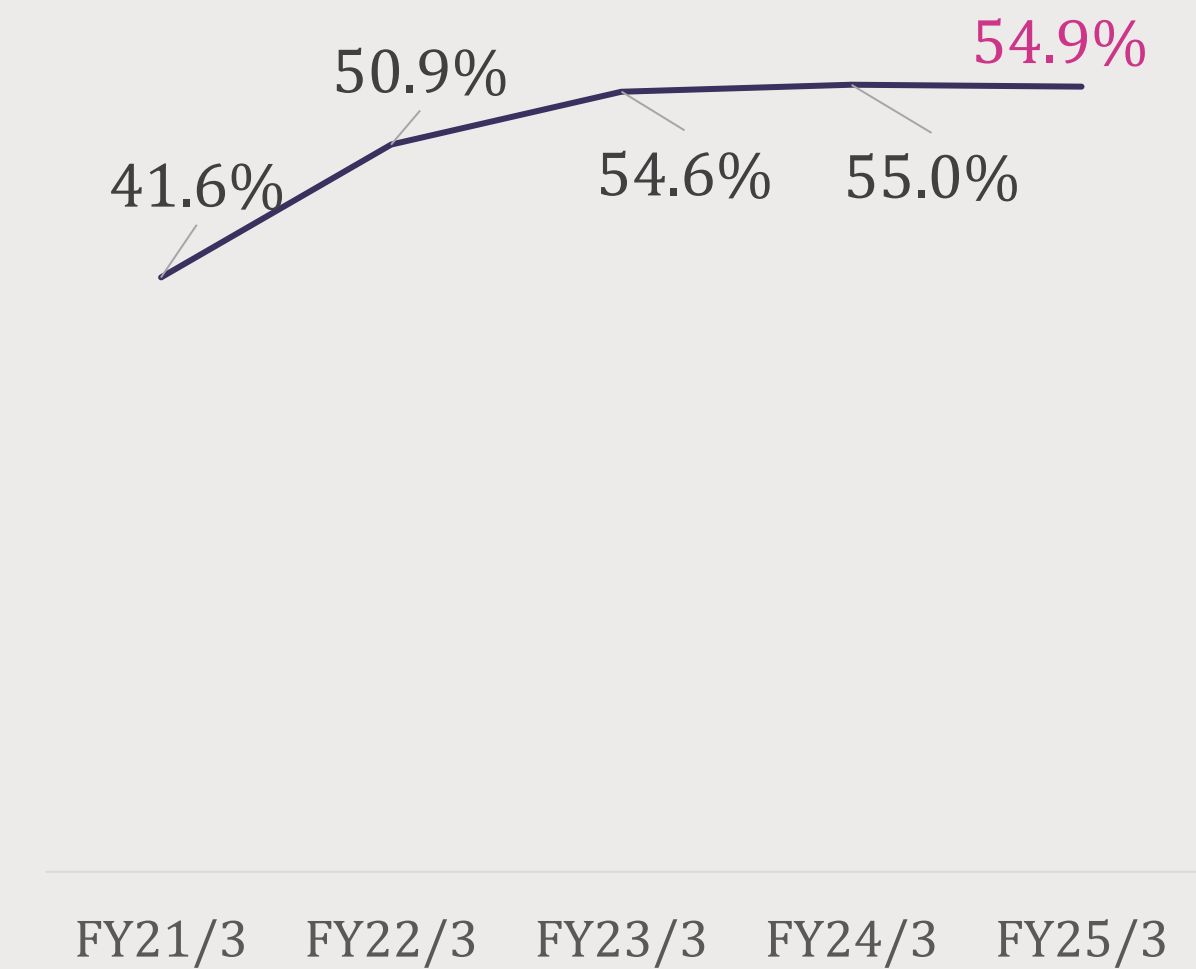
Non-consolidated Sales

YoY
¥33,117 million 110.8%



Non-consolidated Gross Margin

Difference from previous period
54.9% -0.1pt



Non-consolidated Existing Stores YoY

Sales 113.0%

Number of purchasing customers 110.2%

Avg. spend per customer 102.4%

Non-consolidated Sales by Channel

(Millions of yen)				
	FY24/3 3M	FY25/3 3M	Change/pt difference	YoY
Non-consolidated sales	29,894	33,117	3,223	110.8%
Total business unit sales	24,742	28,120	3,377	113.7%
vs. sales	82.2%	83.0%	0.8pt	-
Retail	17,099	19,020	1,921	111.2%
vs. sales	56.8%	56.2%	- 0.7pt	-
Online	7,085	8,588	1,503	121.2%
vs. sales	23.6%	25.4%	1.8pt	-
Others (Wholesale, etc.)	556	510	(46)	91.7%
vs. sales	1.9%	1.5%	- 0.3pt	-
Outlet, etc.	5,343	5,740	396	107.4%
vs. sales	17.8%	17.0%	- 0.8pt	-

Existing stores YoY

	Sales	Number of customers	Avg. spend per customer
Retail + Online	113.0%	110.2%	102.4%
Retail	109.7%	107.3%	102.2%
Online	120.6%	115.6%	106.0%

Non-consolidated Sales by Business

(Millions of yen)

	FY24/3 3M	FY25/3 3M	Change	YoY
Total business unit sales	24,742	28,120	3,377	113.7%
Trend-Conscious Market	16,480	18,466	1,986	112.1%
Basic Trend-Conscious Market	8,262	9,653	1,391	116.8%

