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UNITED, Inc. Consolidated Financial Report For the 3rd Quarter of FY 2022 (Japanese Accounting Standards)

February 8, 2023

Company name:	UNITED, Inc.	Stock exchange listing:	Tokyo Stock Exchange
Stock code:	2497	URL:	https://united.jp/
Representative:	Tomonori Hayakawa, CEO		
Contact:	Yuji Yamashita, Director and General Manager of Corporate Administration Division		
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Scheduled date for filing of quarterly securities report:	February 8, 2023
Scheduled date of commencement of dividend payment:	—
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.¥	%
3rd Quarter of FY 2022	10,175	△5.7	4,933	△12.1	4,948	△11.9	3,591	△7.3
3rd Quarter of FY 2021	10,786	—	5,612	—	5,619	—	3,875	—

(Note) Comprehensive income :
 3rd Quarter of FY 2022 △1,157 Mil.¥ (—)
 3rd Quarter of FY 2021 3,200 Mil.¥ (△65.0%)

	Profit per share (basic)	Profit per share (diluted)
	Yen	Yen
3rd Quarter of FY 2022	180.93	180.86
3rd Quarter of FY 2021	181.45	181.31

(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.¥	%
3rd Quarter of FY 2022 (As of December 31, 2022)	33,481	27,371	81.1
FY 2021 (As of March 31, 2022)	38,701	30,288	77.7

(Reference) Shareholder's Equity :
 3rd Quarter of FY 2022 27,143 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)	3rd Quarter of FY 2022	20,756,345 shares	FY 2021	20,756,345 shares
(ii) Number of treasury shares issued at end of the year	3rd Quarter of FY 2022	1,217,899 shares	FY 2021	587,199 shares
(iii) Number of average shares outstanding during the term	3rd Quarter of FY 2022	19,851,442 shares	3rd Quarter of FY 2021	21,358,613 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 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 3rd Quarter of FY 2022

(Unit : Thousands of Yen)

Items of an account	FY 2021 (As of March 31, 2022)	3rd Quarter of FY 2022 (As of December 31, 2022)
	Amount	Amount
Assets		
Current assets		
Cash and deposits	12,165,526	12,710,104
Notes and accounts receivable - trade	1,347,244	998,527
Operational investment securities	18,789,981	13,309,919
Inventories	69,727	70,747
Derivatives	1,471,624	1,740,123
Other	340,835	293,108
Allowance for doubtful accounts	△5,411	△4,911
Total current assets	34,179,529	29,117,620
Non-current assets		
Property, plant and equipment	292,599	326,444
Intangible assets		
Goodwill	327,664	963,191
Other	234,613	287,982
Total intangible assets	562,278	1,251,173
Investments and other assets		
Derivatives	3,088,403	1,890,059
Other	578,244	896,183
Total investments and other assets	3,666,648	2,786,243
Total non-current assets	4,521,526	4,363,861
Total assets	38,701,056	33,481,482
Liabilities		
Current liabilities		
Accounts payable - trade	879,338	843,513
Short-term borrowings	100,000	100,000
Current portion of long-term borrowings	69,178	55,910
Income taxes payable	1,103,564	869,969
Other	660,077	737,082
Total current liabilities	2,812,158	2,606,475
Non-current liabilities		
Long-term borrowings	75,766	65,340
Deferred tax liabilities	5,524,606	3,438,274
Total non-current liabilities	5,600,372	3,503,614
Total liabilities	8,412,531	6,110,089
Net assets		
Shareholders' equity		
Share capital	2,923,019	2,923,019
Capital surplus	379,270	377,844
Retained earnings	14,979,955	17,775,365
Treasury shares	△983,344	△1,948,524
Total shareholders' equity	17,298,901	19,127,705
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	9,601,720	5,497,626
Deferred gains or losses on hedges	3,163,747	2,518,621
Total accumulated other comprehensive income	12,765,468	8,016,248
Share acquisition rights	224,154	225,438
Non-controlling interests	—	2,000
Total net assets	30,288,524	27,371,392
Total liabilities and net assets	38,701,056	33,481,482

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

(Unit : Thousands of Yen)

Items of an account	3rd Quarter of FY 2021 (April 1, 2021 to December 31, 2021)	3rd Quarter of FY 2022 (April 1, 2022 to December 31, 2022)
	Amount	Amount
Net sales	10,786,850	10,175,064
Cost of sales	3,260,081	3,144,859
Gross profit	7,526,769	7,030,205
Selling, general and administrative expenses	1,913,863	2,096,911
Operating profit	5,612,906	4,933,293
Non-operating income		
Interest and dividend income	75	63
Share of profit of entities accounted for using equity method	9,600	19,689
Gain on forfeiture of unclaimed dividends	2,245	3,252
Other	772	7,531
Total non-operating income	12,695	30,537
Non-operating expenses		
Interest expenses	1,681	1,554
Commission expenses	200	1,589
Foreign exchange losses	298	203
Loss on valuation of crypto assets	1,722	6,932
Expense related to restricted stock	—	3,646
Other	2,217	1,065
Total non-operating expenses	6,120	14,992
Ordinary profit	5,619,480	4,948,838
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	—	2,674
Office relocation expenses	—	1,320
Total extraordinary losses	—	3,994
Profit before income taxes	5,619,480	5,304,366
Income taxes - current	1,820,761	1,711,897
Income taxes - deferred	△76,802	798
Total income taxes	1,743,958	1,712,695
Profit	3,875,521	3,591,671
Profit attributable to owners of parent	3,875,521	3,591,671

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

(Unit : Thousands of Yen)

Items of an account	3rd Quarter of FY 2021 (April 1, 2021 to December 31, 2021)	3rd Quarter of FY 2022 (April 1, 2022 to December 31, 2022)
	Amount	Amount
Profit	3,875,521	3,591,671
Other comprehensive income		
Valuation difference on available-for-sale securities	△948,346	△4,104,093
Deferred gains or losses on hedges	275,250	△645,126
Foreign currency translation adjustment	114	—
Share of other comprehensive income of entities accounted for using equity method	△1,969	—
Total other comprehensive income	△674,951	△4,749,220
Comprehensive income	3,200,570	△1,157,549
Comprehensive income attributable to owners of parent	3,200,570	△1,157,549