

*Notes

(1) Changes of important subsidiaries during the period

(Changes of specific subsidiaries in accordance with changes in the scope of consolidation):Yes

Newly consolidated subsidiaries : TriFort,Inc. Subsidiaries excluded from consolidation : CocoPPa, Inc.

(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, 2019: 23,671,845 shares

As of March 31, 2018: 23,670,945 shares

(ii) Number of treasury shares at the end of the period

As of March 31, 2019: 622,995 shares

As of March 31, 2018: 673,895 shares

(iii) Average number of shares during the term

As of March 31, 2019: 23,031,308 shares

As of March 31, 2018: 22,997,151 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 2018	22,332	104.8	12,592	822.5	12,594	832.1	7,966	890.4
Fiscal Year 2017	10,901	△4.3	1,365	△5.6	1,351	△6.9	804	△27.0

	Net income per share	Diluted net income per share
	Yen	Yen
Fiscal Year 2018	345.89	344.59
Fiscal Year 2017	34.98	34.78

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Equity per share
	Mil.¥	Mil.¥	%	Yen
Fiscal Year 2018 (As of March 31,2019)	56,825	41,591	72.9	1,796.68
Fiscal Year 2017 (As of March 31,2018)	11,796	10,097	84.2	432.15

(Reference) Capital: March 31, 2019: 41,441 million yen March 31, 2018: 9,938 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 10, 2019.

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	FY2017 (As of March 31, 2018)	FY2018 (As of March 31, 2019)
	Amount	Amount
Assets		
Current assets		
Cash and deposits	5,576,508	8,822,421
Notes and accounts receivable - trade	1,789,422	1,781,226
Operational investment securities	2,994,185	39,190,609
Inventories	47,727	70,644
Other	189,278	1,344,506
Allowance for doubtful accounts	(5,583)	(5,383)
Total current assets	10,591,539	51,204,024
Non-current assets		
Property, plant and equipment		
Buildings and structures	266,829	447,486
Tools, furniture and fixtures	229,834	413,345
Accumulated depreciation	(259,157)	(315,863)
Total property, plant and equipment	237,507	544,967
Intangible assets		
Goodwill	938,149	4,125,545
Software	301,377	431,243
Other	1,025	1,025
Total intangible assets	1,240,552	4,557,814
Investments and other assets		
Investment securities	246,660	121,298
Shares of subsidiaries and associates	-	199,931
Deferred tax assets	6,611	66,811
Lease and guarantee deposits	289,038	513,473
Other	21,790	21,790
Total investments and other assets	564,099	923,305
Total non-current assets	2,042,159	6,026,088
Total assets	12,633,699	57,230,112
Liabilities		
Current liabilities		
Accounts payable - trade	1,253,947	1,414,107
Short-term loans payable	100,000	100,000
Current portion of long-term loans payable	4,200	187,468
Accounts payable - other	209,196	388,184
Income taxes payable	482,083	3,946,314
Provision for point card certificates	64,621	30,251
Provision for loss on business liquidation	-	138,955
Other	224,829	390,437
Total current liabilities	2,338,876	6,595,718
Non-current liabilities		
Long-term loans payable	6,650	334,758
Deferred tax liabilities	6,875	10,198,960
Total non-current liabilities	13,525	10,533,718
Total liabilities	2,352,402	17,129,436
Net assets		
Shareholders' equity		
Capital stock	2,922,037	2,923,019
Capital surplus	2,993,747	2,385,813
Retained earnings	4,544,558	10,954,274
Treasury shares	(964,962)	(892,077)
Total shareholders' equity	9,495,380	15,371,029
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	492,397	24,501,737
Foreign currency translation adjustment	21,418	(5,216)
Total accumulated other comprehensive income	513,816	24,496,520
Subscription rights to shares	159,353	180,165
Non-controlling interests	112,746	52,959
Total net assets	10,281,297	40,100,675
Total liabilities and net assets	12,633,699	57,230,112

(2)UNITED Consolidated Statements of Income

(Unit:Thousands of Yen)

Items of an account	FY2017 (April 1,2017 to March 31,2018)	FY2018 (April 1,2018 to March 31,2019)
	Amount	Amount
Net sales	14,444,420	27,580,572
Cost of sales	9,615,259	11,506,313
Gross profit	4,829,161	16,074,258
Selling, general and administrative expenses	3,180,950	4,989,961
Operating income	1,648,211	11,084,297
Non-operating income		
Interest and dividend income	335	670
Other	4,405	7,541
Total non-operating income	4,740	8,212
Non-operating expenses		
Interest expenses	1,650	3,230
Foreign exchange losses	16,559	15,976
Share of loss of entities accounted for using equity method	3,643	8,562
Commission fee	35	1,500
Other	4,254	4,728
Total non-operating expenses	26,144	33,998
Ordinary income	1,626,808	11,058,511
Extraordinary income		
Gain on reversal of share acquisition rights	3,174	8,299
Gain on liquidation of subsidiaries and associates	-	42,194
Other	0	-
Total extraordinary income	3,174	50,494
Extraordinary losses		
Loss on sales of non-current assets	-	7,916
Loss on retirement of non-current assets	3,069	58,544
Loss on valuation of investment securities	4,200	106,291
Loss on liquidation of business	-	411,078
Office transfer expenses	-	24,041
Office restructuring expenses	-	134,783
Other	-	18,263
Total extraordinary losses	7,269	760,919
Income before income taxes	1,622,712	10,348,085
Income taxes - current	746,101	4,009,899
Income taxes - deferred	(3,558)	(443,556)
Total income taxes	742,543	3,566,342
Profit	880,169	6,781,743
Profit(loss) attributable to non-controlling interests	30,656	(226,750)
Profit attributable to owners of parent	849,513	7,008,494

