

# Consolidated Financial Results(Japanese Accounting Standards) for the 1st Quarter of FY 2020

Company name: UNITED, Inc.  
 Stock exchange listing: Tokyo Stock Exchange  
 Stock code: 2497  
 URL: <https://united.jp/>  
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Scheduled date for filing of quarterly securities report: August 5, 2020  
 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. Financial Highlights

### (1) Results of Operations

(Percentages are shown as year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent	
	Mil.¥	%	Mil.¥	%	Mil.¥	%	Mil.¥	%
1st Quarter of FY 2020	7,994	31.4	5,300	212.9	5,303	218.9	3,706	385.0
1st Quarter of FY 2019	6,083	△61.2	1,694	△86.3	1,662	△86.5	764	△90.8

(Note) Comprehensive income : 4,724 million yen ( - %) for the 1st Quarter of FY 2020  
 △4,663 million yen ( - %) for the 1st Quarter of FY 2019

	Net income per share (basic)	Net income per share (diluted)
	Yen	Yen
1st Quarter of FY 2020	165.85	—
1st Quarter of FY 2019	33.44	33.44

### (2) Financial Position

	Total assets	Net assets	Equity ratio
	Mil.¥	Mil.¥	%
1st Quarter of FY 2020 (As of June 30, 2020)	40,110	31,211	77.3
Fiscal Year 2019 (As of March 31, 2020)	33,592	26,532	78.3

(Reference) Capital : June 30, 2020 : 30,993 million yen      March 31, 2020 : 26,313 million yen

## 2. Dividend Per Share

	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal Year 2019	—	11.00	—	2.00	13.00
Fiscal Year 2020	—	—	—	—	—
Fiscal Year 2020 (expected)	—	—	—	—	—

(Note) Revisions to dividend forecasts published most recently : None

## 3. Forecasts of consolidated results of operations for FY2020

The Company does not give forecasts of consolidated results of operations for FY2020 as they are difficult to project due to numerous uncertainties affecting earnings.

\*Notes

(1) Significant changes in scope of consolidation during the period (Changes in scope of consolidation of specified subsidiaries) : 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 standards:	None
(ii) Changes in accounting policies other than (i):	None
(iii) Changes in accounting estimates:	None
(iv) Restatement:	None

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

(i) Number of shares outstanding at end of period (including treasury shares)	
As of June 30, 2020:	23,671,845 shares
As of March 31, 2020:	23,671,845 shares
(ii) Number of treasury shares at end of period	
As of June 30, 2020:	1,323,045 shares
As of March 31, 2020:	1,323,045 shares
(iii) Average number of shares outstanding during the term	
1st Quarter of FY 2020:	22,348,800 shares
1st Quarter of FY 2019:	22,854,282 shares

\*Status of a quarterly review

- Quarterly consolidated financial results are not subject to a quarterly review by certified public accountants or audit corporations

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

- The video of the financial results briefing for the 1st Quarter of FY2020 will be delivered to institutional investors and analysts via our website. The materials used in this video will be available on our website.

UNTIED Consolidated Financial Statements

(1) UNITED Consolidated Balance Sheets

for the 1st Quarter of FY 2020

(Unit : Thousands of Yen)

