

For the First Half of Fiscal Year
Ending March 31, 2025

Financial Results Briefing

2024.11.07 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

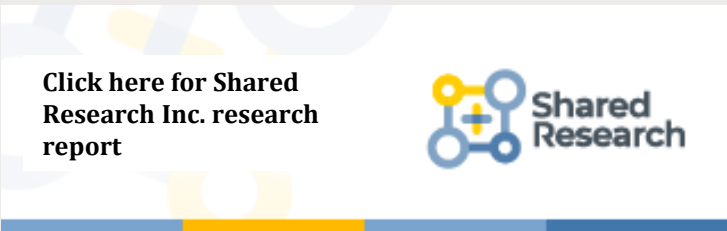
Trend-conscious Market and Basic Trend-conscious Market includes the following store brands:

Trend-conscious Market

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

Basic Trend-conscious Market

GLR, and CITEN



1

Overview of FY2025/3 1H Business Results



Financial Highlights

Consolidated

Sales and gross profit exceeded the plan and the previous year, SGA expenses were slightly lower than planned, and operating income and all other profits significantly exceeded the plan and the previous year.

Gross margin

Although it fell slightly short of the target, it exceeded the previous year's level.

Expanded midsummer products and strengthened regular price summer sales, exceeding both plan and previous year in 2Q (3 months).

Non-consolidated

Sales, gross profit and all other profits exceeded plans and the previous year. Achieved significant increases from the previous year in both retail and online sales by enhancing product appeal, having a proactive inventory policy, and optimizing price.

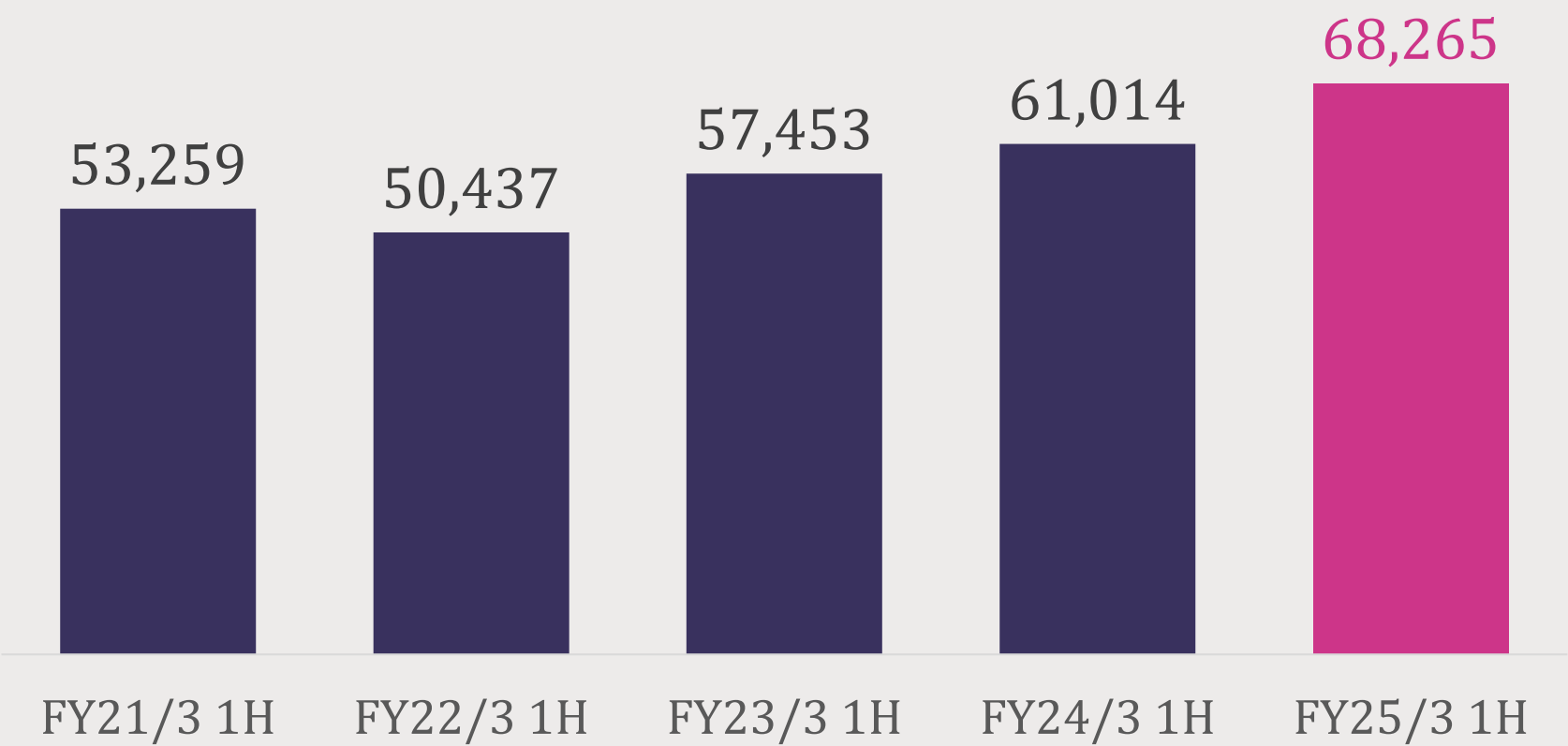
Revision of earnings forecast

Revised the consolidated financial forecast for the full fiscal year ending March 2025 upwards, based on the results for the first half of the year, trends in October, and revised store opening plans.

Consolidated Sales

YoY
¥68,265 million 111.9%

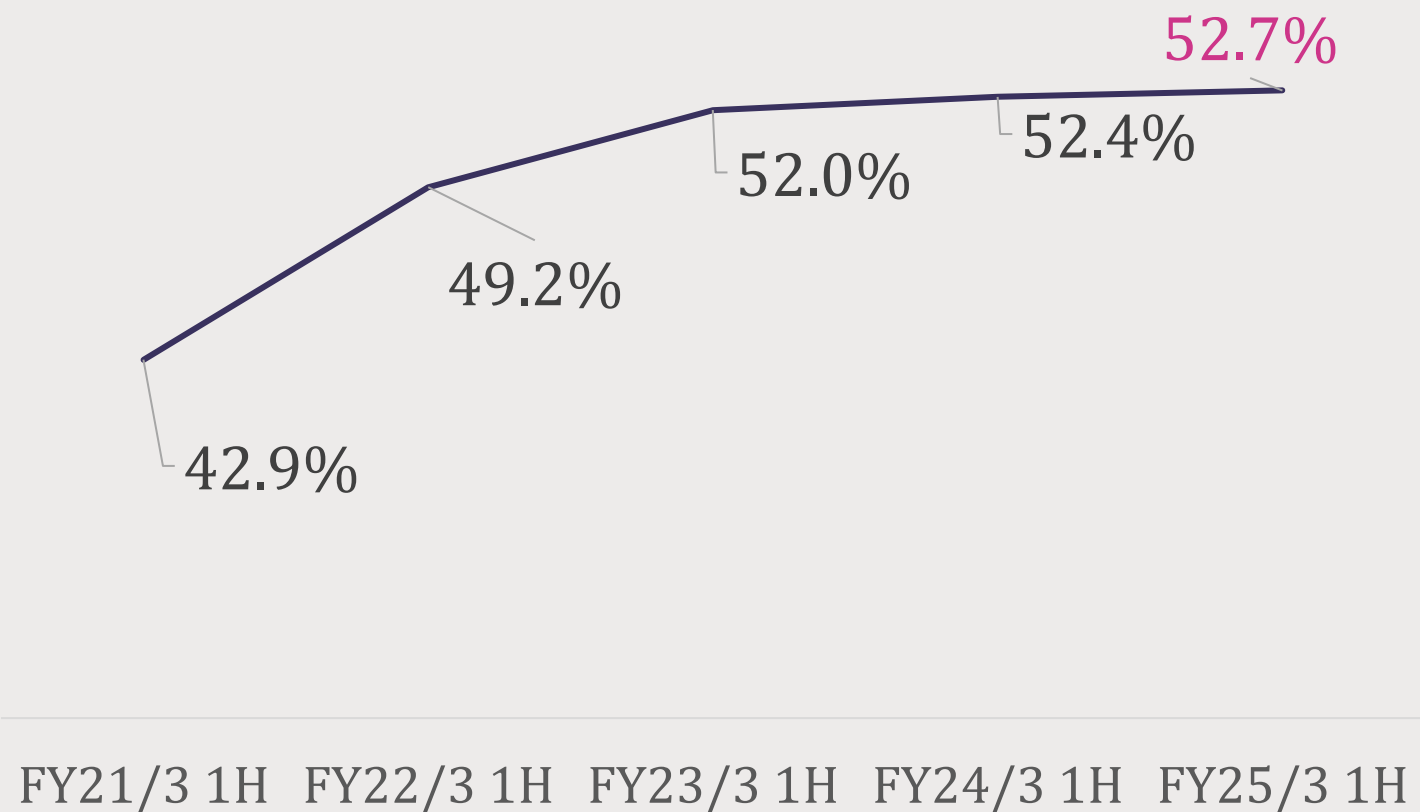
(Millions of yen)