Existing stores YoY

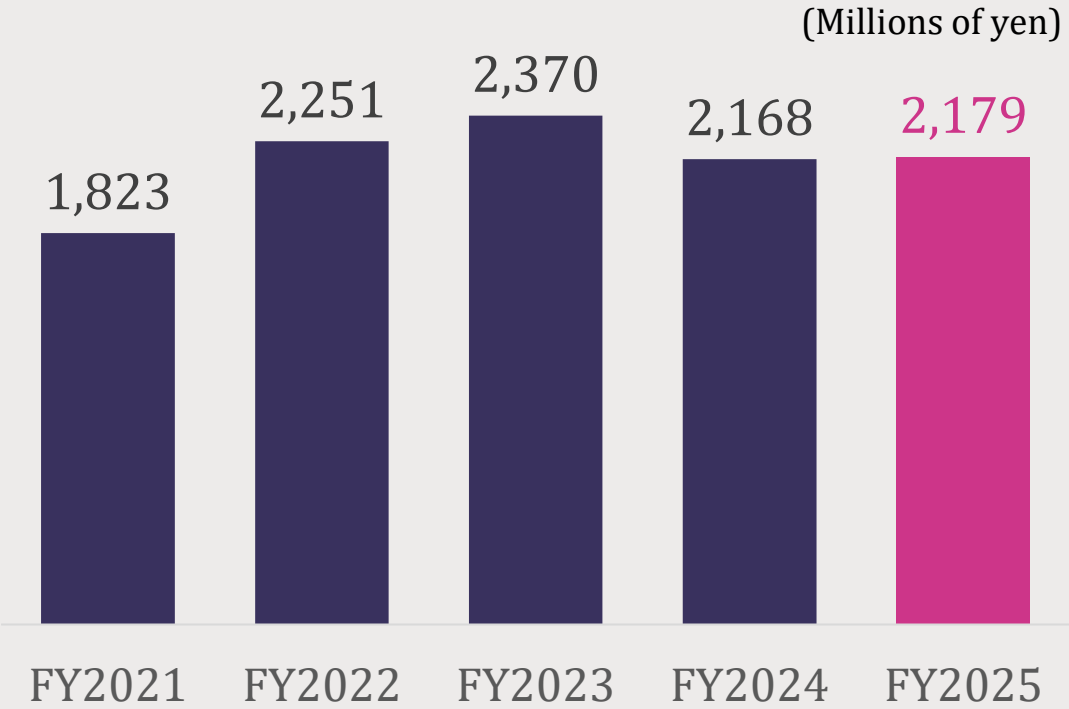
	Retail + Online	Retail	Online
Trend-Conscious Market	112.4%	109.1%	120.8%
Basic Trend-Conscious Market	114.1%	111.1%	120.4%

Group Company Results

COEN CO., LTD. Feb– Apr

Increase in both sales and profit

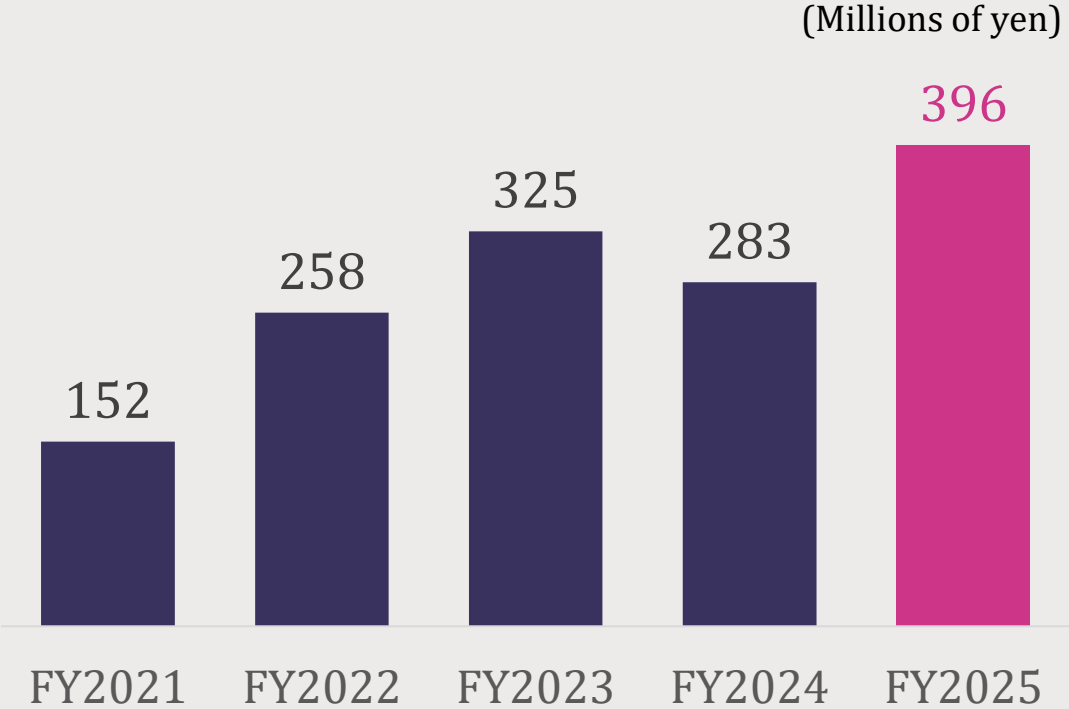
- Sales ¥2,179 million, YoY 100.5%
- Although sales exceeded the previous year’s figure, profits decreased due to a decline in gross margin, resulting from expansion of markdown sales, and inventory write-downs, as well as an increase in SGA expenses
- Sales are improving due to the launch of hot midsummer items. Going forward, it aims for a recovery by introducing popular products and implementing large-scale promotions



UNITED ARROWS TAIWAN LTD. Feb– Apr

Increase in both sales and profit

- Sales ¥396 million, YoY 139.9%
- UA general stores and online shopping performed well
- Gross margin also improved, achieving increased sales and profits



Opening and Closing of Stores

Due to some of COEN CO., LTD.'s new store openings being postponed to the next fiscal year, the number of stores at the end of the fiscal year is expected to be 321, an increase of 20 stores from the end of the previous fiscal year.

