

February 4, 2021

Consolidated Financial Results(Japanese Accounting Standards) for the 3rd Quarter of FY 2020

Company name: UNITED, Inc.
 Stock exchange listing: Tokyo Stock Exchange
 Stock code: 2497
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Scheduled date for filing of quarterly securities report: February 4, 2021
 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.¥	%
3rd Quarter of FY 2020	13,859	△13.3	5,693	74.2	5,777	79.2	3,850	857.1
3rd Quarter of FY 2019	15,984	△30.3	3,267	△71.0	3,223	△71.3	402	△94.5

(Note) Comprehensive income : 9,151 million yen (- %) for the 3rd Quarter of FY 2020
 △10,151 million yen (- %) for the 3rd Quarter of FY 2019

	Net income per share (basic)	Net income per share (diluted)
	Yen	Yen
3rd Quarter of FY 2020	172.75	—
3rd Quarter of FY 2019	17.87	—

(2) Financial Position

	Total assets	Net assets	Equity ratio
	Mil.¥	Mil.¥	%
3rd Quarter of FY 2020 (As of December 31, 2020)	45,145	34,566	76.0
Fiscal Year 2019 (As of March 31, 2020)	33,592	26,532	78.3

(Reference) Shareholder's Equity : December 31, 2020 : 34,330 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	—	15.00	—	—	—
Fiscal Year 2020 (expected)	—	—	—	—	—

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

The forecasted dividend amounts for the fiscal year ending March 31, 2021 are not determined at the present moment.

3. Forecasts of consolidated results of operations for FY2020

(Percentages show year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Mil.¥	%	Mil.¥	%	Mil.¥	%	Mil.¥	%
Fiscal Year 2020	16,300	△22.1	5,300	3.9	5,300	3.7	3,600	156.4

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

*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 December 31, 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 December 31, 2020:	1,823,066 shares
As of March 31, 2020:	1,323,045 shares
(iii) Average number of shares outstanding during the term	
3rd Quarter of FY 2020:	22,290,592 shares
3rd Quarter of FY 2019:	22,509,714 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 3rd 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.

for the 3rd Quarter of FY 2020
(1) UNITED Consolidated Balance Sheets
for the 3rd Quarter of FY 2020

(Unit : Thousands of Yen)

Items of an account	FY2019 (As of March 31, 2020)	3rd Quarter of FY2020 (As of December 31, 2020)
	Amount	Amount
Assets		
Current assets		
Cash and deposits	8,381,660	13,403,596
Notes and accounts receivable - trade	1,693,870	1,126,225
Operational investment securities	20,992,218	28,773,134
Inventories	38,316	44,645
Derivatives	42,251	-
Other	860,153	485,232
Allowance for doubtful accounts	(8,069)	(2,520)
Total current assets	32,000,401	43,830,313
Non-current assets		
Property, plant and equipment	431,514	339,105
Intangible assets		
Goodwill	114,881	28,720
Other	361,384	236,932
Total intangible assets	476,266	265,652
Investments and other assets	684,064	710,241
Total non-current assets	1,591,845	1,314,999
Total assets	33,592,246	45,145,312
Liabilities		
Current liabilities		
Accounts payable - trade	855,717	709,189
Short-term loans payable	100,000	100,000
Current portion of long-term loans payable	50,000	-
Current portion of bonds	71,040	76,960
Income taxes payable	150,418	1,466,149
Provision for point card certificates	5,063	2,937
Other	892,096	800,917
Total current liabilities	2,124,336	3,156,154
Non-current liabilities		
Bonds payable	175,000	-
Long-term loans payable	178,340	125,060
Deferred tax liability	4,582,458	7,298,022
Total non-current liabilities	4,935,798	7,423,082
Total liabilities	7,060,134	10,579,237
Net assets		
Shareholders' equity		
Capital stock	2,923,019	2,923,019
Capital surplus	2,332,513	2,332,513
Retained earnings	11,259,492	14,730,239
Treasury shares	(1,884,315)	(2,638,347)
Total shareholders' equity	14,630,709	17,347,424
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	11,662,068	16,991,288
Deferred gains or losses on hedges	29,314	-
Foreign currency translation adjustment	(8,368)	(7,857)
Total accumulated other comprehensive income	11,683,014	16,983,430
Subscription rights to shares	218,388	235,219
Total net assets	26,532,112	34,566,075
Total liabilities and net assets	33,592,246	45,145,312

(2) UNITED Consolidated Statements of Income
for the 3rd Quarter of FY 2020

(Unit : Thousands of Yen)

Items of an account	3rd Quarter of FY2019 (April 1, 2019 to December 31, 2019)	3rd Quarter of FY2020 (April 1, 2020 to December 31, 2020)
	Amount	Amount
Net sales	15,984,974	13,859,172
Cost of sales	8,907,412	5,874,734
Gross profit	7,077,561	7,984,437
Selling, general and administrative expenses	3,810,157	2,291,350
Operating income	3,267,403	5,693,087
Non-operating income		
Interest and dividend income	206	57
Gain on forfeiture of unclaimed dividends	-	76,564
Other	7,209	15,850
Total non-operating income	7,416	92,472
Non-operating expenses		
Interest expenses	3,606	2,282
Share of loss of entities accounted for using equity method	19,420	-
Foreign exchange losses	13,111	2,382
Commission expenses	9,401	2,166
Other	5,688	903
Total non-operating expenses	51,229	7,734
Ordinary income	3,223,590	5,777,825
Extraordinary income		
Gain on reversal of share acquisition rights	1,818	11,978
Gain on sales of shares of subsidiaries and associates	75,520	-
Gain on sale of businesses	10,000	7,000
Other	2,000	-
Total extraordinary income	89,338	18,978
Extraordinary losses		
Loss on retirement of non-current assets	613	3,592
Impairment loss	2,873,120	-
Office transfer expenses	45,262	50,396
Loss on liquidation of business	-	116,874
Loss on sales of shares of subsidiaries and associates	300,775	-
Loss on liquidation of subsidiaries and associates	70,697	-
Loss on valuation of investment securities	19,655	-
Burden charge payment	48,284	-
Other	5,096	6,138
Total extraordinary losses	3,363,505	177,002
Income before income tax	(50,576)	5,619,801
Income taxes - current	92,114	1,441,767
Income taxes - deferred	(537,495)	327,357
Total income taxes	(445,381)	1,769,124
Net income	394,804	3,850,676
Net income attributable to non-controlling interests	(7,542)	-
Net income attributable to owners of the parent	402,347	3,850,676

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

(Unit : Thousands of Yen)

Items of an account	3rd Quarter of FY2019 (April 1, 2019 to December 31, 2019)	3rd Quarter of FY2020 (April 1, 2020 to December 31, 2020)
	Amount	Amount
Net income	394,804	3,850,676
Other comprehensive income		
Valuation difference on available-for-sale securities	(10,543,123)	5,353,205
Deferred gains or losses on hedges	-	(29,314)
Foreign currency translation adjustment	(3,638)	510
Share of other comprehensive income of entities accounted for using equity method	-	(23,985)
Total other comprehensive income	(10,546,761)	5,300,416
Comprehensive income	(10,151,956)	9,151,092
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(10,144,413)	9,151,092
Comprehensive income attributable to non-controlling interests	(7,542)	-