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

Consolidated Gross Margin

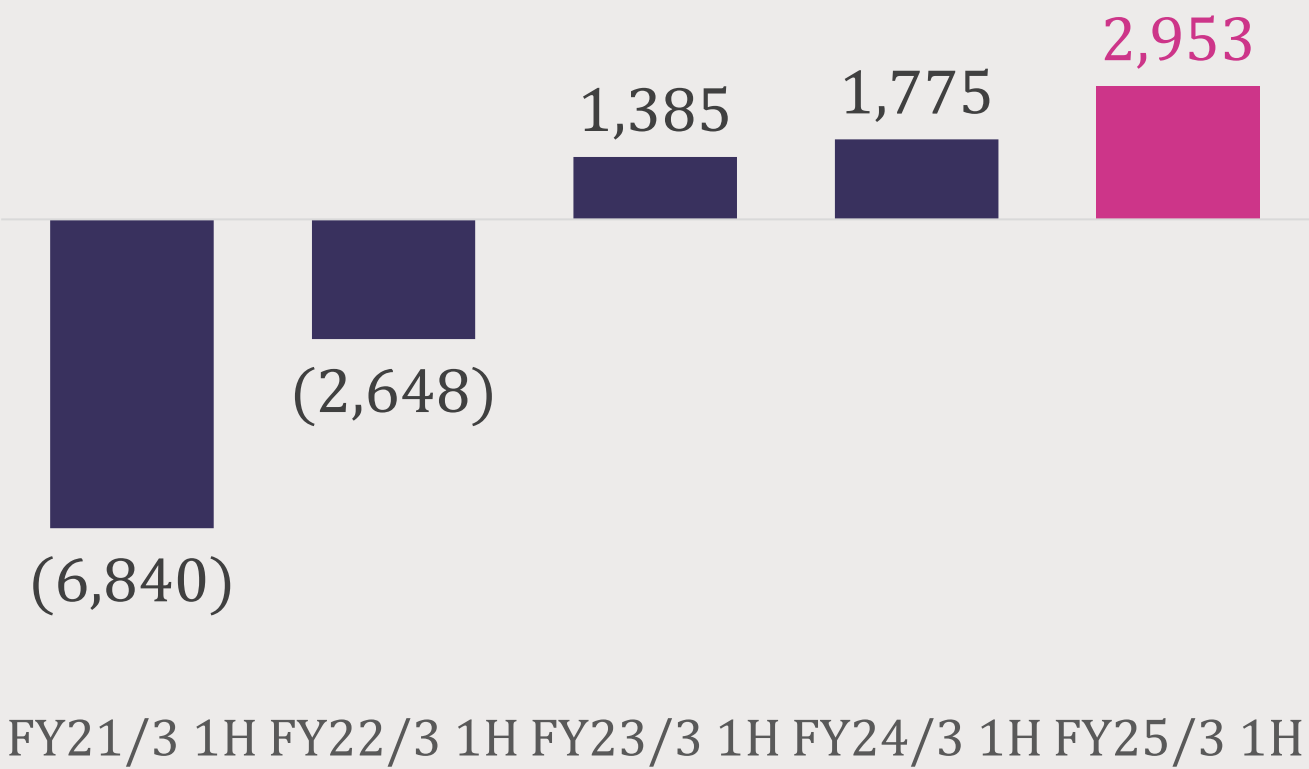
YoY
52.7% +0.2pt



Consolidated operating income

YoY
¥2,953 million 166.4%

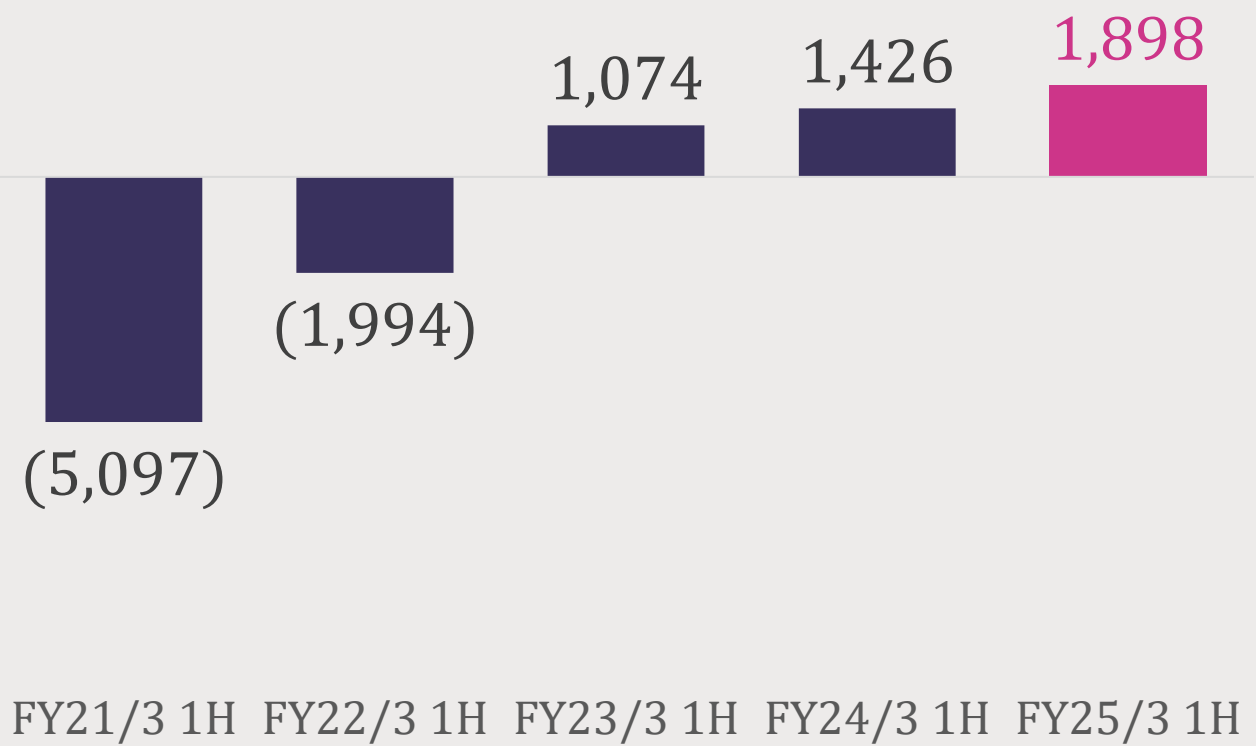
(Millions of yen)



Net income attributable to owners of parent

YoY
¥1,898 million 133.1%

(Millions of yen)



Consolidated P/L

		(Millions of yen)			
		FY24/3 1H	FY25/3 1H	Change/pt difference	YoY
Sales		61,014	68,265	7,251	111.9%
Gross profit		31,993	35,953	3,959	112.4%
	vs. sales	52.4%	52.7%	0.2pt	-
SGA expenses		30,218	32,999	2,781	109.2%
	vs. sales	49.5%	48.3%	- 1.2pt	-
Operating income		1,775	2,953	1,178	166.4%
	vs. sales	2.9%	4.3%	1.4pt	-
Non op. P/L		408	444	35	108.7%
	vs. sales	0.7%	0.7%	- 0.0pt	-
Ordinary income		2,184	3,397	1,213	155.6%
	vs. sales	3.6%	5.0%	1.4pt	-
Extraordinary P/L		(68)	(388)	(320)	-
	vs. sales	-	-	-	-
Net income attributable to owners of parent		1,426	1,898	471	133.1%
	vs. sales	2.3%	2.8%	0.4pt	-

* The positive impact of the processing of unused miles at UNITED ARROWS LTD. was approximately ¥200 million, which was included in 2Q sales and gross profit

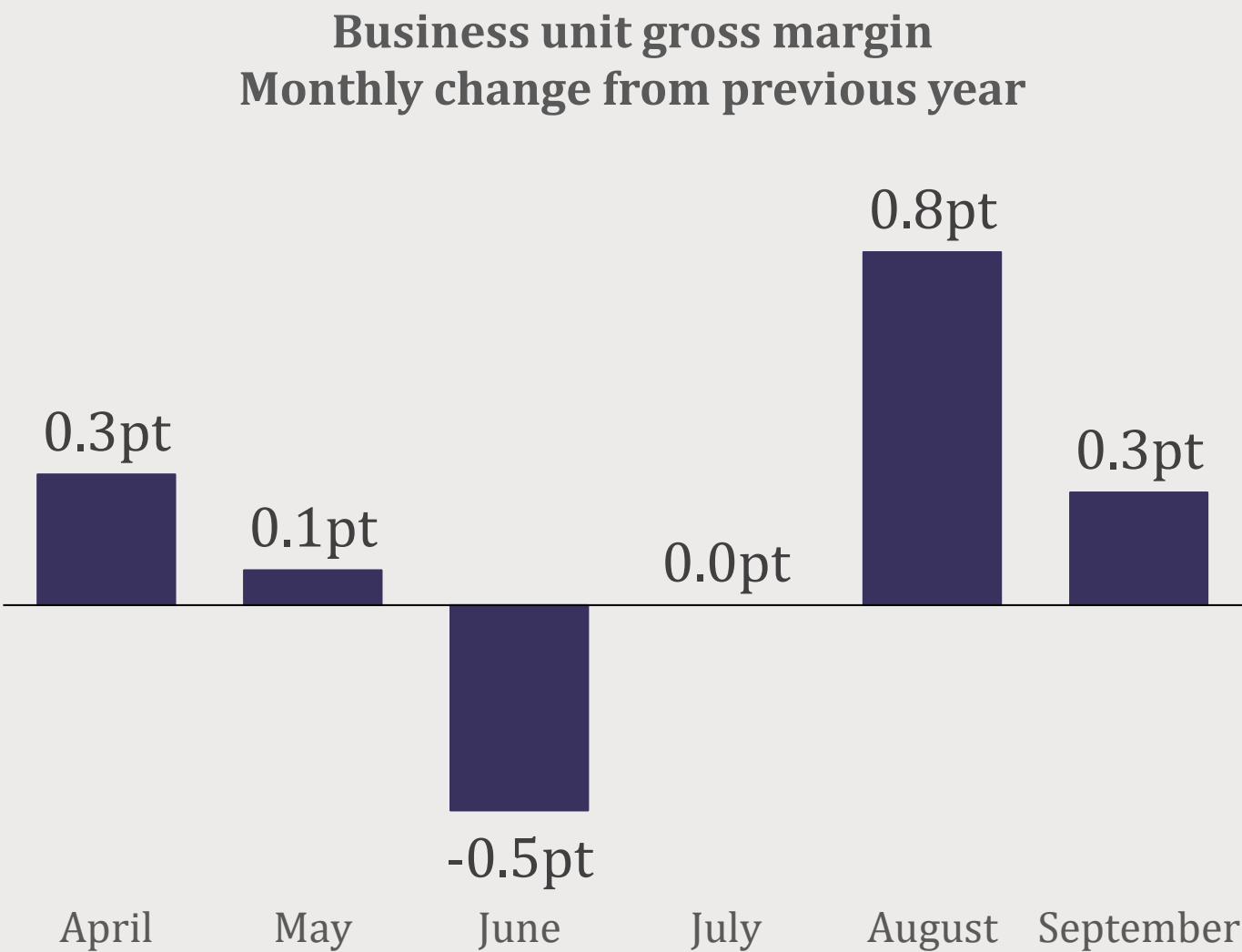
Consolidated P/L 2Q (3 Months)

(Millions of yen)					
		FY24/3 2Q	FY25/3 2Q	Change/pt difference	YoY
Sales		28,858	32,769	3,911	113.6%
Gross profit		14,314	16,540	2,225	115.5%
	vs. sales	49.6%	50.5%	0.9pt	-
SGA expenses		15,041	16,355	1,313	108.7%
	vs. sales	52.1%	49.9%	- 2.2pt	-
Operating income		(726)	184	911	-
	vs. sales	-	0.6%	-	-
Non op. P/L		144	213	69	148.0%
	vs. sales	0.5%	0.7%	0.2pt	-
Ordinary income		(582)	398	981	-
	vs. sales	-	1.2%	-	-
Extraordinary P/L		(33)	(193)	(160)	-
	vs. sales	-	-	-	-
Net income attributable to owners of parent		(372)	134	506	-
	vs. sales	-	0.4%	-	-

Consolidated Gross Margin

Consolidated, non-consolidated and Taiwanese subsidiary exceeded previous year’s results
Non-consolidated business unit also performed well, with the exception of June when discount price sales were brought forward, and the first half of the year was better than the previous year

	FY25/3 1H	YoY pt difference
Consolidated	52.7%	0.2pt
UNITED ARROWS LTD.	52.4%	0.4pt
Total business unit	-	0.1pt
Outlet, etc.	-	2.7pt
COEN CO., LTD.	-	-1.5pt
UNITED ARROWS TAIWAN LTD.	-	1.4pt



Consolidated Gross Margin 2Q (3 Months)

	FY25/3 2Q	YoY pt difference
Consolidated	50.5%	0.9pt
UNITED ARROWS LTD.	49.7%	1.0pt
Total business unit	-	0.3pt
Outlet, etc.	-	2.1pt
COEN CO., LTD.	-	-0.6pt
UNITED ARROWS TAIWAN LTD.	-	2.3pt

Consolidated SGA Expenses

(Millions of yen)					
		FY24/3 1H	FY25/3 1H	Change/pt difference	YoY
Total SGA expenses		30,218	32,999	2,781	109.2%
	vs. sales	49.5%	48.3%	- 1.2pt	-
Advertising expenses		1,928	1,906	(21)	98.9%
	vs. sales	3.2%	2.8%	- 0.4pt	-
Personnel expenses		10,482	11,337	854	108.2%
	vs. sales	17.2%	16.6%	- 0.6pt	-
Rent		8,656	9,200	543	106.3%
	vs. sales	14.2%	13.5%	- 0.7pt	
Depreciation		425	565	140	133.0%
	vs. sales	0.7%	0.8%	0.1pt	-
Other		8,726	9,990	1,264	114.5%
	vs. sales	14.3%	14.6%	0.3pt	-

Consolidated SGA Expenses 2Q (3 Months)

(Millions of yen)