	No. of stores at the previous period-end	1Q results		No. of stores at the 1Q-end	Full-year forecast		No. of stores at the period-end (Forecast)
		Opened	Closed		Opened	Closed	
Total Group	301	7	0	308	24	4	321
UNITED ARROWS LTD.	221	3	0	224	16	2	235
COEN CO., LTD.	71	3	0	74	5	2	74
UNITED ARROWS TAIWAN LTD.	9	1	0	10	3	0	12

Starting store opening for new businesses

ATTISESSION

- A women's brand targeting the MZ generation
- Appointed a female in her 20's from BY shop staff as director
- Sales started at some stores and on our own EC in spring/summer 2024
- Scheduled to open the first store in Tokyo's Shinjuku area in September 2024



<https://store.united-arrows.co.jp/brand/att/>

conte

- New brand for independent adult women
- Appointed Emiri Henmi as director
- Online pre-orders and pop-up shops at selected stores started in August 2024
- Scheduled to open stores in Tokyo's Aoyama and Shinjuku areas in September 2024

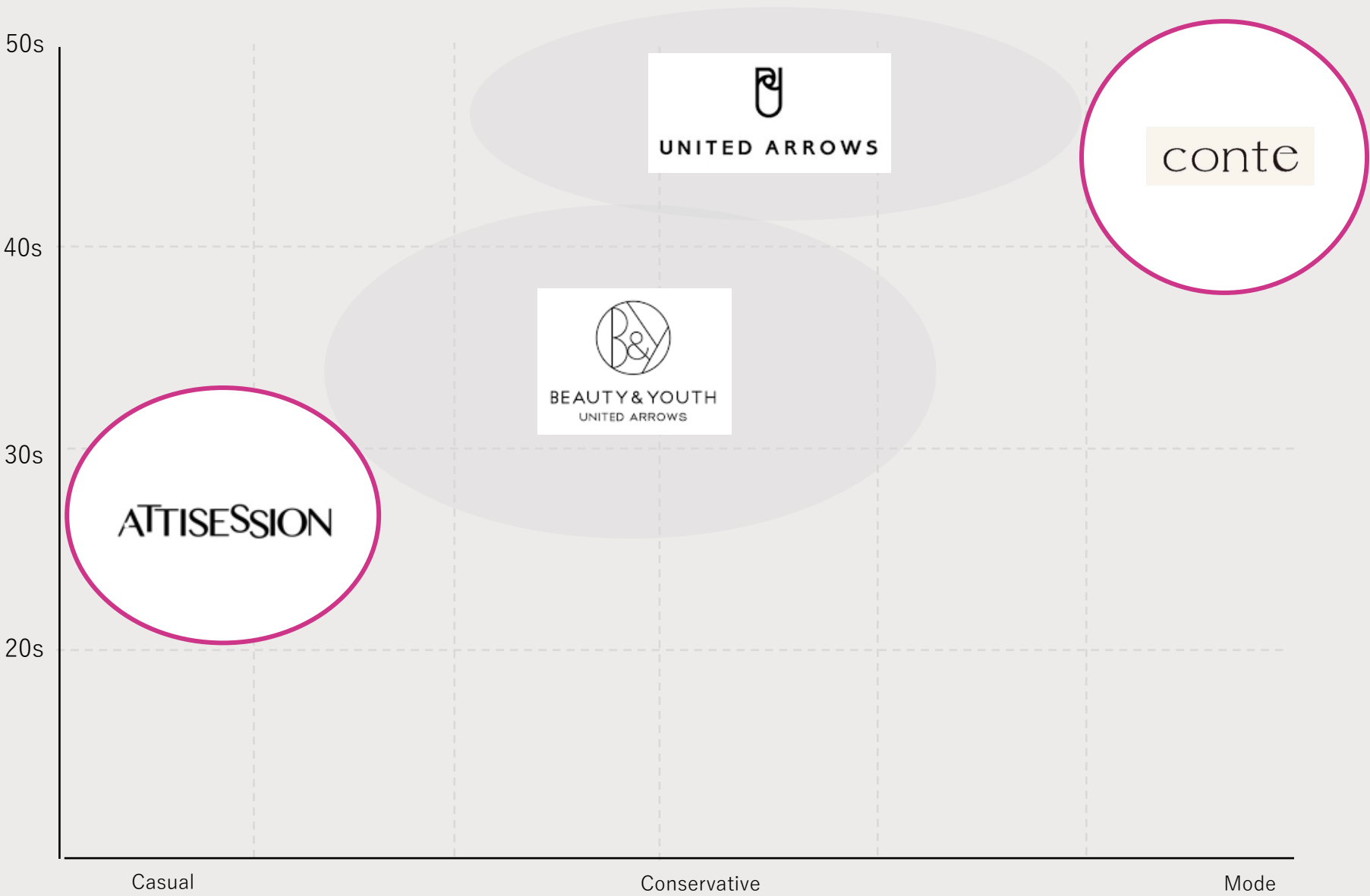


<https://store.united-arrows.co.jp/brand/conte/>

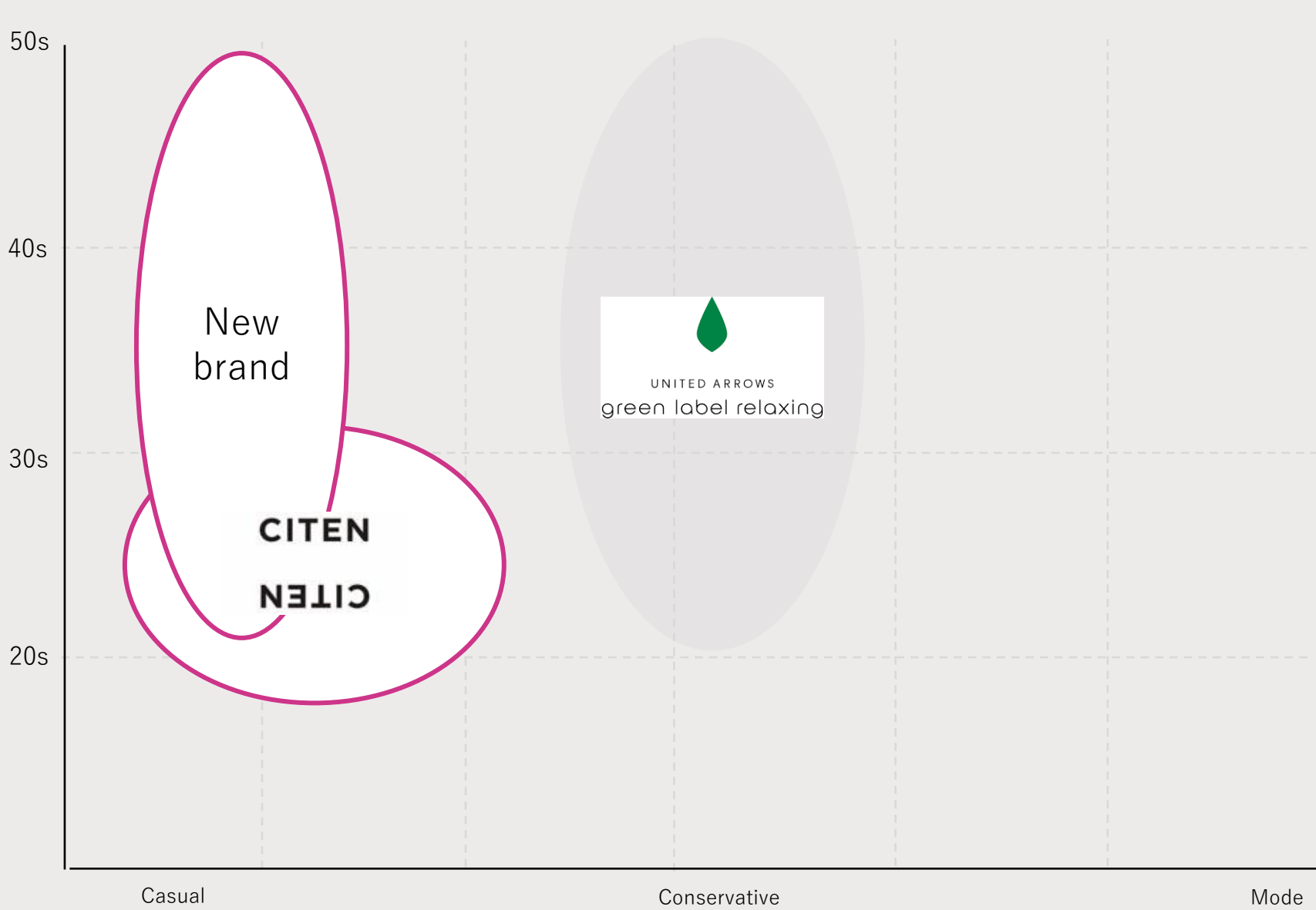
Direction of new business

Objective of new business is to solve issues towards achieving the long-term vision (age axis, taste axis)

Trend-conscious market



Basic Trend conscious market



Scale of assumed sales of new business

Brand	CITEN	ATTISESSION	conte	New brand (TBD)
Introduction timing	Fall 2021	Spring 2024	Fall 2024	Spring 2025
Market	Basic Trend conscious market	Trend-conscious market	Trend-conscious market	Basic Trend conscious market
Objective	Expansion of age axis (mid-20s to early 30s, men and women)	Expansion of age axis (20s to early 30s, women)	Expansion of taste axis (mode within trend-conscious market)	Expansion of taste axis (casual within basic trend-conscious market)
Assumed scale	¥5 billion	¥3 billion	¥5 billion	¥10 billion



Overseas Expansion: UNITED ARROWS EMSPHERE opens

- In June 2024, opened a franchise store in “EMSPHERE,” a large shopping mall in Bangkok, Thailand
- Sales of men’s clothing made from functional materials were strong, particularly among those in the fashion industry
