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**UNITED, Inc.**  
**Consolidated Financial Report For the 2nd Quarter of FY 2022**  
**(Japanese Accounting Standards)**

November 9, 2022

Company name: UNITED, Inc.	Stock exchange listing: Tokyo Stock Exchange
Stock code: 2497	URL: <a href="https://united.jp/">https://united.jp/</a>
Representative: Tomonori Hayakawa, CEO	
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Scheduled date for filing of quarterly securities report:	November 9, 2022
Scheduled date of commencement of dividend payment:	December 9, 2022
Supplementary documents for quarterly results:	Yes
Quarterly results briefing:	Yes ( For institutional investors and securities analysts)

(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 profit		Ordinary profit		Profit attributable to owners of the parent	
	Mil.¥	%	Mil.¥	%	Mil.¥	%	Mil.¥	%
2nd Quarter of FY 2022	6,637	△18.1	3,136	△31.2	3,146	△30.9	2,374	△24.5
2nd Quarter of FY 2021	8,100	—	4,559	—	4,553	—	3,146	—

(Note) Comprehensive income :  
2nd Quarter of FY 2022      △2,299 Mil.¥ (—)  
2nd Quarter of FY 2021      3,771 Mil.¥ (△63.3%)

	Profit per share (basic)	Profit per share (diluted)
	Yen	Yen
2nd Quarter of FY 2022	118.88	118.79
2nd Quarter of FY 2021	145.89	145.84

(Notes) Due to the adoption of ASBJ Statement No. 29 "Accounting Standard for Revenue Recognition" in the FY2021, this Forecasts of consolidated results of operations for FY2021 is presented based on the figures after the application of ASBJ Statement No. 29. Year-on-year percentage changes in net sales is not presented because the Company expects a significant impact on the figure of net sales and it is not appropriate to compare that for the FY2021 with that for the FY2020.

(2) Financial Position

	Total assets	Net assets	Equity ratio
	Mil.¥	Mil.¥	%
2nd Quarter of FY 2022 (As of September 30, 2022)	33,235	26,757	79.8
FY 2021 (As of March 31, 2022)	38,701	30,288	77.7

(Reference) Shareholder's Equity :  
2nd Quarter of FY 2022      26,533 Mil.¥  
FY 2021                              30,064 Mil.¥

2. Dividend Per Share

	End of 1st Quarter	End of 2nd Quarter	End of 3rd Quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
FY 2021	—	17.00	—	20.00	37.00
FY 2022	—	20.00	—	—	—
FY 2022(Forecasted)	—	—	—	—	—

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

The forecasted dividend amounts for the FY 2022 are not determined at the present moment.

3. Forecasts of consolidated results of operations for FY 2022

(Percentages show year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of the parent		Profit per share
	Mil.¥	%	Mil.¥	%	Mil.¥	%	Mil.¥	%	Mil.¥
FY 2022	12,800	0.7	5,800	1.1	5,800	0.7	4,200	9.8	208.00

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

\*Notes

- (1) Significant changes in scope of consolidation : No
- (2) Application of particular accounts procedures to the preparation of quarterly consolidated financial statement : No
- (3) Changes in accounting policies and changes or restatement of accounting estimates
- (i) Changes in accounting policies caused by revision of accounting standards : Yes
  - (ii) Changes in accounting policies other than (i) : No
  - (iii) Changes in accounting estimates : No
  - (iv) Restatement : No

(4) Number of shares issued (common stock)

- (i) Number of shares issued at end of the year (including treasury shares)
- (ii) Number of treasury shares issued at end of the year
- (iii) Number of average shares outstanding during the term

2nd Quarter of FY 2022	20,756,345 shares	FY 2021	20,756,345 shares
2nd Quarter of FY 2022	1,112,449 shares	FY 2021	587,199 shares
2nd Quarter of FY 2022	19,975,568 shares	2nd Quarter of FY 2021	21,567,699 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 2nd Quarter of FY 2022 will be delivered to institutional investors and analysts via our website. The materials used in this video will be available on our website.

UNITED Consolidated Financial Statements

(1) UNITED Consolidated Balance Sheet  
for the 2nd Quarter of FY 2022

(Unit : Thousands of Yen)

Items of an account	FY 2021	2nd Quarter of FY 2022
	(As of March 31, 2022)	(As of September 30, 2022)
	Amount	Amount
<b>Assets</b>		
Current assets		
Cash and deposits	12,165,526	12,595,206
Notes and accounts receivable - trade	1,347,244	1,068,744
Operational investment securities	18,789,981	12,417,401
Inventories	69,727	50,202
Derivatives	1,471,624	2,137,923
Other	340,835	364,906
Allowance for doubtful accounts	△5,411	△6,508
Total current assets	34,179,529	28,627,876
Non-current assets		
Property, plant and equipment	292,599	280,593
Intangible assets		
Goodwill	327,664	958,098
Other	234,613	265,448
Total intangible assets	562,278	1,223,546
Investments and other assets		
Derivatives	3,088,403	2,280,209
Other	578,244	823,319
Total investments and other assets	3,666,648	3,103,529
Total non-current assets	4,521,526	4,607,669
Total assets	38,701,056	33,235,546
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	879,338	915,876
Short-term borrowings	100,000	100,000
Current portion of long-term borrowings	69,178	59,240
Income taxes payable	1,103,564	1,199,835
Other	660,077	677,785
Total current liabilities	2,812,158	2,952,737
Non-current liabilities		
Long-term borrowings	75,766	74,660
Deferred tax liabilities	5,524,606	3,450,399
Total non-current liabilities	5,600,372	3,525,059
Total liabilities	8,412,531	6,477,797
<b>Net assets</b>		
Shareholders' equity		
Share capital	2,923,019	2,923,019
Capital surplus	379,270	377,844
Retained earnings	14,979,955	16,951,183
Treasury shares	△983,344	△1,809,396
Total shareholders' equity	17,298,901	18,442,650
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	9,601,720	5,025,840
Deferred gains or losses on hedges	3,163,747	3,065,301
Total accumulated other comprehensive income	12,765,468	8,091,142
Share acquisition rights	224,154	221,955
Non-controlling interests	—	2,000
Total net assets	30,288,524	26,757,748
Total liabilities and net assets	38,701,056	33,235,546