	FY24/3 2Q	FY25/3 2Q	Change/pt difference	YoY
Total SGA expenses	15,041	16,355	1,313	108.7%
vs. sales	52.1%	49.9%	- 2.2pt	-
Advertising expenses	1,207	986	(221)	81.7%
vs. sales	4.2%	3.0%	- 1.2pt	-
Personnel expenses	5,052	5,445	392	107.8%
vs. sales	17.5%	16.6%	- 0.9pt	-
Rent	4,226	4,534	307	107.3%
vs. sales	14.6%	13.8%	- 0.8pt	
Depreciation	212	296	84	139.6%
vs. sales	0.7%	0.9%	0.2pt	-
Other	4,342	5,093	750	117.3%
vs. sales	15.0%	15.5%	0.5pt	-

Consolidated B/S

(Millions of yen)				
	As of Mar. 31, 2024	As of Sept. 30, 2024	vs. previous term-end Change	
Total Assets	60,204	68,788	8,584	114.3%
Composition ratio	100.0%	100.0%	-	-
Current Assets	40,372	46,489	6,116	115.2%
Composition ratio	67.1%	67.6%		-
Noncurrent Assets	19,831	22,299	2,467	112.4%
Composition ratio	32.9%	32.4%		-
Current Liabilities	20,997	28,979	7,981	138.0%
Composition ratio	34.9%	42.1%		-
Noncurrent Liabilities	4,177	3,877	(299)	92.8%
Composition ratio	6.9%	5.6%		-
Total Net Assets	35,030	35,931	901	102.6%
Composition ratio	58.2%	52.2%		-
Reference: Balance of short- and long-term loans payable	202	2,900	2,698	1435.6%
	As of Sept. 30, 2023	As of Sept. 30, 2024	vs. 2Q-end of the previous fiscal year Change	
Reference: Inventory	24,716	27,237	2,520	110.2%

Consolidated C/F

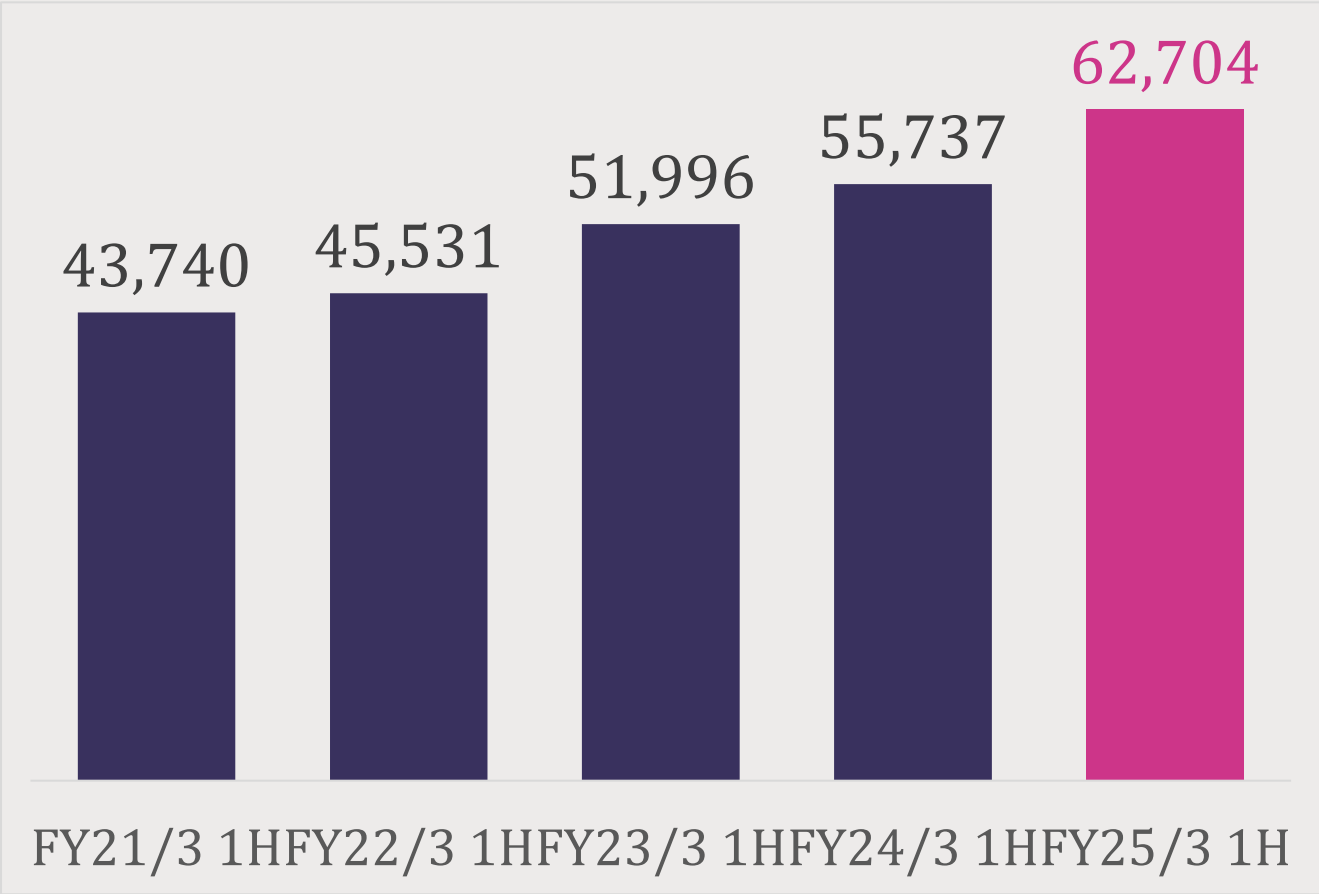
(Millions of yen)

	FY24/3 1H	FY25/3 1H	Major breakdown of the results for the term	
Cash flows from operating activities (sub-total)	2,199	3,573		
Cash flows from operating activities	1,162	3,308	Income before income taxes	3,009
			Decrease in trade receivables	1,403
			Increase in inventories	(5,556)
			Increase in trade payables	4,422
Cash flows from investing activities	(1,771)	(3,066)	Purchases of property, plant and equipment	(911)
			Purchases of intangible assets	(1,410)
			Payments of guarantee deposits	(615)
Cash flows from financing activities	(3,572)	1,645	Net increase in short-term loans payable	2,698
			Dividends paid	(1,052)
Cash and cash equivalents at the end of the period	4,334	8,376		

Non-consolidated Sales

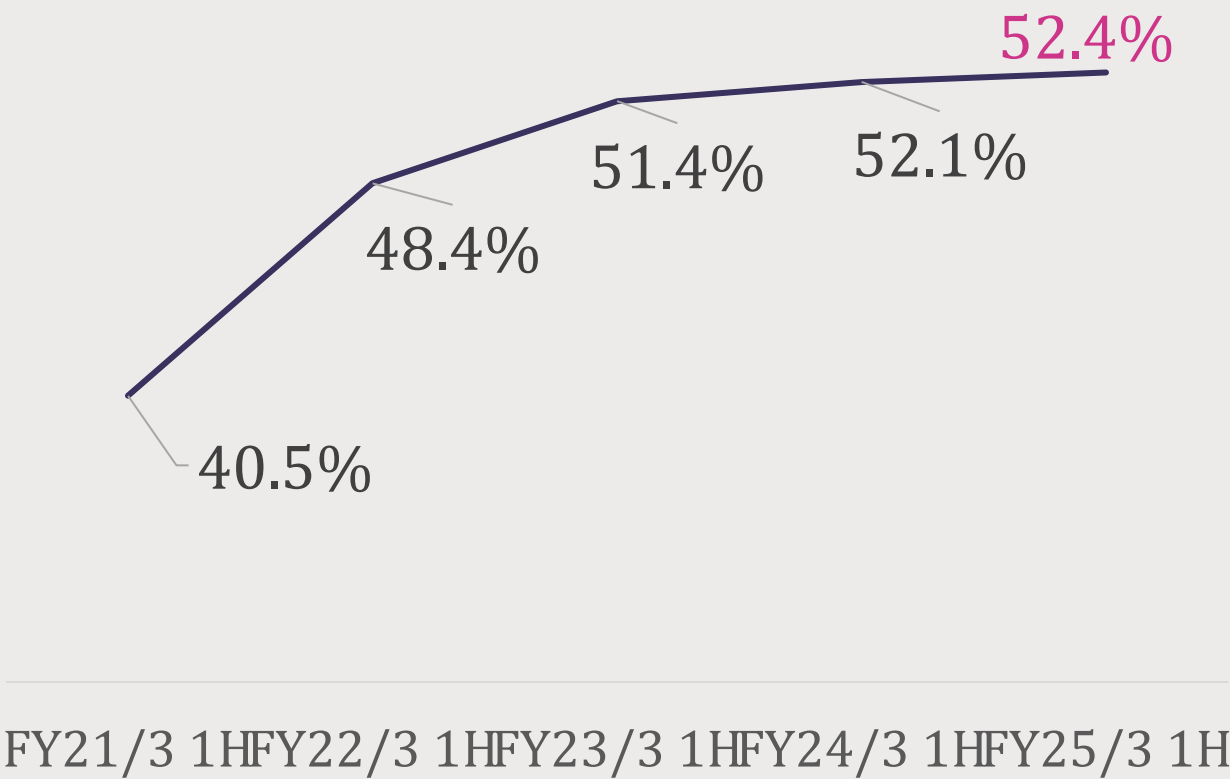
YoY
¥62,704_{million} 112.5%

(Millions of yen)



Non-consolidated Gross Margin

YoY
52.4% +0.4pt



Non-consolidated Existing Stores YoY

Sales

112.8%

Number of purchasing customers

110.0%

Avg. spend per customer

102.4%

Non-consolidated Sales by Channel

	(Millions of yen)			
	FY24/3 1H	FY25/3 1H	Change/pt difference	YoY
Non-consolidated sales	55,737	62,704	6,966	112.5%
Total business unit	46,832	53,350	6,518	113.9%
vs. sales	82.8%	83.6%	0.8pt	-
Retail	32,108	35,558	3,450	110.7%
vs. sales	56.8%	55.7%	- 1.0pt	-
Online	13,750	16,767	3,017	121.9%
vs. sales	24.3%	26.3%	2.0pt	-
Others (Wholesale, etc.)	973	1,024	50	105.2%
vs. sales	1.7%	1.6%	- 0.1pt	-
Outlet, etc.	9,736	10,454	718	107.4%
vs. sales	17.2%	16.4%	- 0.8pt	-

Existing stores YoY			
	Sales	Number of customers	Avg. spend per customer
Retail + Online	112.8%	110.0%	102.4%
Retail	109.1%	106.1%	102.8%
Online	121.1%	116.8%	104.9%

Non-consolidated Sales by Business

		(Millions of yen)		
	FY24/3 1H	FY25/3 1H	Change	YoY
Total business unit sales	46,832	53,350	6,518	113.9%
Trend-conscious Market	31,668	35,321	3,653	111.5%
Basic Trend-conscious Market	15,164	18,029	2,864	118.9%