- The store is frequented not only by domestic customers but also by tourists, and we also see a noticeable number of customers who learned about the Company at our pop-up store in China
- We will continue to study the possibility of opening stores mainly in the ASEAN region, and launched our products at Lumine Singapore in August 2024



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Progress in Sustainability Initiatives

History of Our Sustainability Activities

October 1999 (at the time of listing) to present
Our Commitment: Creating Five Values
Customers, Employees, Business Partners, Society, Shareholders

May 2020 to present
Five Themes and 16 Material Issues
Supply Chain, Resources, Community, Human Resources, Governance

August 2022 to present
Launching SARROWS and Setting Numerical Targets
Circularity, Carbon Neutrality, Humanity



SARROWS™

**Approach to
sustainability in the
long-term vision**

Departure from an orientation toward sales expansion on the premise of mass production and mass consumption means:

“Creating the maximum corporate value with limited resources”

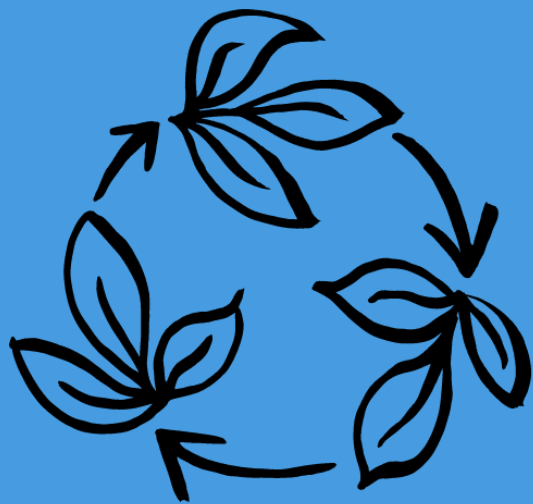
= Procuring appropriate amounts of products properly and selling them without waste
(improving the ratio of items sold at regular prices)

- For customers: Foster a sense of trust and reassurance in prices
- For employees: Increase profit productivity = Improve compensation and engagement
- For shareholders: Increase profit distribution as the corporate value increases
- For business partners: Protect human rights in the supply chain
- For society: Reduce environmental load by controlling disposal, etc.

In addition, the use of environmentally conscious materials, switching to renewable energy, and recycling of waste will be promoted to achieve sustainability goals



Sustainability Initiatives
of UNITED ARROWS



Circularity

Circular fashion

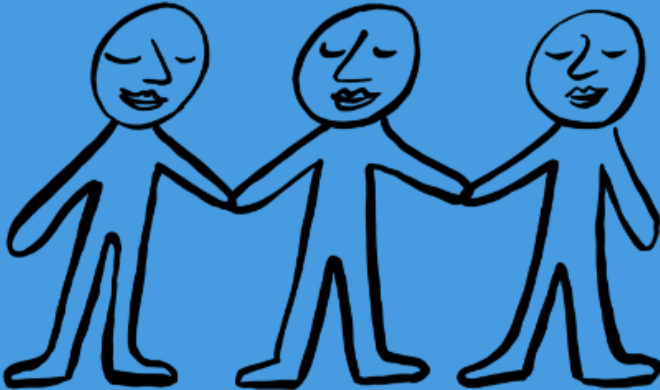
Positive impact on the earth with fashion, UNITED ARROWS LTD. aims to create fashion that is in harmony with nature and circular over and over again.



