

## Consolidated Financial Results(Japanese Accounting Standards) for the Fiscal Year 2017

Company name: UNITED, Inc.  
 Stock exchange listing: Tokyo Stock Exchange  
 Stock code: 2497  
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Scheduled date of the Annual General Meeting of Shareholders: June 20, 2018  
 Scheduled date for filing of securities report: June 21, 2018  
 Scheduled date of commencement of dividend payment: June 21, 2018  
 Supplementary documents for financial results: YES  
 Financial results briefing: YES (For securities analysts and institutional investors)

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

### 1. Consolidated Financial Results for Fiscal Year 2017 (April 1, 2017 - March 31, 2018)

#### (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.¥	%
Fiscal Year 2017	14,444	△1.0	1,648	18.1	1,626	14.1	849	△8.0
Fiscal Year 2016	14,595	31.1	1,395	△7.6	1,425	△14.3	923	△41.5

(Note) Comprehensive income: March 31, 2018: 913 million yen (54.9 %)  
 March 31, 2017: 590 million yen (△72.3 %)

	Net income per share	Diluted net income per share	Return on equity	Return on assets	Operating income margin
	Yen	Yen	%	%	%
Fiscal Year 2017	36.94	36.74	8.7	13.1	11.4
Fiscal Year 2016	40.16	40.11	10.0	12.0	9.6

(Reference) Equity in earnings(losses) of affiliates:

March 31, 2018: △3 million yen  
 March 31, 2017: 23 million yen

#### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Equity per share
	Mil.¥	Mil.¥	%	Yen
Fiscal Year 2017 (As of March 31, 2018)	12,793	10,281	78.2	435.24
Fiscal Year 2016 (As of March 31, 2017)	12,116	9,551	78.4	413.29

(Reference) Capital: March 31, 2018: 10,009 million yen      March 31, 2017: 9,504 million yen

#### (3) Consolidated Cash Flows

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at end of period
	Mil.¥	Mil.¥	Mil.¥	Mil.¥
Fiscal Year 2017	1,511	△569	△298	5,576
Fiscal Year 2016	1,087	1,801	△118	4,962

### 2. Dividend Per Share

Record date	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	End of period	Annual dividend	Total amount of dividends	Dividend payout ratio	Dividends to net assets ratio
	Yen	Yen	Yen	Yen	Yen	Yen	%	%
Fiscal Year 2016	—	0.00	—	8.00	8.00	183	19.9	2.0
Fiscal Year 2017	—	5.00	—	2.00	7.00	160	18.9	1.7
Fiscal Year 2018 (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) Changes in accounting policies and changes or restatement of accounting estimates

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

(3) Number of shares outstanding (Common stock):

(i) Number of shares outstanding at the end of the period (including treasury stock)	
As of March 31, 2018:	23,670,945 shares
As of March 31, 2017:	23,670,945 shares
(ii) Number of treasury shares at the end of the period	
As of March 31, 2018:	673,895 shares
As of March 31, 2017:	673,695 shares
(iii) Average number of shares during the term	
As of March 31, 2018:	22,997,151 shares
As of March 31, 2017:	23,001,214 shares

(Reference)

Non-consolidated Financial Results for Fiscal Year 2017 (April 1, 2017 - March 31, 2018)

(1) Non-consolidated Results of Operations (Accounting Total)

	Net sales		Operating income		Ordinary income		Net income	
	Mil.¥	%	Mil.¥	%	Mil.¥	%	Mil.¥	%
Fiscal Year 2017	10,901	△4.3	1,365	△5.6	1,351	△6.9	804	△27.0
Fiscal Year 2016	11,393	27.0	1,446	△5.3	1,451	△4.6	1,102	△8.2

	Net income per share	Diluted net income per share
	Yen	Yen
Fiscal Year 2017	34.98	34.78
Fiscal Year 2016	47.92	47.86

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Equity per share
	Mil.¥	Mil.¥	%	Yen
Fiscal Year 2017 (As of March 31,2018)	11,955	10,097	83.1	432.15
Fiscal Year 2016 (As of March 31,2017)	11,309	9,444	83.1	408.65

(Reference) Capital: March 31, 2018: 9,938 million yen      March 31, 2017: 9,397 million yen

\*Regarding the status of audit procedure implementation

- The audit procedures for reviewing financial statements pursuant to the Financial Instruments and Exchange Act are in progress at the time of disclosure of the financial results.