Existing store sales YoY

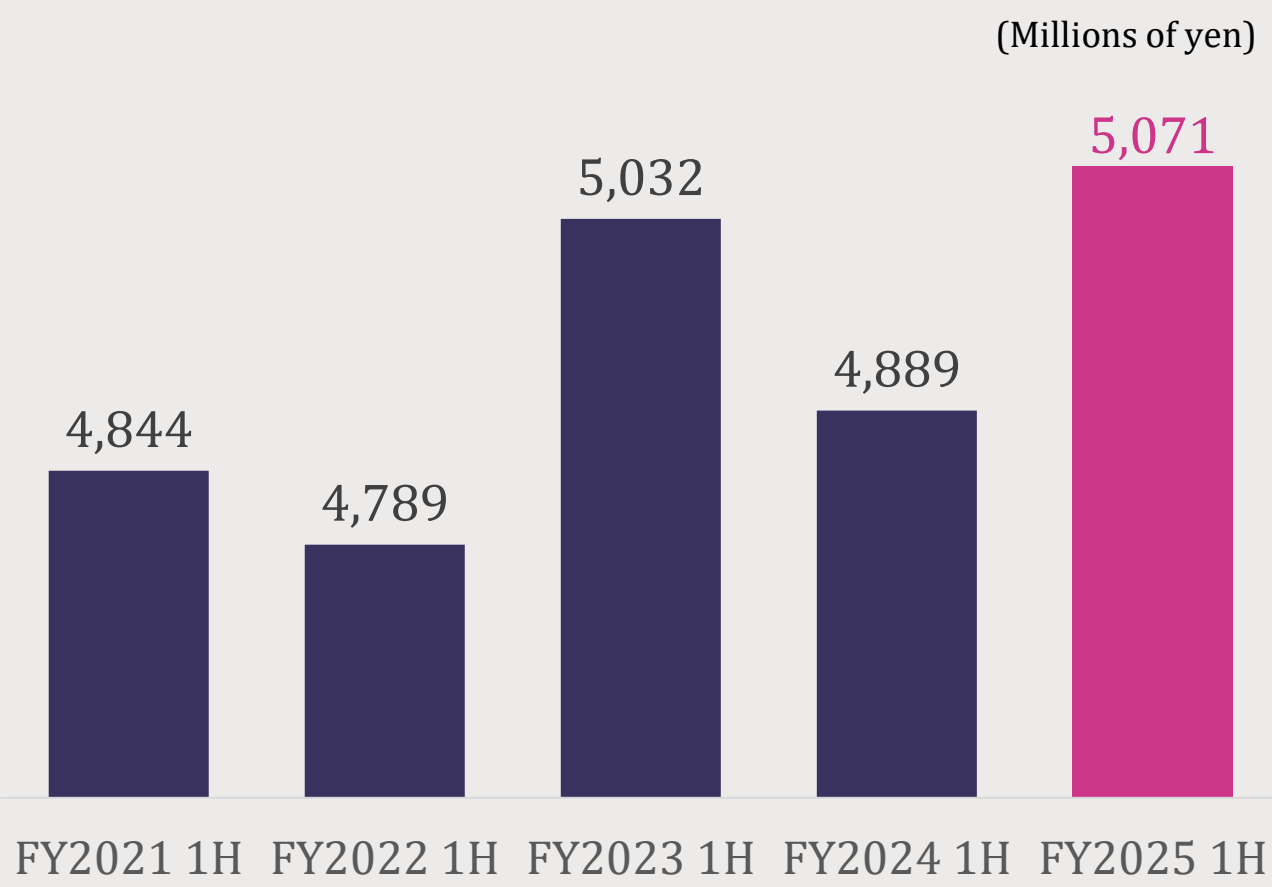
	Retail + Online	Retail	Online
Trend-conscious Market	111.3%	107.5%	120.2%
Basic Trend-conscious Market	115.9%	112.5%	122.6%

Group Company Results

COEN CO., LTD. Feb. – Jul.

Saw increase in sales and decrease in profit

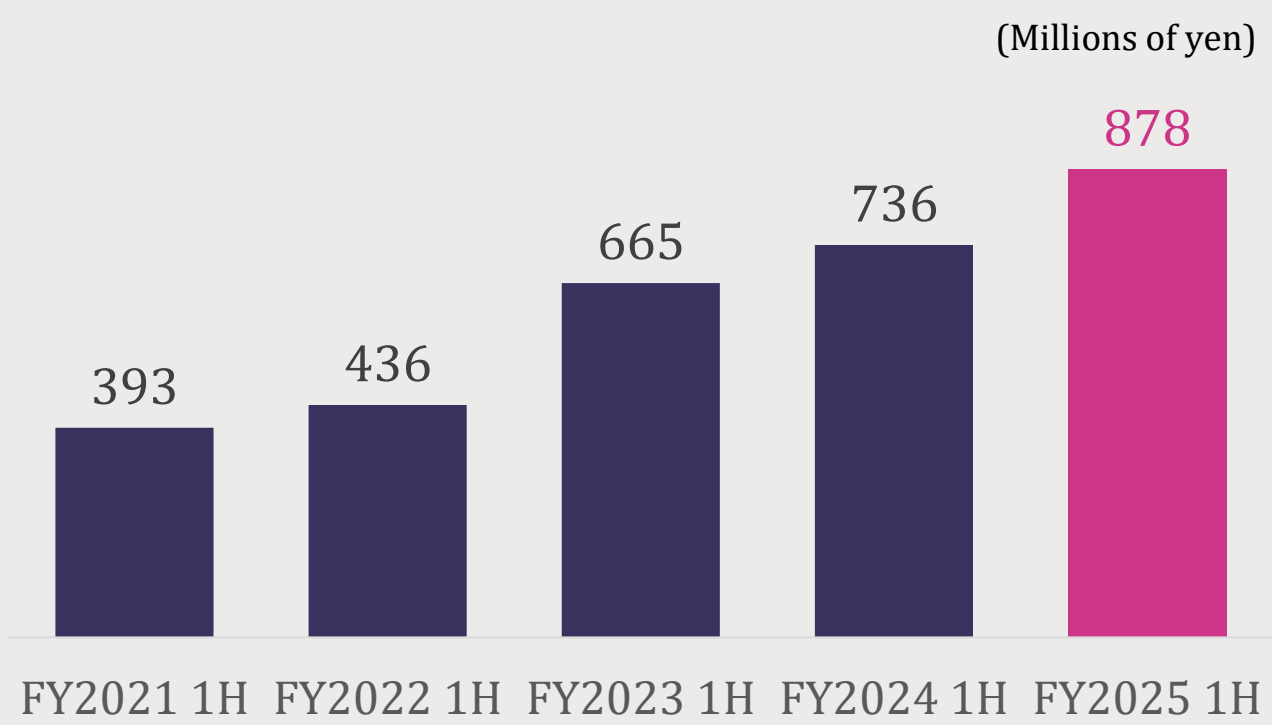
- Sales ¥5,071 million, YoY 103.7%
- Recovery continues, especially in physical stores, with sales exceeding the previous year
- Profits decreased due to an expansion of discount price sales, a decline in gross margin resulting from the recording of inventory write-downs, and an increase in SGA expenses due to an increase in labor costs and advertising expenses



UNITED ARROWS TAIWAN LTD. Feb. – Jul.

Increase in both sales and profit

- Sales ¥878 million, YoY 119.3%
- COEN and online sales performed well
- Gross margin improved due to improved inventory efficiency, achieving increases in both sales and profit



Opening and Closing of Stores

The number of stores at the end of the fiscal year will be 325, an increase of 24 from the end of the previous fiscal year, due to the addition of 5 stores of BOOT BLACK JAPAN Co.,Ltd, which became a group company on October 1, 2024, as well as the postponement of some store openings at COEN CO., LTD. and the subsidiary in Taiwan to the next fiscal year.

	No. of stores at the previous period end	1H results		No. of stores at the 1H-end	Full-year forecast		No. of stores at the period end (Forecast)
		Opened	Closed		Opened	Closed	
Total Group	301	14	2	313	24	5	325
UNITED ARROWS LTD.	221	10	1	230	18	3	236
COEN CO., LTD.	71	3	1	73	5	2	74
UNITED ARROWS TAIWAN LTD.	9	1	0	10	1	0	10
BOOT BLACK JAPAN Co., Ltd.							5

Revision of Earnings Forecast (Full-year)

Reviewed the full-year forecasts reflecting the first-half results, October trends, and revised store opening plans, and revised operating income up to ¥7,700 million, ordinary income to ¥8,320 million, and net income attributable to owners of parent to ¥4,530 million.

(Millions of yen)							
	FY24/3	FY25/3 Initial forecast	FY25/3 Revised forecast	YoY		vs. Initial forecast	
				change/vs. sales	pt difference	change/vs. sales	pt difference
Sales	134,269	150,000	150,960	16,690	112.4%	960	100.6%
Gross profit	69,462	78,790	78,930	9,467	113.6%	140	100.2%
vs. sales	51.7%	52.5%	52.3%	0.6pt	-	- 0.2pt	-
SGA expenses	62,722	71,490	71,230	8,507	113.6%	(260)	99.6%
vs. sales	46.7%	47.7%	47.2%	0.5pt	-	- 0.5pt	-
Operating income	6,740	7,300	7,700	959	114.2%	400	105.5%
vs. sales	5.0%	4.9%	5.1%	0.1pt	-	0.2pt	-
Non op. P/L	746	685	620	(126)	83.0%	(65)	90.5%
vs. sales	0.6%	0.5%	0.4%	- 0.1pt	-	- 0.0pt	-
Ordinary income	7,486	7,985	8,320	833	111.1%	335	104.2%
vs. sales	5.6%	5.3%	5.5%	- 0.1pt	-	0.2pt	-
Extraordinary P/L	(331)	(1,157)	(950)	(618)	-	207	-
vs. sales	-	-	-	-	-	-	-
Net income attributable to owners of parent	4,876	4,145	4,530	(346)	92.9%	385	109.3%
vs. sales	3.6%	2.8%	3.0%	- 0.6pt	-	0.2pt	-

Revision of Earnings Forecast (Second Half)

Estimate second-half sales of ¥82,694 million, up 112.9% YoY, and gross margin of 52.0%, up 0.8 pts YoY.

In addition to variable expenses, SGA expenses include:

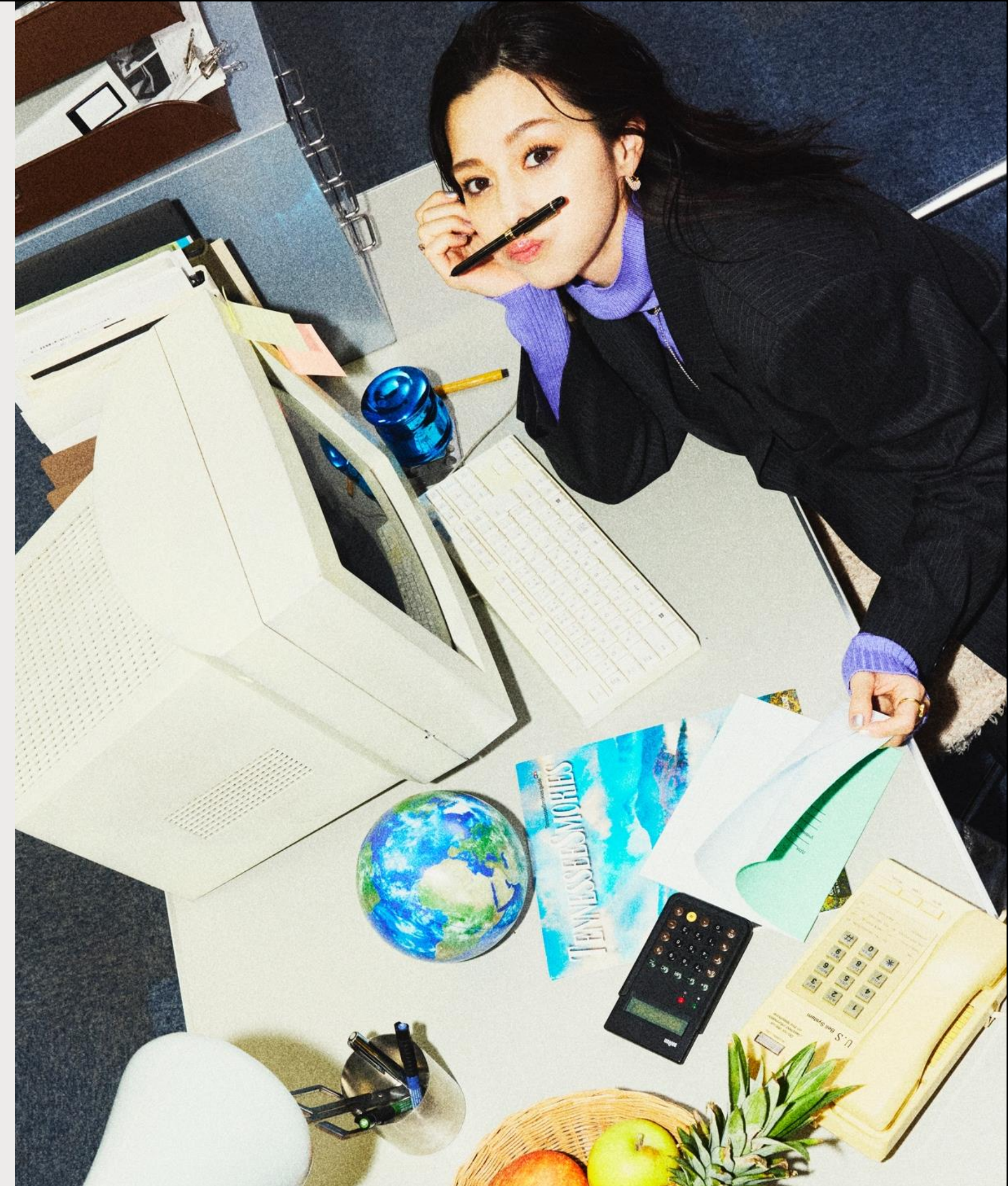
- Increased labor costs associated with basic salary raise and increase in personnel
Approx. ¥1,000 million
- One-time costs associated with office relocation
Approx. ¥600 million
- Increase in bonuses due to increased profits and revised payment methods
Approx. ¥500 million
- Increase due to stronger advertising activities
Approx. ¥500 million
- Increase in costs due to increased store openings
Approx. ¥400 million

Thus, expected to be ¥38,230 million, 117.6% YoY.