Carbon Neutrality

Toward a carbon-neutral world

To preserve our beautiful earth UNITED ARROWS LTD. works to create a carbon-neutral world in line with the Paris Agreement, an international framework.



Humanity

Work and live in a healthy way

For every stakeholder of UNITED ARROWS LTD. to smile. We will protect everyone's rights and create a healthy living environment.



Circularity

Circulating fashion

Waste rate of textile products

2022	2023	2030 TARGET
0.3% →	0.03 %	0.0 %

Waste rate of products

2022	2023	2030 TARGET
0.4% →	0.08 %	0.1 %

Proportion of eco-friendly products

2022	2023	2030 TARGET
9.8% →	7.6 %	50.0 %



Carbon Neutrality

Toward a carbon-neutral world

CO₂ emission reduction rate
(Scope 1 and 2)

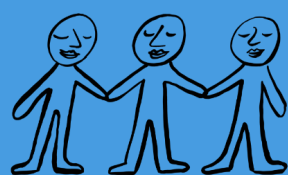
2022	2023	2030 TARGET
7.3% →	13.4 %	30.0 %

CO₂ emission reduction rate
(Scope 3)

2022	2023	2030 TARGET
14.5% →	13.1 %	15.0 %

Proportion of renewable energy

2022	2023	2030 TARGET
8.3% →	12.5 %	50.0 %



Humanity

Work and live healthily

Acquisition rate of Code of
Conduct Agreements

2022	2023	2030 TARGET
48.2% →	74.4 %	100.0 %

Employee engagement scores
(eNPS*)

2022	2023	2030 TARGET
-58.4 →	-42.0	-40.0

Employee opinion survey
Positive response rate

2022	2023	2030 TARGET
70.0% →	74.5 %	80.0 %

* eNPS = Employee Net Promoter Score An index that visualizes employee engagement by quantifying the degree of workplace recommendation
Also available for industry comparisons and comparisons with other companies that have already implemented it



Circularity

Circulating fashion

Waste rate of textile products

2022	2023	2030 TARGET
0.3% →	0.03 %	0.0 %

Waste rate of products

2022	2023	2030 TARGET
0.4% →	0.08 %	0.1 %

Proportion of eco-friendly products

2022	2023	2030 TARGET
9.8% →	7.6 %	50.0 %

Continuing efforts

- Improvement of the fixed-price-sales ratio (the ratio of original retail price) and inventory turnover ratio
- Reducing product waste rates through recycling, reuse, etc.

Initiatives for fiscal 2022

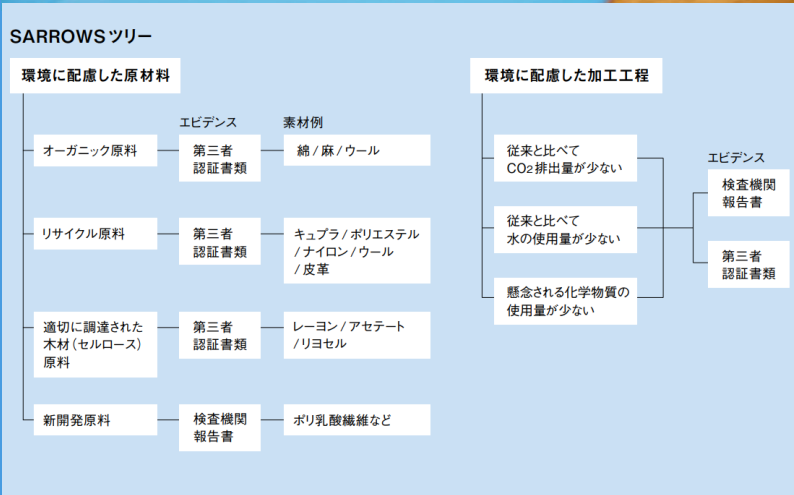
- Establishing in-house standards for environmentally friendly products (SARROWS tree)

Initiatives for fiscal 2023

- Preparation for the use of eco-friendly materials across businesses
- Reducing waste by improving the flow of determining damaged products

Initiatives in the current period and future

- Maintain product waste rate
- In addition to expanding the range of products made from environmentally friendly materials, pursue “circulating fashion” by expanding reuse, repair, etc.





Carbon Neutrality

Toward a carbon-neutral world

CO₂ emission reduction rate
(Scope 1 and 2)

2022	2023	2030 TARGET
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7.3% →	13.4 %	30.0 %
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CO₂ emission reduction rate
(Scope 3)

2022	2023	2030 TARGET
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14.5% →	13.1 %	15.0 %
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Proportion of renewable
energy

2022	2023	2030 TARGET
------	------	-------------

8.3% →	12.5 %	50.0 %
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Continuing efforts

- Conduct a survey on the energy situation at commercial facilities where our shops are open and discuss the future use of renewable energy
- Promoting “SARROWS Reduce Action,” an initiative to cultivate abundant forests



Initiatives for fiscal 2022

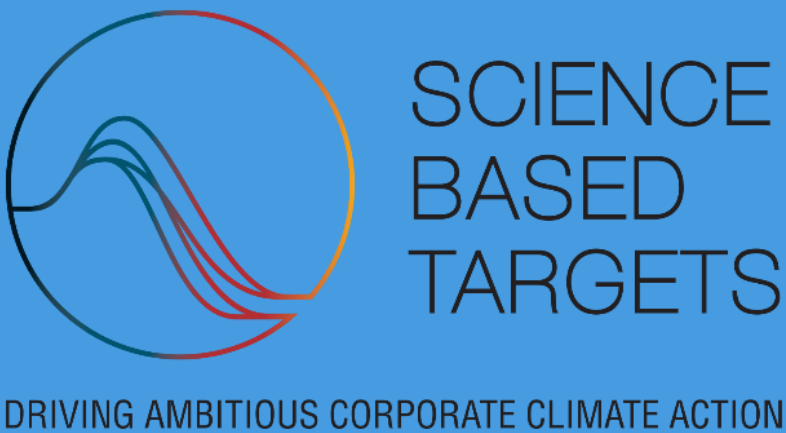
- Applying for and obtaining SBT accreditation
- Calculation of the carbon footprint of products

