

Consolidated Financial Results(Japanese Accounting Standards) for the 1st Quarter of FY 2016

Company name: UNITED, Inc.
 Stock exchange listing: Tokyo Stock Exchange
 Stock code: 2497
 URL: <http://united.jp/>
 Representative: Tomonori Hayakawa, CEO
 Contact: Ryohei Yamazaki, Corporate Officer, Corporate Administration Division
 Tel. +81-3-6821-0000

Scheduled date for filing of securities report: August 4, 2016
 Scheduled date of commencement of dividend payment: —
 Supplementary documents for quarterly results: YES
 Quarterly results briefing: YES (For securities analysts and institutional investors)

(Amounts of less than one million yen are rounded down)

1. Consolidated Financial Results for the 1st Quarter of FY 2016 (April 1, 2016 - June 30, 2016)

(1) Consolidated Results of Operations (Accounting Total) (Percentages show year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Mil.¥	%	Mil.¥	%	Mil.¥	%	Mil.¥	%
1st Quarter of FY 2016	3,135	57.4	△65	—	△78	—	△72	—
1st Quarter of FY 2015	1,992	△1.6	11	△90.7	22	△83.4	8	△90.2

(Note) Comprehensive income: △349 million yen (- %) for the 1st Quarter of FY 2016

△20 million yen (- %) for the 1st Quarter of FY 2015

	Earnings per share	Diluted earnings per share
	Yen	Yen
1st Quarter of FY 2016	△3.13	—
1st Quarter of FY 2015	0.34	0.34

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Mil.¥	Mil.¥	%
1st Quarter of FY 2016 (As of June 30, 2016)	10,505	8,570	81.4
Fiscal Year 2015 (As of March 31, 2016)	11,701	9,036	76.9

(Reference) Capital: June 30, 2016: 8,555 million yen March 31, 2016: 8,997 million yen

2. Dividend Per Share

Record date	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	End of period	Annual dividend
	Yen	Yen	Yen	Yen	Yen
Fiscal Year 2015	—	9.00	—	5.00	14.00
Fiscal Year 2016	—	—	—	—	—
Fiscal Year 2016 (expected)	—	—	—	—	—

Note: Revisions of the forecasts of consolidated results since the latest announcement: None

3. Consolidated Earnings Forecast for Fiscal Year Ending March 2017 (April 1, 2016 to March 31, 2017)

The consolidated earnings forecast for this period has not been included due to difficulties conducting reasonable calculations of the earnings forecast.

*Notes

(1) Changes of important subsidiaries during the period

(Changes of specific subsidiaries in accordance with changes in the scope of consolidation):None

(2) Application of particular accounts procedures to the preparation of quarterly consolidated financial statement:None

(3) Changes in accounting policies and changes or restatement of accounting estimates

(i) Changes in accounting policies caused by revision of accounting standard:	Yes
(ii) Changes in accounting policies other than (i):	None
(iii) Changes in accounting estimates:	None
(iv) Restatement:	None

(4) Number of shares outstanding (common stock):

(i) Number of shares outstanding at end of period (including treasury stock)

As of June 30, 2016: 23,669,511 shares

As of March 31, 2016: 23,669,511 shares

(ii) Number of treasury stock at end of period

As of June 30, 2016: 673,549 shares

As of March 31, 2016: 663,311 shares

(iii) Average number of shares outstanding during the term

1st Quarter of FY 2016: 23,015,466 shares

1st Quarter of FY 2015: 23,622,638 shares

*Status of a quarterly review

- This financial summary does not need to undergo a quarterly review under the Financial Instruments an Exchange Act.

Procedures for a quarterly review of the consolidated financial statements are being followed at the time of the announcement of this financial summary.

*Explanations and other special notes concerning the appropriate use of business performance forecasts

- The forward-looking statements such as result forecasts included in this document are based on the information available to the Company at the time of the announcement and on certain assumptions considered reasonable, and the Company makes no representations as to their achievability. Actual results may differ materially from the forecast depending on a range of factors.

- We will hold a quarterly results briefing for institutional investors and analysts on August 4, 2016.

For material that are distributed in this briefing, it will be posted on our website.