(Millions of yen)				
	FY24/3 2H	FY25/3 2H Revised forecast	YoY	
			change/vs. sales	pt difference
Sales	73,255	82,694	9,439	112.9%
Gross profit	37,468	42,976	5,508	114.7%
	vs. sales	51.1%	52.0%	0.8pt
SGA expenses	32,503	38,230	5,726	117.6%
	vs. sales	44.4%	46.2%	1.9pt
Operating income	4,964	4,746	(218)	95.6%
	vs. sales	6.8%	5.7%	- 1.0pt
Non op. P/L	337	175	(162)	52.0%
	vs. sales	0.5%	0.2%	- 0.2pt
Ordinary income	5,302	4,922	(380)	92.8%
	vs. sales	7.2%	6.0%	- 1.3pt
Extraordinary P/L	(262)	(561)	(298)	-
	vs. sales	-	-	-
Net income attributable to owners of parent	3,450	2,631	(818)	76.3%
	vs. sales	4.7%	3.2%	- 1.5pt

2

Progress in Sustainability Initiatives





UA RECYCLE ACTION

- At stores nationwide from August 16 to August 31, 2024
- Attended by 9,247 people with 6,245.3 kg of unwanted clothes, shoes and bags collected
- These will be reused both domestically and internationally through ECOMMIT Co., Ltd.'s resource recycling service "PASSTO," and will also be recycled as new resources



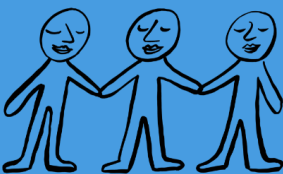
Participating in “Clothing Cultural Festival vol. 1” to create a new cycle together

- Held at the “KISARAZU CONCEPT STORE” from October 11 to October 20, 2024
- In addition to selling sample products, non-standard products, and repair items, a panel introducing SARROWS’ activities was also on display





Carbon Neutrality



Humanity

Third-party verification of GHG emissions and water usage

Disclosure of efforts to prevent bribery and corruption

- Conducted third-party verification to improve the reliability of disclosed information
- Obtained third-party assurance from Socotec Certification Japan K.K. regarding greenhouse gas emissions (scope 1, 2, 3) and water usage for FY2024 and posted it on the sustainability website

- Disclosed on the sustainability website in October 2024
- Explained the Group’s efforts about compliance system, company rules on entertainment and gift-giving, prohibition of donations related to political activities, whistle-blowing system, implementation of compliance education, request for compliance to business partners, responsibilities of and disciplinary action to officers and employees

[Third Party Certificate Report](#)

[The UNITED ARROWS Group’s Efforts to Prevent Bribery and Corrupt Practices](#)

3

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



1. UA CREATIVITY Strategy

[Grow and Expand Existing Businesses]

Top-line growth

- Existing store sales increased significantly in both retail and online stores due to improved product appeal, proactive inventory policies, and penetration of OMO measures
- In addition to a significant increase in the number of purchasing customers, due to an increase in sales unit prices and an improvement in the set ratio, the avg. spend per customer exceeded that of the previous year

	Sales	Number of purchasing customers	Avg. spend per customer
Retail + Online	112.8%	110.0%	102.4%
Retail	109.1%	106.1%	102.8%
Online	121.1%	116.8%	104.9%

1. UA CREATIVITY Strategy

[Grow and Expand Existing Businesses]

Top-line growth

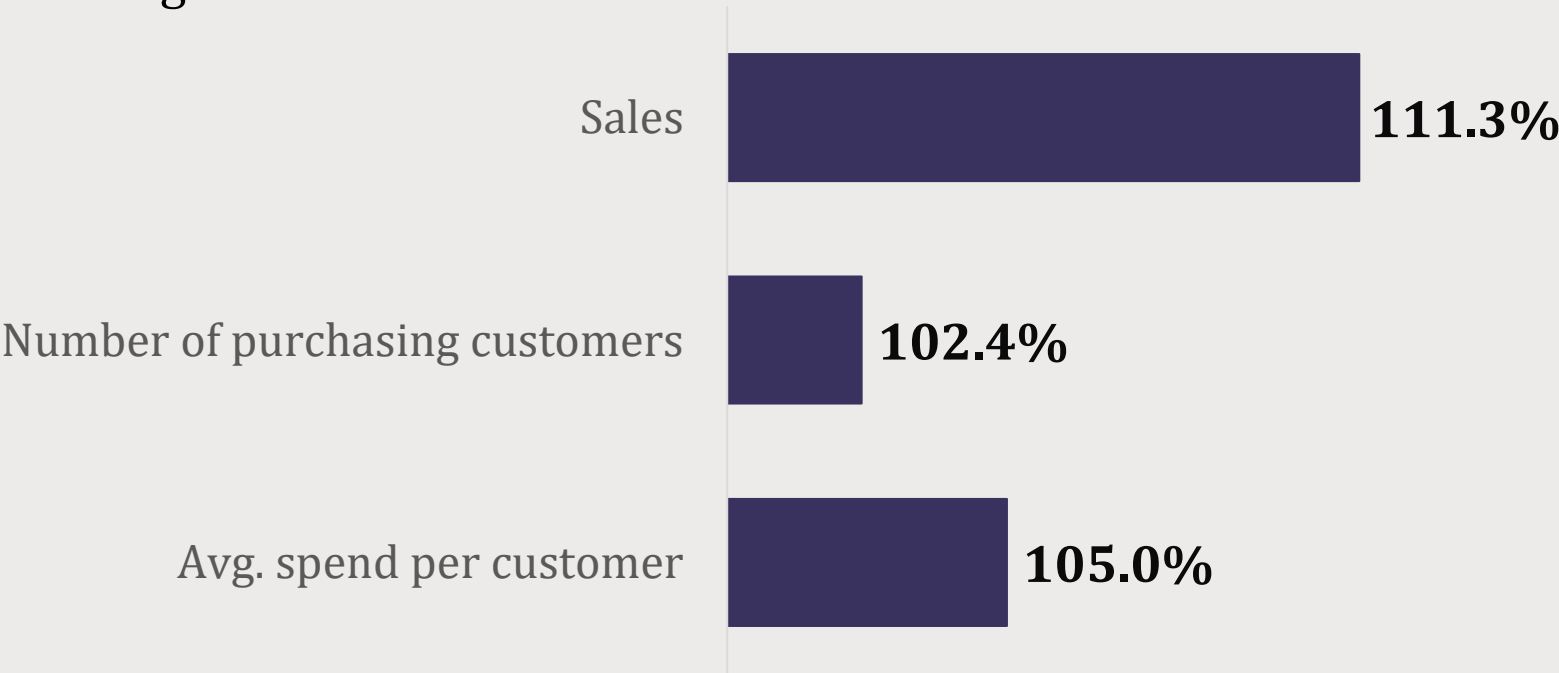
- By optimizing prices to suit market characteristics, both markets achieved double-digit growth from the previous year

Trend-conscious Market

Sales YoY

111.5%

Existing stores YoY

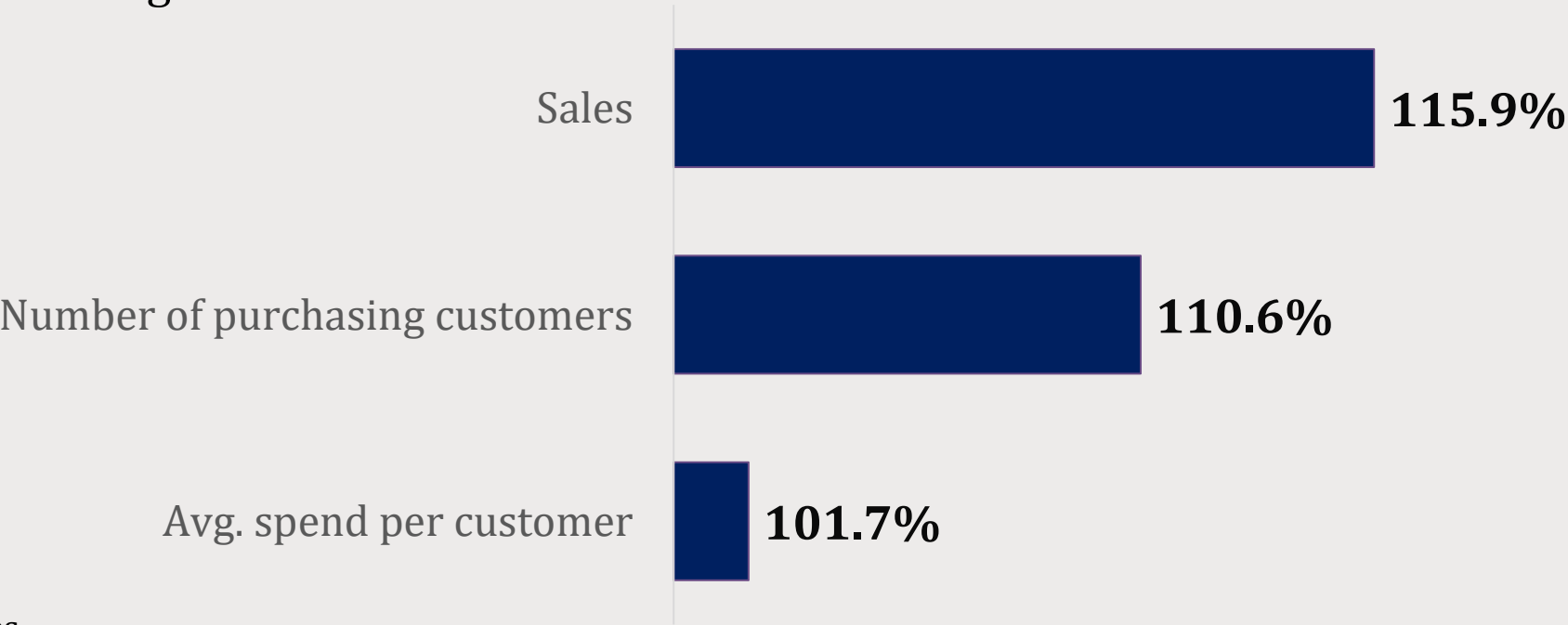


Basic Trend-conscious Market

Sales YoY

118.9%

Existing stores YoY



*Number of purchasing customers and avg. spend per customer at existing stores are calculated from physical store sales