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

- Consolidated earnings forecast for the next fiscal year is not stated because it is difficult to produce a rational full-year earnings forecast. For the reasons, please refer to "Future prospects" on page 4 of the attached document. representations as to their achievability. Actual results may differ materially from the forecast depending on a range of factors.

- We will hold a results briefing for institutional investors and analysts on May 9, 2018.

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

UNTIED Consolidated Financial Statements  
(1)UNTIED Consolidated Balance Sheets

(Unit:Thousands of Yen)

Items of an account	FY2016 (As of March 31,2017)	FY2017 (As of March 31,2018)
	Amount	Amount
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	4,962,339	5,576,508
Notes and accounts receivable - trade	2,070,220	1,789,422
Operational investment securities	2,288,072	2,994,185
Inventories	50,718	47,727
Deferred tax assets	11,548	6,467
Other	727,750	189,278
Allowance for doubtful accounts	(20,995)	(5,583)
<b>Total current assets</b>	<b>10,089,654</b>	<b>10,598,006</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	205,910	266,829
Tools, furniture and fixtures	203,179	229,834
Accumulated depreciation	(232,159)	(259,157)
<b>Total property, plant and equipment</b>	<b>176,930</b>	<b>237,507</b>
<b>Intangible assets</b>		
Goodwill	1,226,215	938,149
Software	201,562	301,377
Other	1,025	1,025
<b>Total intangible assets</b>	<b>1,428,803</b>	<b>1,240,552</b>
<b>Investments and other assets</b>		
Investment securities	46,192	246,660
Deferred tax assets	157,735	159,694
Lease and guarantee deposits	195,577	289,038
Other	21,790	21,790
<b>Total investments and other assets</b>	<b>421,294</b>	<b>717,182</b>
<b>Total non-current assets</b>	<b>2,027,028</b>	<b>2,195,243</b>
<b>Total assets</b>	<b>12,116,683</b>	<b>12,793,249</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	1,382,867	1,253,947
Short-term loans payable	100,000	100,000
Current portion of long-term loans payable	4,200	4,200
Accounts payable - other	261,991	209,196
Income taxes payable	363,862	482,083
Deferred tax liabilities	162,531	164,704
Provision for point card certificates	59,457	64,621
Other	216,562	224,829
<b>Total current liabilities</b>	<b>2,551,472</b>	<b>2,503,580</b>
<b>Non-current liabilities</b>		
Long-term loans payable	10,850	6,650
Deferred tax liabilities	2,589	1,721
<b>Total non-current liabilities</b>	<b>13,439</b>	<b>8,371</b>
<b>Total liabilities</b>	<b>2,564,912</b>	<b>2,511,952</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	2,922,037	2,922,037
Capital surplus	3,072,538	2,993,747
Retained earnings	3,994,009	4,544,558
Treasury shares	(964,319)	(964,962)
<b>Total shareholders' equity</b>	<b>9,024,265</b>	<b>9,495,380</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	456,769	492,397
Foreign currency translation adjustment	23,504	21,418
<b>Total accumulated other comprehensive income</b>	<b>480,274</b>	<b>513,816</b>
Subscription rights to shares	46,774	159,353
Non-controlling interests	457	112,746
<b>Total net assets</b>	<b>9,551,771</b>	<b>10,281,297</b>
<b>Total liabilities and net assets</b>	<b>12,116,683</b>	<b>12,793,249</b>