Initiatives for fiscal 2023

- Regarding TCFD scenario analysis, a partial quantification of business impact assessment and description of calculation basis
- Obtained a B rating in the CDP climate change category (previous year: D rating)

Initiatives in the current period and future

- Obtaining third-party assurance for GHG calculations (Scope 1, 2, 3)
- Promoting renewable energy use in stores through further collaboration with commercial facilities where our stores are open
- Reducing Scope 3 GHG emissions through more precise calculations





Humanity

Work and live healthily

Acquisition rate of Code of Conduct Agreements

2022	2023	2030 TARGET
48.2% →	74.4 %	100.0 %

Employee engagement scores (eNPS)

2022	2023	2030 TARGET
-58.4 →	-42.0	-40.0

Employee opinion survey
Positive response rate

2022	2023	2030 TARGET
70.0% →	74.5 %	80.0 %

Continuing efforts

- Continue to conduct on-site audits at domestic partner factories
- Promoting various personnel measures to improve employee engagement

Initiatives for fiscal 2022

- Start of on-site audits at domestic partner factories
- Formulation and disclosure of UA Group human rights policy

Initiatives for fiscal 2023

- Steady increase in female managers (to 26.9% from 22.4%)
- Identification and mapping of human rights issues
- Roadmap development and goal-setting for partner factory audits

Initiatives in the current period and future

- Disclosure of eNPS (Employee Net Promoter Score) in the SARROWS Humanity field
- Formulation and disclosure of a roadmap for dealing with human rights risks in the supply chain





SARROWS™

Report on other
sustainability promotion
activities

In fiscal 2023, the Sustainability Committee met 10 times and the Sustainability Subcommittee of the Risk Management Committee met 3 times

- Both committees are chaired by the Representative Director and have Executive Directors as members
- The Sustainability Committee mainly discussed the three themes of SARROWS, and the Sustainability Subcommittee of the Risk Management Committee mainly discussed human rights risks

Selected as a component stock for three of the six domestic ESG indexes adopted by the Government Pension Investment Fund (GPIF)



Support for disaster areas and communities

- In response to the 2024 Noto Peninsula Earthquake, a total of 200 items of clothing, mainly winter clothing (outerwear), were donated through the “Flying Medical Search Team *ARROWS*”



A scene at the time of delivery of support clothing (Courtesy Peace Winds Japan)

3

**Message from Yoshinori Matsuzaki,
Representative Director, President, and CEO**

1Q Favorable Factors

Pricing strategies optimized for market characteristics

Trend-conscious market:

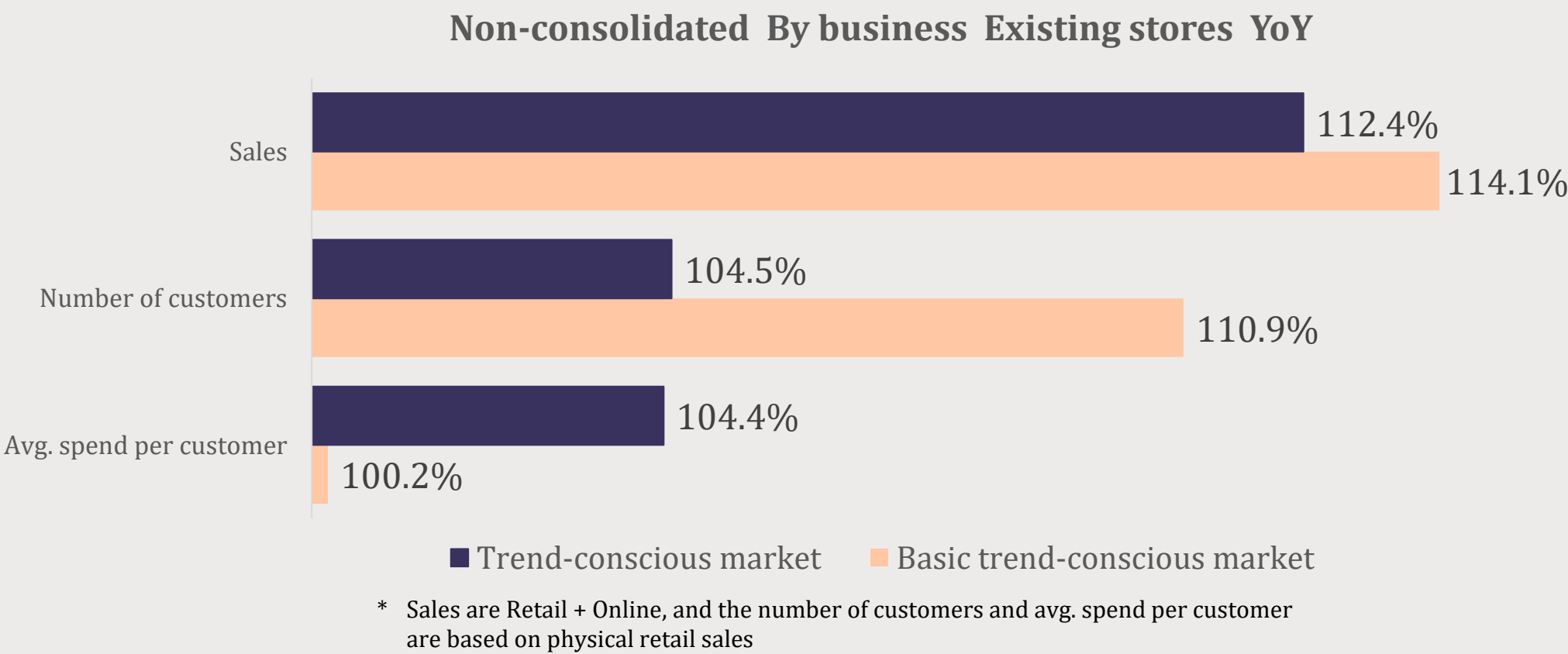
Increase in the number of customers while raising the avg. spend per customer