1. UA CREATIVITY Strategy

[Grow and Expand Existing Businesses]

Top-line growth

- Active promotions to boost sales in the fall and winter seasons

UNITED ARROWS

- 35th Anniversary Project
- Commemorative products released in collaboration with various domestic and international brands
- Storefront decorations and shopping bags changed to special designs



UNITED ARROWS 35th Anniversary Special Visual

BEAUTY&YOUTH

- Promotion featuring Rikako Yagi
- Development of shop windows and POP displays in each store, and special sales sites
- Starting winter promotion on November 6



BEAUTY&YOUTH meets RIKAKO YAGI Visual

green label relaxing

- Conclusion Series 2 is now available
- Following on from spring, MEGUMI is featured in four new items
- Coordinated appeal across TV commercials, in-store, online and social media



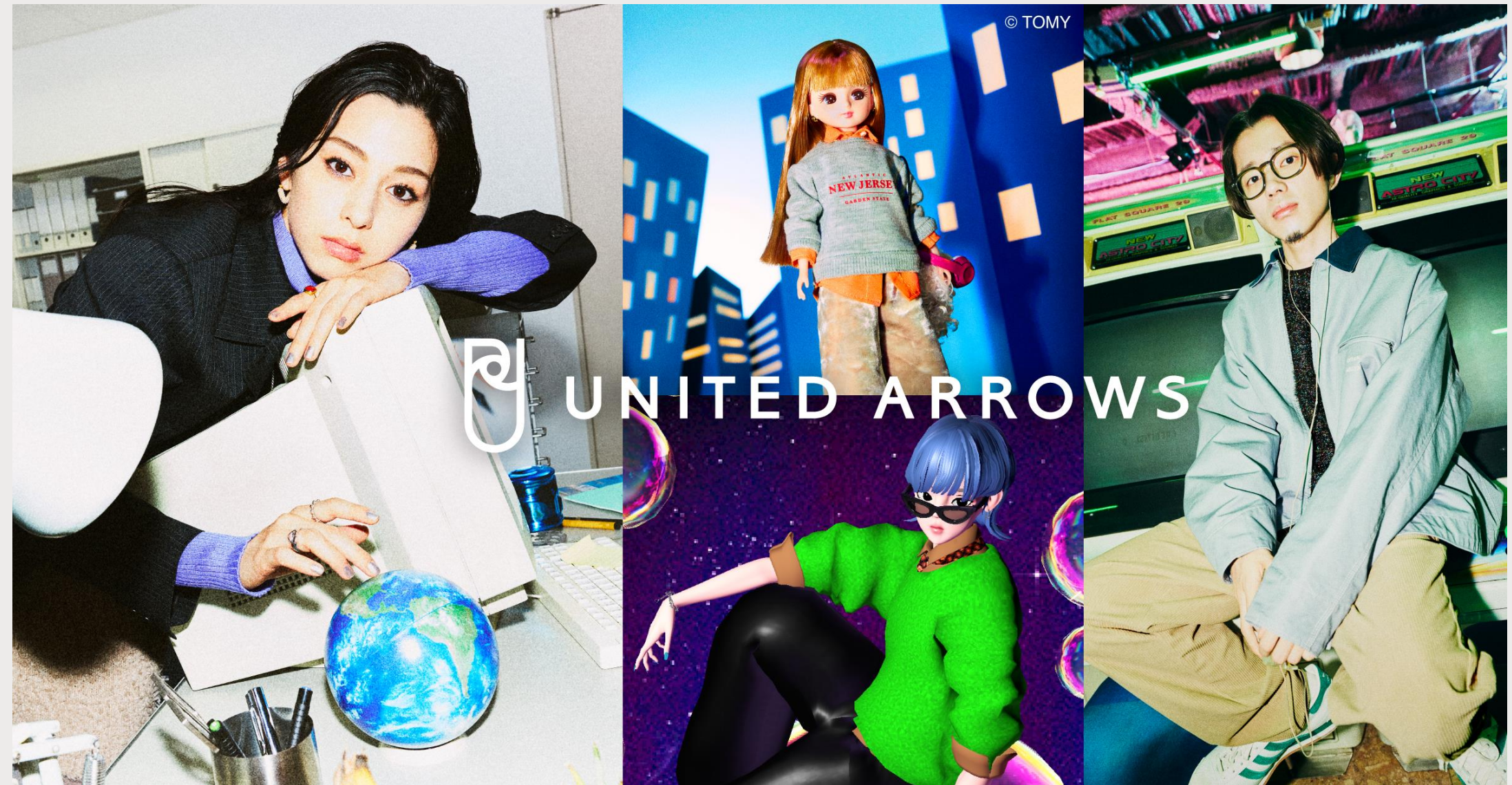
Conclusion Series Campaign Visual

1. UA CREATIVITY Strategy

[Strengthen Brand Appeal]

Rebranding of the corporate brand

- Celebrating the 35th anniversary, we are launching new communications for the next generation
- The theme of the first release is “Interdimensional Remix” The cast includes Ayami Nakajo, Sasuke Haraguchi, Licca chan, and an original 3DCG character
- Expressing a new side of UNITED ARROWS, renewing the company’s image to one that is multi-layered and multifaceted
- Deploy digital advertising on Instagram, YouTube, etc. and outdoor advertising to appeal to the next generation



“Interdimensional Remix” special website

<https://store.united-arrows.co.jp/s/all/re/202410/>

You Tube

https://youtu.be/5fLTI_HixX8

1. UA CREATIVITY Strategy

[Strengthen Brand Appeal]

STAFF OF THE YEAR Grand Prix winner for two consecutive years

- “STAFF OF THE YEAR 2024”* is an event to determine the “Reiwa era’s most charismatic store clerk” by competing in various customer service skills, including online customer service
- Approximately 1,300 fashion brands and 85,000 people from across the country applied, and three of the 14 finalists were selected from our company
- After the final round of judging, Tomoka Kurimoto of green label relaxing won the Grand Prix Following on from last year, our staff won the Grand Prix again this year



Grand Prix winner Kurimoto



Finalists Naka, Kurimoto and Murao (from left)

*“STAFF OF THE YEAR 2024” Sponsor: VANISH STANDARD CO., LTD.

1. UA CREATIVITY Strategy

[Re-grow COEN]

Entering the recovery phase from the spring/summer season

- Starting in fall and winter, do promotions featuring Hiroe Igeta, aiming for further growth
- RONELE, a new brand launched in spring 2024, expanded product lineup and developed operations mainly online

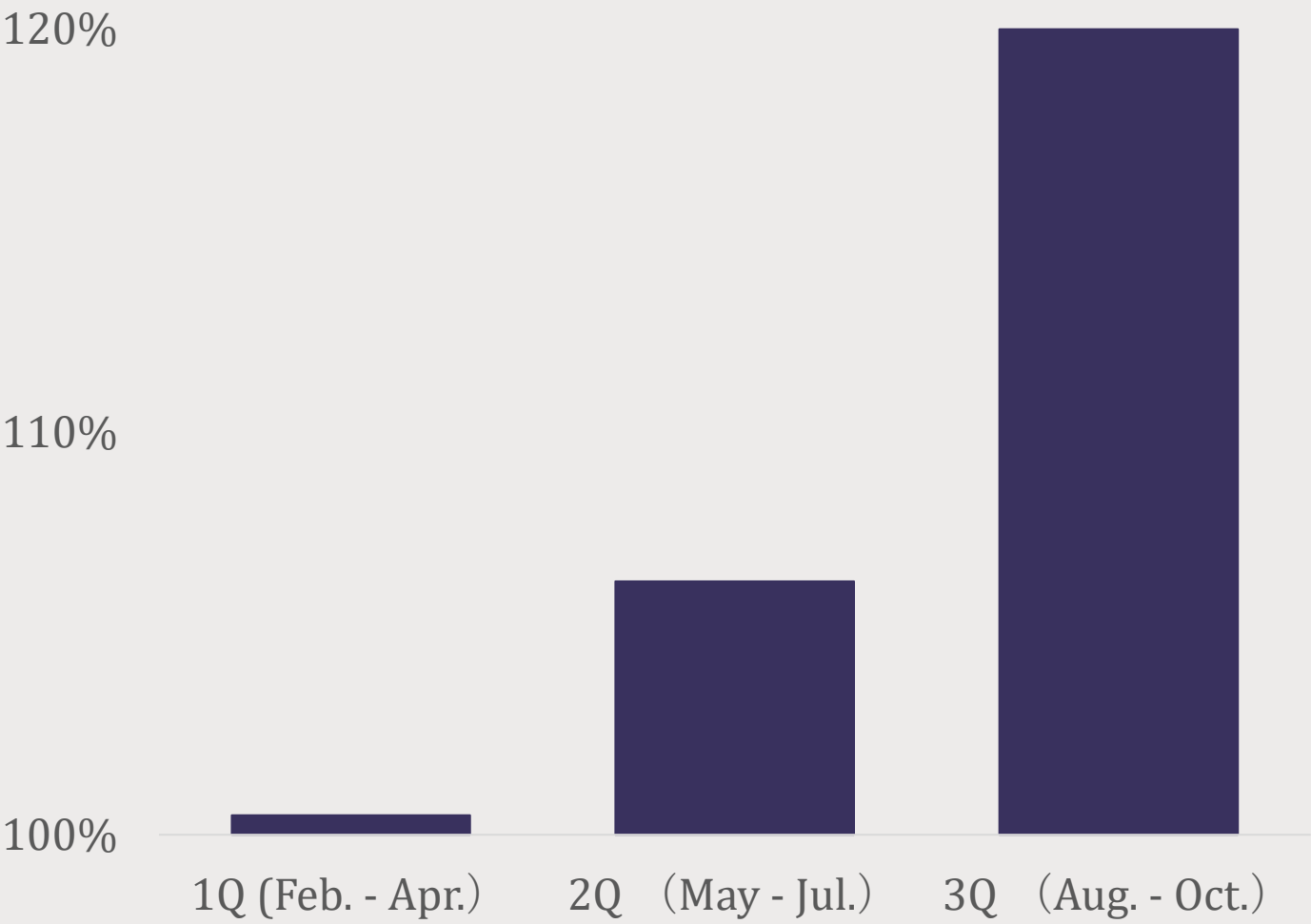


2024 Fall/Winter Campaign Visual



RONELE 2024 Fall/Winter Image Visual

COEN CO., LTD. Quarterly Sales YoY



* 3Q calculated from preliminary figures

2. UA MULTI Strategy

[Develop Non-apparel Businesses]

Physical stores of new businesses, ATTISESSION and conte, opened in September

- ATTISESSION opened its first store in LUMINE Shinjuku, Tokyo, while conte opened its first store in the Aoyama district, Tokyo and its second store in LUMINE Shinjuku
- Plan to expand store openings from the end of this fiscal year to next fiscal year

ATTISESSION



ATTISESSION Shinjuku store

conte



conte Aoyama store

2. UA MULTI Strategy

[Develop Non-apparel Businesses]

Acquired exclusive sales rights for Korean bag brand “OSOI” in Japan

- The brand has two stores in South Korea. With a track record of handling as our purchasing brand, it has high popularity among fashionable customers in their 20s to 40s
- In February 2025, we will open an “OSOI” brand site on our own e-commerce site, strengthening sales at UNITED ARROWS. During 2025, we plan to open stores as a single brand, gradually expanding the number of stores thereafter
- Aim to acquire new customers and expand our business scope by further increasing added value and broadening the range of fashion tastes we cover