(3)UNITED Consolidated Statements of Comprehensive Income

(Unit:Thousands of Yen)

Items of an account	FY2017 (April 1,2017 to March 31,2018)	FY2018 (April 1,2018 to March 31,2019)
	Amount	Amount
Profit	880,169	6,781,743
Other comprehensive income		
Valuation difference on available-for-sale securities	35,628	24,009,339
Foreign currency translation adjustment	(2,086)	(26,634)
Total other comprehensive income	33,541	23,982,704
Comprehensive income	913,711	30,764,447
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	894,641	30,991,198
Comprehensive income attributable to non-controlling interests	19,070	(226,750)

(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

(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	2,993,747	4,544,558	(964,962)	9,495,380
Changes of items during period					
Issuance of new shares	981	981			1,963
Purchase of shares of consolidated subsidiaries		(630,255)			(630,255)
Dividends of surplus			(598,777)		(598,777)
Profit attributable to owners of parent			7,008,494		7,008,494
Disposal of treasury shares		21,339		72,884	94,224
Net changes of items other than shareholders' equity					
Total changes of items during period	981	(607,934)	6,409,716	72,884	5,875,648
Balance at the end of current period	2,923,019	2,385,813	10,954,274	(892,077)	15,371,029

	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	492,397	21,418	513,816	159,353	112,746	10,281,297
Changes of items during period						
Issuance of new shares						1,963
Purchase of shares of consolidated subsidiaries						(630,255)
Dividends of surplus						(598,777)
Profit attributable to owners of parent						7,008,494
Disposal of treasury shares						94,224
Net changes of items other than shareholders' equity	24,009,339	(26,634)	23,982,704	20,812	(59,786)	23,943,729
Total changes of items during period	24,009,339	(26,634)	23,982,704	20,812	(59,786)	29,819,378
Balance at the end of current period	24,501,737	(5,216)	24,496,520	180,165	52,959	40,100,675

(5)UNITED Consolidated statements of cash flows

(Unit:Thousands of Yen)

Items of an account	FY2017 (April 1,2017 to March 31,2018)	FY2018 (April 1,2018 to March 31,2019)
	Amount	Amount
Cash flows from operating activities		
Income before income taxes	1,622,712	10,348,085
Depreciation	115,242	227,415
Amortization of goodwill	288,065	647,484
Share-based compensation expenses	115,752	56,895
Increase (decrease) in allowance for doubtful accounts	(15,411)	(199)
Increase (decrease) in provision for point card certificates	5,163	(34,369)
Interest and dividend income	(335)	(670)
Interest expenses	1,650	3,230
Share of (profit) loss of entities accounted for using equity method	3,643	8,562
Loss (gain) on valuation of investment securities	4,200	106,291
Loss on liquidation of subsidiaries and associates	-	411,078
Loss on retirement of non-current assets	3,069	58,544
Decrease (increase) in notes and accounts receivable - trade	267,570	126,142
Decrease (increase) in investment securities for sale	(652,901)	(1,614,508)
Increase (decrease) in notes and accounts payable - trade	(128,911)	(55,125)
Other, net	477,903	(469,678)
Subtotal	2,107,415	9,819,177
Interest and dividend income received	335	670
Interest expenses paid	(1,775)	(3,230)
Income taxes paid	(594,662)	(713,319)
Net cash provided by (used in) operating activities	1,511,312	9,103,298
Cash flows from investing activities		
Purchase of property, plant and equipment	(84,144)	(547,549)
Purchase of intangible assets	(176,350)	(423,966)
Purchase of investment securities	(215,629)	(41,236)
Proceeds from sales of shares of subsidiaries and associates	-	(208,201)
Purchase of investments in subsidiaries resulting change in scope of consolidation	-	(3,708,474)
Other, net	(93,019)	(13,496)
Net cash provided by (used in) investing activities	(569,143)	(4,942,924)
Cash flows from financing activities		
Proceeds from long-term loans payable	-	250,000
Repayments of long-term loans payable	(4,200)	(79,899)
Proceeds from issuance of subscription rights to share	-	68,404
Cash dividends paid	(297,289)	(595,824)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	-	(570,055)
Other, net	2,657	-
Net cash provided by (used in) financing activities	(298,832)	(927,373)
Effect of exchange rate change on cash and cash equivalents	(29,168)	12,912
Net increase (decrease) in cash and cash equivalents	614,169	3,245,912
Cash and cash equivalents at the beginning of the period	4,962,339	5,576,508
Cash and cash equivalents at the end of the period	5,576,508	8,822,421