Basic Trend conscious market:

Significant increase in the number of customers while maintaining the avg. spend per customer

Increase sales through active inventory procurement

- Proactively procure inventory after improving product appeal
- Growth in both retail and online sales, especially resulting in lost sales opportunities for online sales



Spring/Summer inventory procurement volume YoY (New procurement + Carried goods)

About **113** %



Retail existing store sales YoY

109.7 %

Online existing store sales YoY

120.6 %

1Q Favorable Factors

Recovery of GLR Women through product promotion “Conclusion” series

1Q GLR Women’s
Retail + online existing store sales YoY **123.6**%

- As a conclusion to the idea of “clothes that won’t disappoint,” we have created three items that customers can purchase with confidence
- Promotional activities linked to the web, in-store and social media, with a TV commercial featuring MEGUMI at the core
- Utilizing mass media to increase brand awareness and acquire new customers. Approximately 7% of purchasers of these items are new UA Club members
- A similar campaign will be launched in the fall and winter, and we are considering applying the same success story to men’s and children’s products

From the left, knee-high flare pants ¥11,000, hidden cardigan ¥7,920, all-around blouse ¥8,910 (all prices include tax)



1Q Favorable Factors

Increase in UA Club member sales, penetration of OMO measures

Number of active members at end of 1Q

1.4 million

(YoY 105.5%)

* Members who purchased within one year

UA Club membership sales

¥17.9 billion

(YoY 120.2%)

UA Club membership sales composition ratio (Non-consolidated)

54.2 %

(YoY change: 4.2 pts)

Membership retention rate

55.0 %

(YoY change: 0.7 pts)

* Percentage of members who purchased for two consecutive years

Percentage of F2 and above members

49.8 %

(YoY 1.0 pt)

* Percentage of members who purchased more than twice a year

Number of cross users

19 0,000

(YoY 114.3%)

* Members who use both physical stores and our online site

The system was partially revised on August 1, 2024, to change to a system that increases opportunities for use of physical stores and the company’s own e-commerce site and improves lifetime value (LTV)

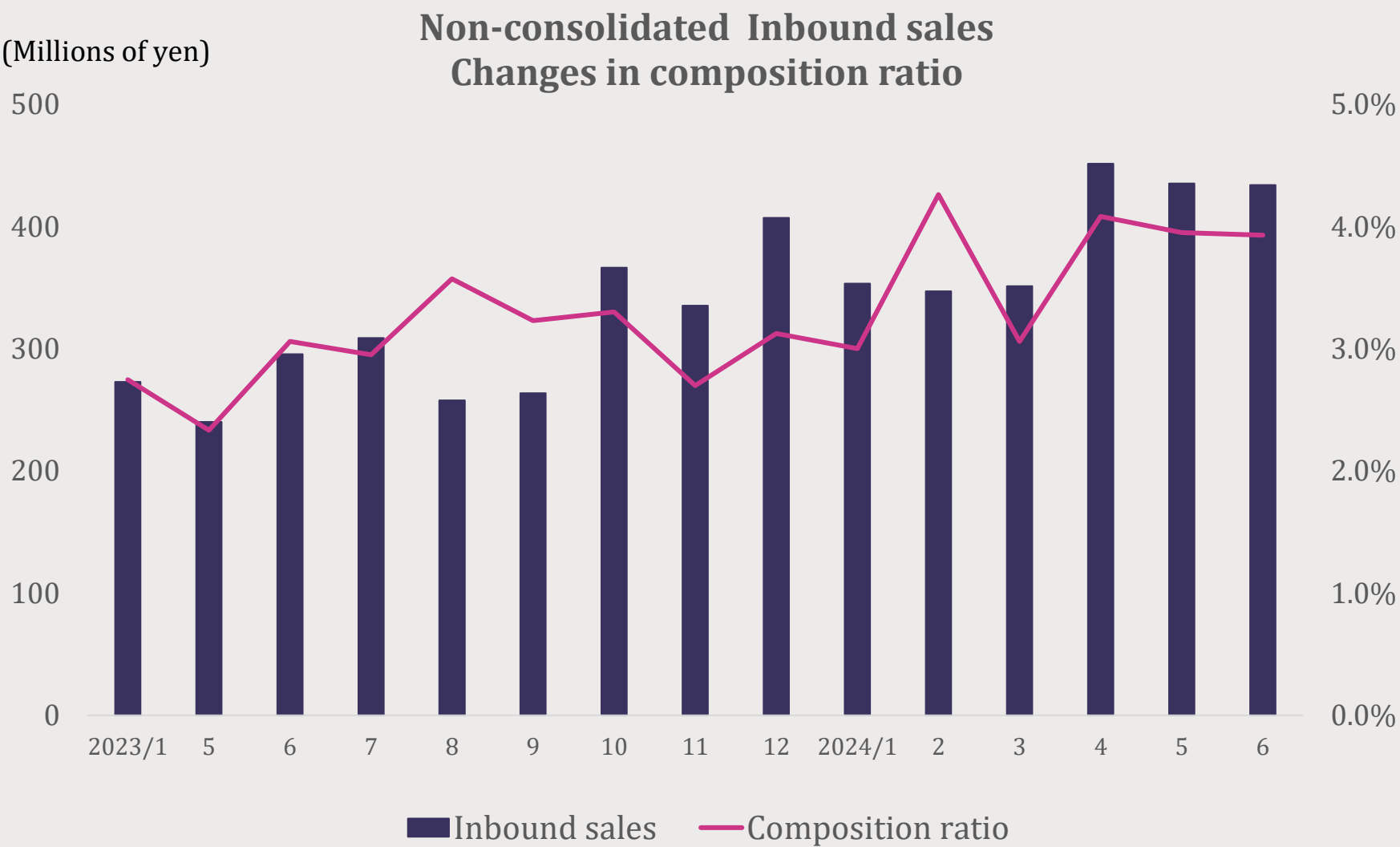
1Q Favorable Factors

Increase in inbound sales

1Q Inbound Sales
(Non-consolidated) **¥1.32 billion**
(YoY 163.3%)