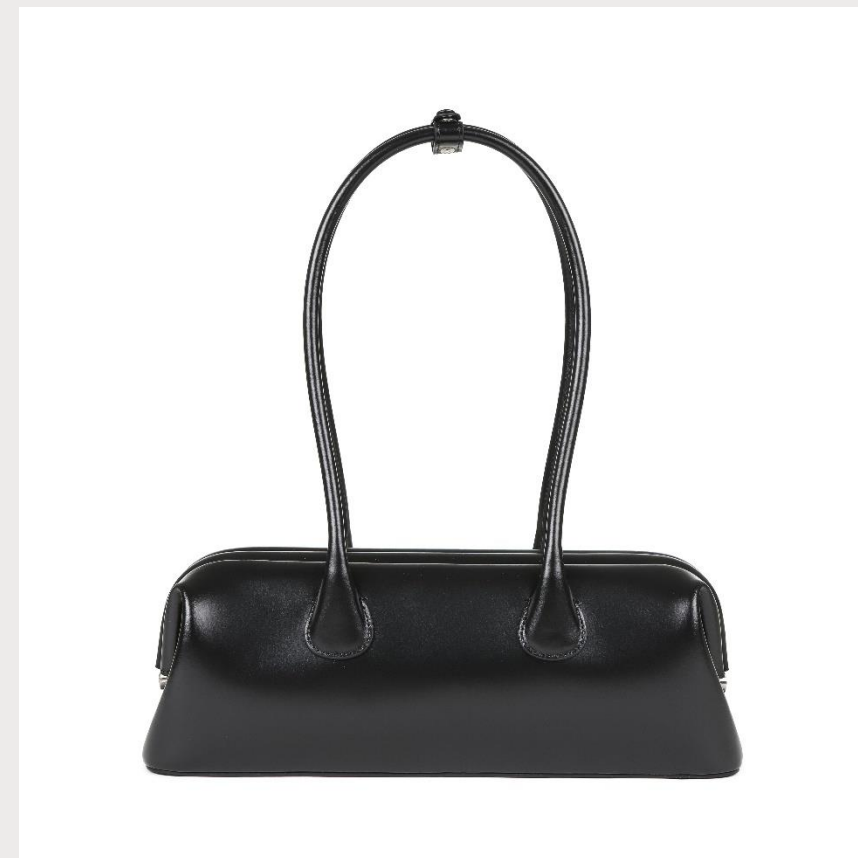
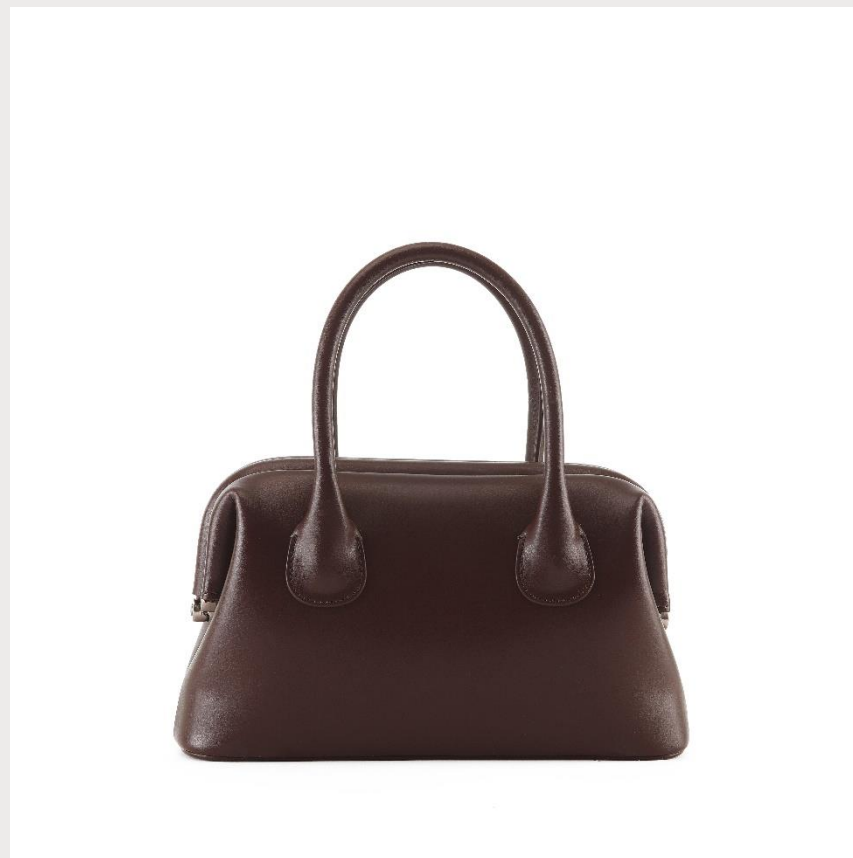


2. UA MULTI Strategy

[Develop Non-apparel Businesses]

Acquired exclusive sales rights for Korean bag brand “OSOI” in Japan

- Available products (Spring/Summer 2025 season): “OSOI” regular products and UNITED ARROWS special order models
- Average price range: ¥30,000 to ¥50,000



2. UA MULTI Strategy

[Global Expansion]

Open first directly managed store in Shanghai, mainland China

- UNITED ARROWS' first directly managed store in mainland China to open in January 2025 as a base for the brand
- In the future, we are considering collaborating with local partners to open stores in major cities
- Opening a flagship store on China's largest e-commerce platform, Tmall



UNITED ARROWS Shanghai JING AN KERRY CENTRE Store

Open a pop-up store in Hangzhou, mainland China

- End of September 2024 to end of December 2024
- Based on the results of past pop-up store developments (Shanghai and Beijing), the store stocks high-end sports and casual brands
- Expanding awareness ahead of the opening of a directly managed store in 2025

Product launch in Singapore

- Started in August 2024
- Developed wholesale operations of UNITED ARROWS, BEAUTY&YOUTH and ASTRAET at LUMINE Singapore
- Appeal to highly sensitive consumers, aiming to acquire new customer segments

2. UA MULTI Strategy

[M&A]

Acquired all shares of BOOT BLACK JAPAN Co., Ltd., which operates a shoeshine service

- Acquired all shares of BOOT BLACK JAPAN Co., Ltd. on October 1, 2024, and made it a subsidiary
- Aim to improve the brand image through enhancing customer satisfaction by expanding customer service in existing businesses, providing high-value-added services to affluent customers in Japan and overseas, and implementing sustainability initiatives such as shoeshine and repair



Trade name	BOOT BLACK JAPAN Co., Ltd.
Representative	Yuya Hasegawa
Location	204 PAN Minamiaoyama, 6-3-11 Minamiaoyama, Minato-ku, Tokyo
Date of establishment	May 22, 2007
Business lines	1. Shoe polishing and shoe repair 2. Appearing at events, seminars and lectures 3. Manufacturing and sales of shoeshine products
Capital stock	¥4 million
Sales	¥124 million (previous fiscal year)

3. UA DIGITAL Strategy

UA Club performance over one year of operation (as of the end of July 2024)

- All indicators performed well

Number of active members

1.42 million people

(YoY 106.3%)

* Members who purchased within one year

UA Club membership sales
(August 2023 to July 2024)

¥68.1 billion

(YoY 111.6%)

UA Club membership sales
composition ratio (non-consolidated)
(August 2023 to July 2024)

52.4%

(YoY change: 0.5 pts)

Membership retention rate

55.3%

(YoY change: 0.9 pts)

* Percentage of members who purchased for two consecutive years

Percentage of F2 and above members

50.0%

(YoY 0.8 pts)

* Percentage of members who purchased more than twice a year

Number of cross users

200,000

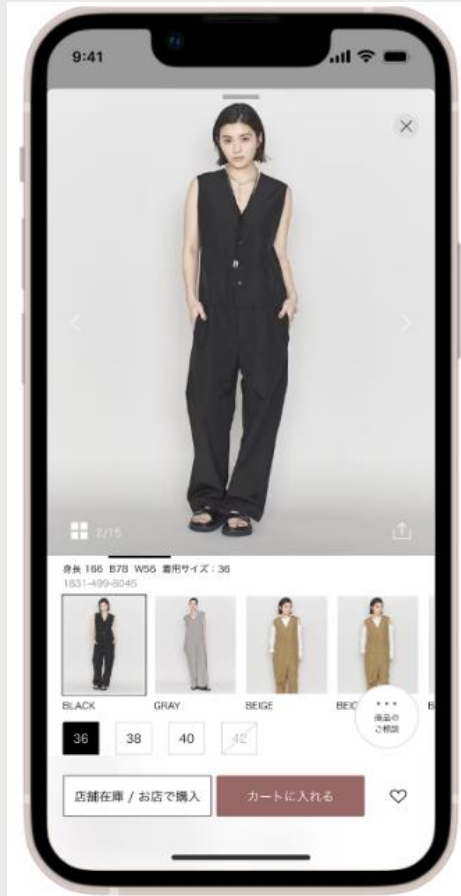
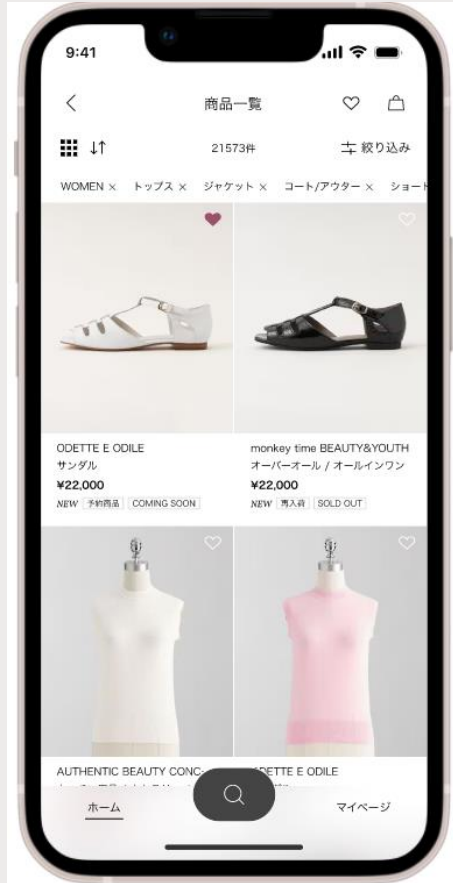
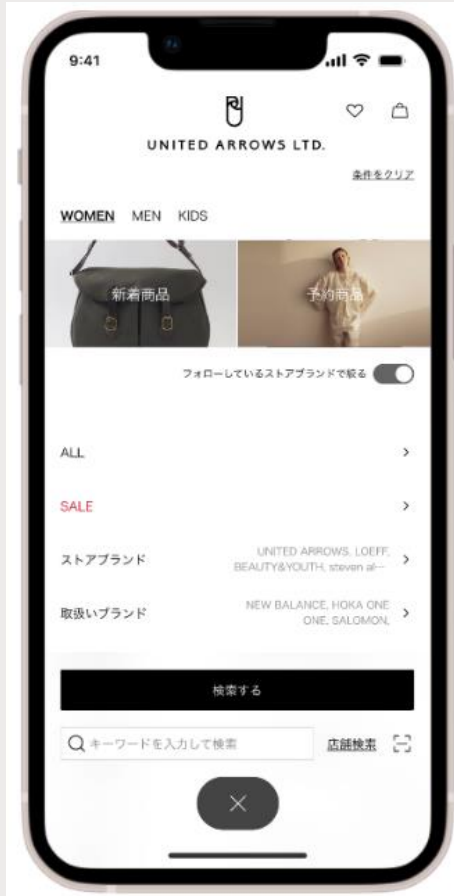
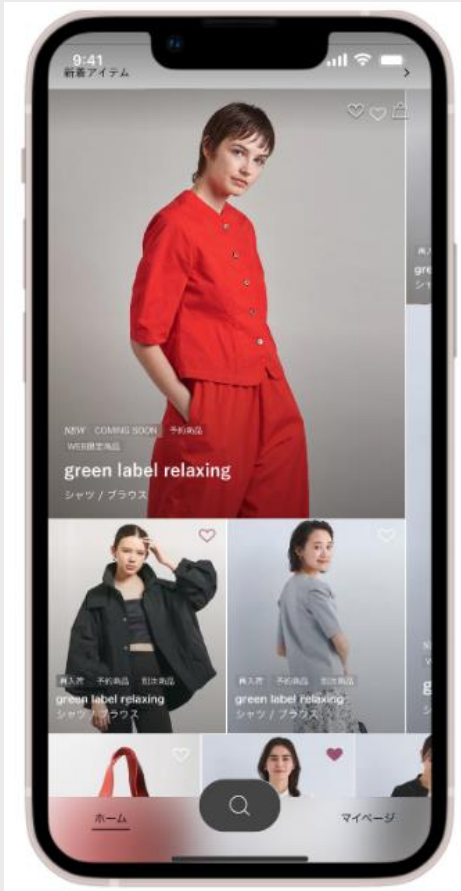
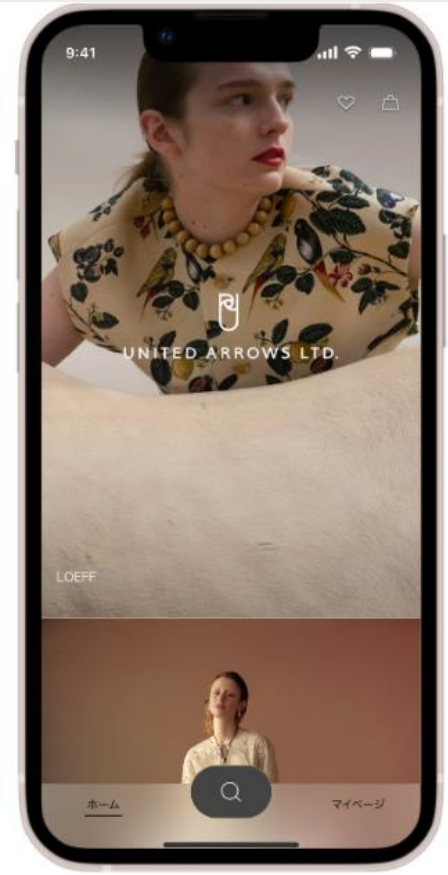
(YoY 116.9%)