UNTIED Consolidated Financial Statements

(1) UNTIED Consolidated Balance Sheets

for the 1st Quarter of FY 2016

(Unit: Thousands of Yen)

Items of an account	FY2015 (As of March 31, 2016)	1st Quarter of FY2016 (As of June 30, 2016)
	Amount	Amount
Assets		
Current assets		
Cash and deposits	4,991,691	4,379,310
Notes and accounts receivable - trade	2,080,222	2,029,796
Operational investment securities	3,064,867	2,612,867
Inventories	50,639	50,490
Other	446,641	149,741
Allowance for doubtful accounts	(6,426)	(6,420)
Total current assets	10,627,636	9,215,787
Non-current assets		
Property, plant and equipment	155,291	149,110
Intangible assets		
Goodwill	451,063	665,756
Other	171,865	171,692
Total intangible assets	622,928	837,449
Investments and other assets	295,917	302,774
Total non-current assets	1,074,138	1,289,334
Total assets	11,701,775	10,505,121
Liabilities		
Current liabilities		
Accounts payable - trade	1,600,089	1,337,576
Short-term loans payable	100,000	100,000
Current portion of long-term loans payable	4,200	4,200
Income taxes payable	366,617	16,242
Provision for point card certificates	54,805	66,495
Other	520,960	393,008
Total current liabilities	2,646,673	1,917,522
Non-current liabilities		
Long-term loans payable	15,050	14,000
Other	3,456	3,240
Total non-current liabilities	18,506	17,240
Total liabilities	2,665,180	1,934,762
Net assets		
Shareholders' equity		
Capital stock	2,921,871	2,921,871
Capital surplus	3,035,187	3,072,371
Retained earnings	3,185,245	2,998,135
Treasury shares	(944,478)	(963,957)
Total shareholders' equity	8,197,824	8,028,421
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	762,840	495,254
Foreign currency translation adjustment	36,826	32,181
Total accumulated other comprehensive income	799,666	527,436
Subscription rights to shares	4,712	4,712
Non-controlling interests	34,392	9,789
Total net assets	9,036,595	8,570,359
Total liabilities and net assets	11,701,775	10,505,121

(2) UNITED Consolidated Statements of Income
for the 1st Quarter of FY 2016

(Unit: Thousands of Yen)

Items of an account	1st Quarter of FY2015 (April 1,2015 to June 30,2015)	1st Quarter of FY2016 (April 1,2016 to June 30,2016)
	Amount	Amount
Net sales	1,992,609	3,135,462
Cost of sales	1,471,740	2,643,390
Gross profit	520,868	492,072
Selling, general and administrative expenses	508,886	557,830
Operating income (loss)	11,981	(65,758)
Non-operating income		
Interest and dividend income	786	609
Share of profit of entities accounted for using equity method	7,983	-
Other	2,981	5,692
Total non-operating income	11,751	6,302
Non-operating expenses		
Interest expenses	367	356
Foreign exchange losses	613	5,173
Share of loss of entities accounted for using equity method	-	11,208
Other	480	1,912
Total non-operating expenses	1,461	18,650
Ordinary income (loss)	22,272	(78,106)
Extraordinary income		
Gain on sales of shares of subsidiaries and associates	60,713	-
Gain on reversal of subscription rights to shares	872	-
Total extraordinary income	61,585	-
Extraordinary losses		
Loss on retirement of non-current assets	199	624
Impairment loss	-	6,768
Loss on liquidation of subsidiaries and associates	18,671	-
Office transfer expenses	995	-
Total extraordinary losses	19,866	7,392
Income (loss) before income taxes and non-controlling interests	63,991	(85,499)
Income taxes - current	26,533	10,400
Income taxes - deferred	34,106	(18,763)
Total income taxes	60,640	(8,362)
Profit (loss)	3,350	(77,137)
Loss attributable to non-controlling interests	(4,659)	(5,058)
Profit (loss) attributable to owners of parent	8,010	(72,078)

(3)UNITED Consolidated Statements of Comprehensive Income
for the 1st Quarter of FY 2016

(Unit:Thousands of Yen)

Items of an account	1st Quarter of FY2015 (April 1,2015 to June 30,2015)	1st Quarter of FY2016 (April 1,2016 to June 30,2016)
	Amount	Amount
Profit (loss)	3,350	(77,137)
Other comprehensive income		
Valuation difference on available-for-sale securities	(25,799)	(262,424)
Foreign currency translation adjustment	915	(4,644)
Share of other comprehensive income of entities accounted for using equity method	1,526	(5,142)
Total other comprehensive income	(23,356)	(272,210)
Comprehensive income	(20,005)	(349,347)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(15,355)	(344,308)
Comprehensive income attributable to non-controlling interests	(4,650)	(5,039)