- Purchasing mainly from China, Taiwan, South Korea and the U.S.
- Aoyama, Shibuya, Roppongi, and Shinsaibashi areas have large sales
- In addition to UA and BY, there is also high demand for small, highly original brands such as H Beauty&youth, ASTRAET, and LOEFF
- The results of the analysis were reflected in the product lineup at stores with a high ratio of inbound tourists and in overseas expansion
- We are also working to attract customers from overseas

Inbound Composition Ratio **4.0%**
(YoY change: 1.3 pts)



提供感動

KANDOU
TEIKYO

ENGAGEMENT
WITH CUSTOMERS

providing excitement - connecting with customers
widely and deeply

Three Key Strategies



4

Reference Materials

Consolidated Business Plan

		(Millions of yen)
Sales	¥150,000 million (YoY 111.7%)	
Gross margin	52.5% (pt difference 0.8pt)	
Operating income	¥7,300 million vs. sales 4.9% (YoY 108.3%, pt difference -0.2pt)	
Ordinary income	¥7,985 million, vs. sales 5.3% (YoY 106.7%, pt difference -0.3pt)	
Net income for the term	¥4,145 million vs. sales 2.8% (YoY 85.0%, pt difference -0.9pt)	
Annual dividend	¥55.00 (interim: ¥17.00, end of term ¥38.00)	
Payout ratio	36.6%	

	FY24/3 Results	FY25/3 Plan	YoY change/vs. sales	pt difference
Sales	134,269	150,000	15,730	111.7%
Gross profit	69,462	78,790	9,327	113.4%
vs. sales	51.7%	52.5%	0.8pt	-
SGA expenses	62,722	71,490	8,767	114.0%
vs. sales	46.7%	47.7%	0.9pt	-
Operating income	6,740	7,300	559	108.3%
vs. sales	5.0%	4.9%	-0.2pt	-
Non op. P/L	746	685	-61	91.7%
vs. sales	0.6%	0.5%	-0.1pt	-
Ordinary income	7,486	7,985	498	106.7%
vs. sales	5.6%	5.3%	-0.3pt	-
Extraordinary P/L	(331)	(1,157)	(825)	-
vs. sales	-	-	-	-
Net income attributable to owners of parent for the term	4,876	4,145	(731)	85.0%
vs. sales	3.6%	2.8%	-0.9pt	-

Gross Margin Plan

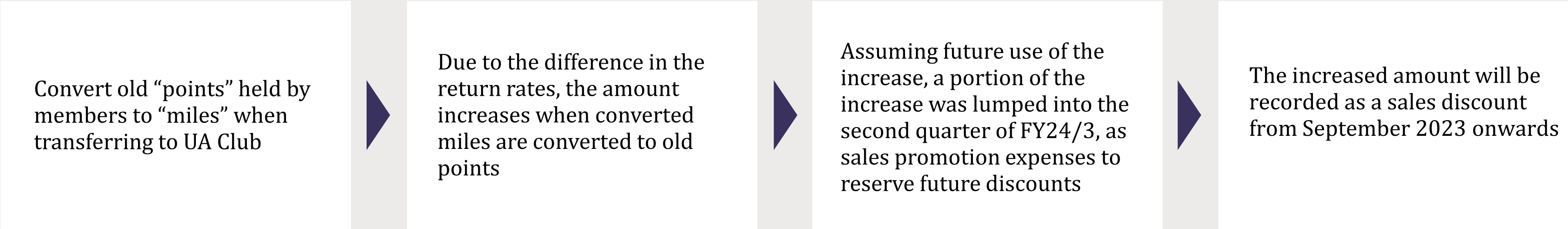
	FY25/3 1H	YoY	FY25/3 2H	YoY	FY25/3 full term	YoY
Consolidated	53.0%	0.6pt	52.1%	1.0pt	52.5%	0.8pt
UNITED ARROWS LTD.	52.8%	0.7pt	51.8%	0.8pt	52.2%	0.8pt
Total of business units sales	-	0.6pt	-	0.6pt	-	0.6pt
Outlet, etc.	-	1.6pt	-	0.9pt	-	1.2pt
COEN CO., LTD.	-	0.3pt	-	2.5pt	-	1.4pt
UNITED ARROWS TAIWAN LTD.	-	-0.0pt	-	-0.6pt	-	-0.3pt

Non-consolidated Sales Plan

(Millions of yen)

	FY25/3 1H	YoY	FY25/3 2H	YoY	FY25/3 full term	YoY
Non-consolidated sales	60,405	108.4%	76,527	112.6%	136,933	110.7%
Retail + Online existing stores	-	109.6%	-	109.8%	-	109.7%
Retail existing stores	-	106.0%	-	106.7%	-	106.4%
Online existing stores	-	117.3%	-	116.1%	-	116.6%

Financial impact of transition to UA Club



Financial impact

FY2024/3 Results

Sales YoY Full year: **-0.9pt**, 4Q: **-1.0pt**

Gross margin Full year: **-0.1pt**, 4Q: **-0.1pt**

SGA expenses **¥390 million** recorded as advertising expenses in 2Q

FY2025/3 Forecast

Around **-1.0pt** has been incorporated into the planned figures for April–July of this term as impact on YoY sales stemming from the difference in redemption rate. Conversely, for 2H of this term, about **+0.8pt** has been incorporated in YoY sales as reaction to the temporary negative effects generated in the previous year.

UNITED ARROWS LTD. Retail Store Opening and Closing

	No. of stores at FY24/3 end	1Q results		No. of stores at the 1Q-end	Full-year forecast		No. of stores at the period-end (Forecast)
		Opened	Closed		Opened	Closed	
UNITED ARROWS LTD. Total	221	3	0	224	16	2	235
Trend-conscious Market Total	103	1	0	104	8	0	111
UNITED ARROWS (General Merchandise Store)	14	1	0	15	2	0	16
UNITED ARROWS	25	0	0	25	0	0	25
BEAUTY&YOUTH	36	0	0	36	2	0	38
Other	28	0	0	28	4	0	32
Basic Trend-conscious Market Total	91	2	0	93	7	1	97
Green label relaxing	85	2	0	87	5	1	89
Other	6	0	0	6	1	0	7
Outlet	27	0	0	27	1	1	27