* Members who use both physical stores and our online site

3. UA DIGITAL Strategy

Renewal of UA Online Official App

- In October 2024, the user interface was significantly changed and improved to a more intuitive and easy-to-operate design. The Favorites function has been improved to make it easier to use
- Improve convenience for both online and offline by enhancing OMO functions by next spring, adding functions to make shopping at physical stores more convenient, and personalizing screens according to app browsing history



提供

KANDOU

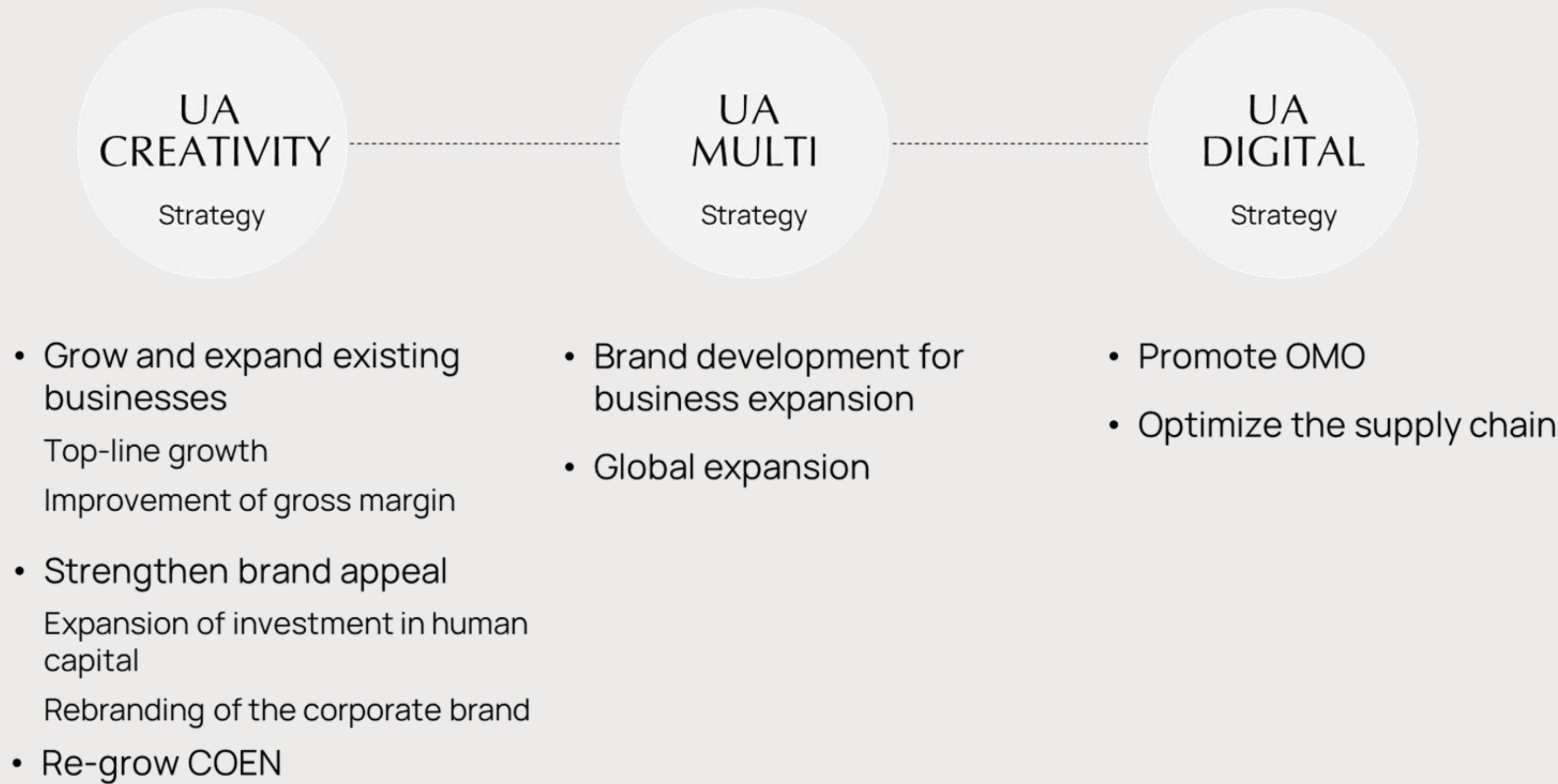
感動

TEIKYO

ENGAGEMENT
WITH CUSTOMERS

お客様と深く広く繋がる

Three Key Strategies



4

Reference Materials



Consolidated Earnings Forecast (Revised on 2024/11/7)

		(Millions of yen)				
Sales	¥150,960 million (YoY 112.4%)	FY24/3		FY25/3		
				Revised forecast	YoY	
				change/vs. sales	pt difference	
Gross margin	52.3% (YoY difference 0.6 pts)	Sales	134,269	150,960	16,690	112.4%
Operating income	¥7,700 million vs. sales 5.1% (YoY 114.2%, YoY difference 0.1 pts)	Gross profit	69,462	78,930	9,467	113.6%
		vs. sales	51.7%	52.3%	0.6pt	-
		SGA expenses	62,722	71,230	8,507	113.6%
Ordinary income	¥8,320 million vs. sales 5.5% (YoY 111.1%, YoY difference -0.1 pts)	vs. sales	46.7%	47.2%	0.5pt	-
		Operating income	6,740	7,700	959	114.2%
		vs. sales	5.0%	5.1%	0.1pt	-
Net income	¥4,530 million vs. sales 3.0% (YoY 92.9%, YoY difference -0.6 pts)	Non op. P/L	746	620	(126)	83.0%
		vs. sales	0.6%	0.4%	- 0.1pt	-
		Ordinary income	7,486	8,320	833	111.1%
Annual dividend	¥55.00 (Interim ¥17.00, Term-end ¥38.00)	vs. sales	5.6%	5.5%	- 0.1pt	-
		Extraordinary P/L	(331)	(950)	(618)	-
		vs. sales	-	-	-	-
Payout ratio	33.5%	Net income attributable to owners of parent	4,876	4,530	(346)	92.9%
		vs. sales	3.6%	3.0%	- 0.6pt	-

Gross Margin Forecast

	FY25/3 1H (Results)	YoY	FY25/3 2H (Revised forecast)	YoY	FY25/3 Full year (Revised forecast)	YoY
Consolidated	52.7%	0.2pt	52.0%	0.8pt	52.3%	0.6pt
UNITED ARROWS LTD.	52.4%	0.4pt	51.6%	0.7pt	52.0%	0.5pt
Total business unit	-	0.1pt	-	-	-	-
Outlet, etc.	-	2.8pt	-	-	-	-
COEN CO., LTD.	-	- 1.5pt	-	2.1pt	-	0.4pt
UNITED ARROWS TAIWAN LTD.	-	1.4pt	-	- 0.6pt	-	0.3pt

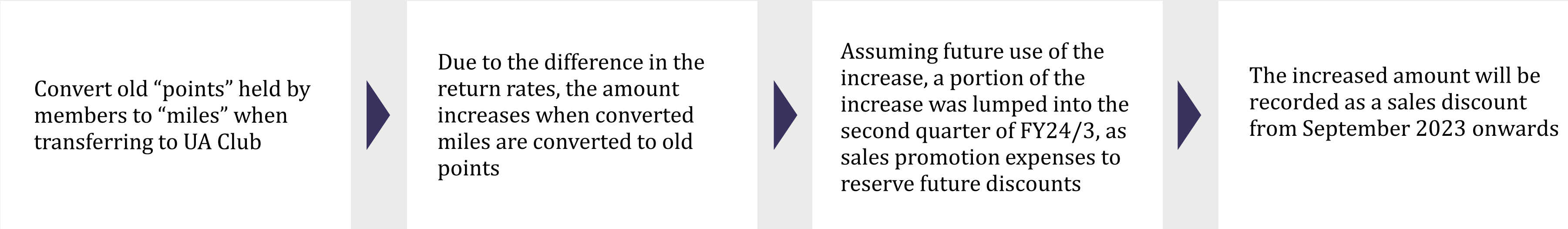
Non-consolidated Sales Forecast

(Millions of yen)

	FY25/3 1H (Results)	YoY	FY25/3 2H (Revised forecast)	YoY	FY25/3 Full year (Revised forecast)	YoY
Non-consolidated sales	62,704	112.5%	75,993	111.8%	138,697	112.1%
Retail + Online Existing Stores	-	112.8%	-	109.8%	-	109.7%
Retail Existing Stores	-	109.1%	-	106.7%	-	106.4%
Online Existing Stores	-	121.1%	-	116.1%	-	116.6%

* As of November 7, the October results are preliminary figures, and existing store sales forecasts for November and beyond remain roughly unchanged, so we have not recalculated existing store plans for the second half or full fiscal year

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 the previous period end	1H results		No. of stores at 1H end	Full-year forecast		No. of stores at the period end (Forecast)
		Opened	Closed		Opened	Closed	
UNITED ARROWS LTD. Total	221	10	1	230	18	3	236
Trend-conscious Market Total	103	6	0	109	10	1	112
UNITED ARROWS General Merchandise Store	14	1	0	15	2	0	16
UNITED ARROWS	25	0	0	25	0	0	25
BEAUTY&YOUTH	36	2	0	38	2	0	38
Other	28	3	0	31	6	1	33
Basic Trend-conscious Market Total	91	4	0	95	7	1	97
Green label relaxing	85	3	0	88	5	1	89
Other	6	1	0	7	2	0	8
Outlet	27	0	1	26	1	1	27