## (2)UNITED Consolidated Statements of Income

(Unit:Thousands of Yen)

Items of an account	FY2016 (April 1,2016 to March 31,2017)	FY2017 (April 1,2017 to March 31,2018)
	Amount	Amount
Net sales	14,595,781	14,444,420
Cost of sales	10,555,685	9,615,259
Gross profit	4,040,095	4,829,161
Selling, general and administrative expenses	2,644,545	3,180,950
Operating income	1,395,549	1,648,211
Non-operating income		
Interest and dividend income	744	335
Share of profit of entities accounted for using equity method	23,468	-
Foreign exchange gains	1,782	-
Other	9,575	4,405
Total non-operating income	35,570	4,740
Non-operating expenses		
Interest expenses	1,696	1,650
Foreign exchange losses	-	16,559
Share of loss of entities accounted for using equity method	-	3,643
Commission fee	1,794	35
Other	2,197	4,254
Total non-operating expenses	5,689	26,144
Ordinary income	1,425,431	1,626,808
Extraordinary income		
Gain on reversal of share acquisition rights	-	3,174
Other	18	0
Total extraordinary income	18	3,174
Extraordinary losses		
Loss on retirement of non-current assets	981	3,069
Loss on valuation of investment securities	45,794	4,200
Impairment loss	6,768	-
Office transfer expenses	28,809	-
Provision of allowance for doubtful accounts	14,649	-
Total extraordinary losses	97,002	7,269
Income before income taxes	1,328,446	1,622,712
Income taxes - current	523,315	746,101
Income taxes - deferred	(104,390)	(3,558)
Total income taxes	418,924	742,543
Profit	909,522	880,169
Profit (loss) attributable to non-controlling interests	(14,272)	30,656
Profit attributable to owners of parent	923,795	849,513

## (3)UNITED Consolidated Statements of Comprehensive Income

(Unit:Thousands of Yen)

Items of an account	FY2016 (April 1,2016 to March 31,2017)	FY2017 (April 1,2017 to March 31,2018)
	Amount	Amount
Profit	909,522	880,169
Other comprehensive income		
Valuation difference on available-for-sale securities	(296,848)	35,628
Foreign currency translation adjustment	(13,321)	(2,086)
Share of other comprehensive income of entities accounted for using equity method	(9,319)	-
Total other comprehensive income	(319,489)	33,541
Comprehensive income	590,032	913,711
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	604,403	894,641
Comprehensive income attributable to non-controlling interests	(14,370)	19,070

Statements of Changes in Equity  
FY2016(April 1,2016-March 31,2017)

(Unit:Thousands of Yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of current period	2,921,871	3,035,187	3,185,245	(944,478)	8,197,824
Changes of items during period					
Issuance of new shares	166	166			332
Dividends of surplus			(115,031)		(115,031)
Profit attributable to owners of parent			923,795		923,795
Purchase of treasury shares				(251,952)	(251,952)
Disposal of treasury shares		37,184		232,111	269,295
Net changes of items other than shareholders' equity					
Total changes of items during period	166	37,351	808,764	(19,840)	826,440
Balance at the end of current period	2,922,037	3,072,538	3,994,009	(964,319)	9,024,265

	Accumulated other comprehensive income			Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at the beginning of current period	762,840	36,826	799,666	4,712	34,392	9,036,595
Changes of items during period						
Issuance of new shares						332
Dividends of surplus						(115,031)
Profit attributable to owners of parent						923,795
Purchase of treasury shares						(251,952)
Disposal of treasury shares						269,295
Net changes of items other than shareholders' equity	(306,070)	(13,321)	(319,392)	42,062	(33,934)	(311,264)
Total changes of items during period	(306,070)	(13,321)	(319,392)	42,062	(33,934)	515,176
Balance at the end of current period	456,769	23,504	480,274	46,774	457	9,551,771