(2) UNITED Consolidated Statement of Income  
for the 2nd Quarter of FY 2022

(Unit : Thousands of Yen)

Items of an account	2nd Quarter of FY 2021 (April 1, 2021 to September 30, 2021)	2nd Quarter of FY 2022 (April 1, 2022 to September 30, 2022)
	Amount	Amount
Net sales	8,100,468	6,637,534
Cost of sales	2,235,564	2,135,728
Gross profit	5,864,904	4,501,806
Selling, general and administrative expenses	1,305,551	1,365,097
Operating profit	4,559,352	3,136,708
Non-operating income		
Interest and dividend income	72	63
Share of profit of entities accounted for using equity method	257	10,389
Gain on forfeiture of unclaimed dividends	278	2,307
Other	554	7,858
Total non-operating income	1,163	20,618
Non-operating expenses		
Interest expenses	1,154	1,079
Commission expenses	101	86
Foreign exchange losses	497	—
Loss on valuation of crypto assets	3,134	5,686
Expense related to restricted stock	—	3,044
Other	2,555	900
Total non-operating expenses	7,444	10,797
Ordinary profit	4,553,072	3,146,529
Extraordinary income		
Transfer of rights income	—	350,000
Other	—	9,522
Total extraordinary income	—	359,522
Extraordinary losses		
Loss on retirement of non-current assets	—	2,667
Total extraordinary losses	—	2,667
Profit before income taxes	4,553,072	3,503,384
Income taxes - current	1,505,343	1,149,117
Income taxes - deferred	△98,882	△20,343
Total income taxes	1,406,460	1,128,774
Profit	3,146,611	2,374,610
Profit attributable to owners of parent	3,146,611	2,374,610

(3) UNITED Consolidated Statement of Comprehensive Income  
for the 2nd Quarter of FY 2022

(Unit : Thousands of Yen)

Items of an account	2nd Quarter of FY 2021 (April 1, 2021 to September 30, 2021)	2nd Quarter of FY 2022 (April 1, 2022 to September 30, 2022)
	Amount	Amount
Profit	3,146,611	2,374,610
Other comprehensive income		
Valuation difference on available-for-sale securities	766,429	△4,575,879
Deferred gains or losses on hedges	△140,301	△98,446
Foreign currency translation adjustment	△7	—
Share of other comprehensive income of entities accounted for using equity method	△855	—
Total other comprehensive income	625,266	△4,674,326
Comprehensive income	3,771,877	△2,299,715
Comprehensive income attributable to owners of parent	3,771,877	△2,299,715

(4) UNITED Consolidated Statements of Cash Flows  
for the 2nd Quarter of FY 2022

(Unit : Thousands of Yen)

Items of an account	2nd Quarter of FY 2021 (April 1, 2021 to September 30, 2021)	2nd Quarter of FY 2022 (April 1, 2022 to September 30, 2022)
	Amount	Amount
Cash flows from operating activities		
Profit before income taxes	4,553,072	3,503,384
Depreciation	69,572	69,024
Amortization of goodwill	19,274	69,548
Share-based payment expenses	28,406	25,672
Increase (decrease) in allowance for doubtful accounts	△1,646	1,097
Interest and dividend income	△72	△63
Interest expenses	1,154	1,079
Share of loss (profit) of entities accounted for using equity method	△257	△10,389
Loss on retirement of non-current assets	—	2,667
Transfer of rights income	—	△350,000
Decrease (increase) in trade receivables	42,849	302,633
Decrease (increase) in investment securities for sale	△260,640	△230,073
Increase (decrease) in trade payables	130,428	15,394
Other, net	△247,173	149,454
Subtotal	4,334,966	3,549,432
Interest and dividends received	72	63
Interest paid	△1,162	△1,071
Income taxes refund (paid)	△1,428,616	△1,057,968
Net cash provided by (used in) operating activities	2,905,260	2,490,455
Cash flows from investing activities		
Purchase of property, plant and equipment	△2,709	△6,528
Purchase of intangible assets	△49,221	△81,750
Purchase of investment securities	△22,744	△217,308
Purchase of shares of subsidiaries resulting in change in scope of consolidation	△329,036	△628,776
Proceeds from transfer of rights	—	350,000
Other, net	26,514	3,356
Net cash provided by (used in) investing activities	△377,196	△581,008
Cash flows from financing activities		
Repayments of long-term borrowings	△36,652	△75,444
Purchase of treasury shares	△1,004,724	△862,277
Decrease (increase) in deposits for purchase of treasury shares	△495,220	△139,387
Dividends paid	△415,117	△402,658
Net cash provided by (used in) financing activities	△1,951,715	△1,479,767
Effect of exchange rate change on cash and cash equivalents	△16	—
Net increase (decrease) in cash and cash equivalents	576,331	429,679
Cash and cash equivalents at beginning of period	13,774,158	12,165,526
Cash and cash equivalents at end of period	14,350,490	12,595,206