Items of an account	FY2019 (As of March 31, 2020)	1st Quarter of FY2020 (As of June 30, 2020)
	Amount	Amount
<b>Assets</b>		
Current assets		
Cash and deposits	8,381,660	8,372,166
Notes and accounts receivable - trade	1,693,870	1,326,968
Operational investment securities	20,992,218	22,457,540
Inventories	38,316	63,940
Accounts receivable - other	16,964	5,514,000
Derivatives	42,251	-
Other	843,118	804,431
Allowance for doubtful accounts	(8,069)	(2,530)
Total current assets	32,000,401	38,536,518
Non-current assets		
Property, plant and equipment	431,514	417,430
Intangible assets		
Goodwill	114,881	86,161
Other	361,384	373,793
Total intangible assets	476,266	459,954
Investments and other assets	684,064	696,354
Total non-current assets	1,591,845	1,573,739
<b>Total assets</b>	<b>33,592,246</b>	<b>40,110,258</b>
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	855,717	859,186
Short-term loans payable	100,000	100,000
Current portion of long-term loans payable	50,000	-
Current portion of bonds	71,040	71,040
Income taxes payable	150,418	1,352,942
Provision for point card certificates	5,063	3,923
Other	892,096	922,717
Total current liabilities	2,124,336	3,309,809
Non-current liabilities		
Bonds payable	175,000	-
Long-term loans payable	178,340	160,580
Deferred tax liability	4,582,458	5,428,246
Total non-current liabilities	4,935,798	5,588,826
<b>Total liabilities</b>	<b>7,060,134</b>	<b>8,898,636</b>
<b>Net assets</b>		
Shareholders' equity		
Capital stock	2,923,019	2,923,019
Capital surplus	2,332,513	2,332,513
Retained earnings	11,259,492	14,921,446
Treasury shares	(1,884,315)	(1,884,315)
Total shareholders' equity	14,630,709	18,292,663
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	11,662,068	12,709,201
Deferred gains or losses on hedges	29,314	-
Foreign currency translation adjustment	(8,368)	(8,386)
Total accumulated other comprehensive income	11,683,014	12,700,814
Subscription rights to shares	218,388	218,144
<b>Total net assets</b>	<b>26,532,112</b>	<b>31,211,622</b>
<b>Total liabilities and net assets</b>	<b>33,592,246</b>	<b>40,110,258</b>

(2) UNITED Consolidated Statements of Income  
for the 1st Quarter of FY 2020

(Unit : Thousands of Yen)

Items of an account	1st Quarter of FY2019 (April 1, 2019 to June 30, 2019)	1st Quarter of FY2020 (April 1, 2020 to June 30, 2020)
	Amount	Amount
Net sales	6,083,319	7,994,923
Cost of sales	3,062,491	1,866,778
Gross profit	3,020,827	6,128,144
Selling, general and administrative expenses	1,326,568	827,239
Operating income	1,694,259	5,300,905
Non-operating income		
Gain on forfeiture of unclaimed dividends	901	-
Other	3,943	6,251
Total non-operating income	4,845	6,251
Non-operating expenses		
Interest expenses	1,305	1,036
Share of loss of entities accounted for using equity method	16,764	1,525
Foreign exchange losses	9,002	949
Other	9,086	510
Total non-operating expenses	36,158	4,021
Ordinary income	1,662,945	5,303,135
Extraordinary income		
Gain on reversal of share acquisition rights	-	8,673
Total extraordinary income	-	8,673
Extraordinary losses		
Loss on retirement of non-current assets	150	3,211
Impairment loss	99,166	-
Office transfer expenses	7,067	-
Burden charge payment	48,284	-
Other	5,096	-
Total extraordinary losses	159,765	3,211
Income before income tax	1,503,180	5,308,597
Income taxes - current	316,467	1,268,322
Income taxes - deferred	429,972	333,622
Total income taxes	746,439	1,601,945
Net income	756,740	3,706,651
Net income attributable to non-controlling interests	(7,542)	-
Net income attributable to owners of the parent	764,283	3,706,651

(3) UNITED Consolidated Statements of Comprehensive Income  
for the 1st Quarter of FY 2020

(Unit : Thousands of Yen)

Items of an account	1st Quarter of FY2019 (April 1, 2019 to June 30, 2019)	1st Quarter of FY2020 (April 1, 2020 to June 30, 2020)
	Amount	Amount
Net income	756,740	3,706,651
Other comprehensive income		
Valuation difference on available-for-sale securities	(5,416,011)	1,025,030
Deferred gains or losses on hedges	-	(29,314)
Foreign currency translation adjustment	(4,592)	(18)
Share of other comprehensive income of entities accounted for using equity method	-	22,101
Total other comprehensive income	(5,420,604)	1,017,799
Comprehensive income	(4,663,864)	4,724,451
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(4,656,321)	4,724,451
Comprehensive income attributable to non-controlling interests	(7,542)	-