Statements of Changes in Equity  
FY2017(April 1,2017-March 31,2018)

(Unit:Thousands of Yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of current period	2,922,037	3,072,538	3,994,009	(964,319)	9,024,265
Changes of items during period					
Issuance of new shares					
Purchase of shares of consolidated subsidiaries		(78,790)			(78,790)
Dividends of surplus			(298,964)		(298,964)
Profit attributable to owners of parent			849,513		849,513
Purchase of treasury shares				(642)	(642)
Disposal of treasury shares					
Net changes of items other than shareholders' equity					
Total changes of items during period		(78,790)	550,549	(642)	471,115
Balance at the end of current period	2,922,037	2,993,747	4,544,558	(964,962)	9,495,380

	Accumulated other comprehensive income			Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at the beginning of current period	456,769	23,504	480,274	46,774	457	9,551,771
Changes of items during period						
Issuance of new shares						
Purchase of shares of consolidated subsidiaries						(78,790)
Dividends of surplus						(298,964)
Profit attributable to owners of parent						849,513
Purchase of treasury shares						(642)
Disposal of treasury shares						
Net changes of items other than shareholders' equity	35,628	(2,086)	33,541	112,578	112,289	258,409
Total changes of items during period	35,628	(2,086)	33,541	112,578	112,289	729,525
Balance at the end of current period	492,397	21,418	513,816	159,353	112,746	10,281,297

## (5) UNITED Consolidated statements of cash flows

(Unit: Thousands of Yen)

Items of an account	FY2016 (April 1, 2016 to March 31, 2017)	FY2017 (April 1, 2017 to March 31, 2018)
	Amount	Amount
<b>Cash flows from operating activities</b>		
Income before income taxes	1,328,446	1,622,712
Depreciation	92,443	115,242
Amortization of goodwill	214,112	288,065
Share-based compensation expenses	42,062	115,752
Increase (decrease) in allowance for doubtful accounts	(1,115)	(15,411)
Increase (decrease) in provision for point card certificates	4,651	5,163
Interest and dividend income	(744)	(335)
Interest expenses	1,696	1,650
Share of (profit) loss of entities accounted for using equity method	(23,468)	3,643
Loss (gain) on valuation of investment securities	45,794	4,200
Decrease (increase) in notes and accounts receivable - trade	67,024	267,570
Decrease (increase) in investment securities for sale	374,358	(652,901)
Increase (decrease) in notes and accounts payable - trade	(217,221)	(128,911)
Other, net	(220,140)	480,973
Subtotal	1,707,899	2,107,415
Interest and dividend income received	1,455	335
Interest expenses paid	(1,700)	(1,775)
Income taxes paid	(619,982)	(594,662)
Net cash provided by (used in) operating activities	1,087,671	1,511,312
<b>Cash flows from investing activities</b>		
Proceeds from withdrawal of time deposits	2,800,000	-
Purchase of property, plant and equipment	(66,374)	(84,144)
Purchase of intangible assets	(93,525)	(176,350)
Purchase of investment securities	(32,707)	(215,629)
Purchase of investments in subsidiaries resulting change in scope of consolidation	(758,728)	-
Other, net	(47,164)	(93,019)
Net cash provided by (used in) investing activities	1,801,500	(569,143)
<b>Cash flows from financing activities</b>		
Repayments of long-term loans payable	(4,200)	(4,200)
Proceeds from issuance of subscription rights to share	332	-
Cash dividends paid	(114,724)	(297,289)
Other, net	(349)	2,657
Net cash provided by (used in) financing activities	(118,942)	(298,832)
Effect of exchange rate change on cash and cash equivalents	418	(29,168)
Net increase (decrease) in cash and cash equivalents	2,770,648	614,169
Cash and cash equivalents at the beginning of the period	2,191,691	4,962,339
Cash and cash equivalents at the end of the period	4,962,339	5,576,508