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## UNITED, Inc. Consolidated Financial Report For the FY 2023 (Japanese Accounting Standards)

May 9, 2024

Company name: UNITED, Inc. Stock exchange listing: Tokyo Stock Exchange  
 Stock code: 2497 URL: https://united.jp/  
 Representative: Tomonori Hayakawa, CEO  
 Contact: Yuji Yamashita, Executive Officer and General Manager of Corporate Administration Division  
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Scheduled date of the Annual General Meeting of Shareholders: June 19, 2024  
 Scheduled date of commencement of dividend payment: June 20, 2024  
 Scheduled date for filing of securities report: June 20, 2024  
 Supplementary documents for financial results: Yes  
 Financial 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.¥	%
FY 2023	12,573	△4.3	4,859	△16.6	4,829	△17.5	2,366	△42.8
FY 2022	13,140	3.3	5,823	1.5	5,851	1.6	4,139	8.2

(Note) Comprehensive income FY 2023 △1,886 Mil.¥ (—%) FY 2022 △1,894 Mil.¥ (—%)

	Profit per share (basic)	Profit per share (diluted)	Return on equity	Return on assets	Ratio of operating income to net sales(%)
FY 2023	¥60.44	¥60.35	9.5%	16.4%	38.6%
FY 2022	104.67	104.65	14.7%	16.5%	44.3%

(Notes) Income on equity method investments FY 2023 △21 Mil.¥ FY 2022 26 Mil.¥

We have conducted the 2-for-1 stock split of its common stock with an effective date of June 1, 2023.

Profit per share and diluted profit per share are calculated as if the stock splits had been conducted at the beginning of FY 2022.

#### (2) Financial Position

	Total assets	Net assets	Equity ratio	Shareholders' equity per share
	Mil.¥	Mil.¥	%	¥
FY 2023	26,745	23,540	87.2	594.54
FY 2022	32,318	26,647	81.7	675.66

(Notes) Shareholder's equity FY 2023 23,310 Mil.¥ FY 2022 26,402 Mil.¥

We have conducted the 2-for-1 stock split of its common stock with an effective date of June 1, 2023.

Profit per share and diluted profit per share are calculated as if the stock splits had been conducted at the beginning of FY 2022.

#### (3) Cash Flows

	Operating activities	Investing activities	Financing activities	Cash and cash equivalents at the end of the year
	Mil.¥	Mil.¥	Mil.¥	Mil.¥
FY 2023	2,085	△1,134	△1,336	12,985
FY 2022	3,947	△839	△1,903	13,370

### 2. Dividend Per Share

	Dividends per share					Total amount of dividends	Payout ratio (consolidated)	Dividends to net assets ratio
	First quarter	Second quarter	Third quarter	Fourth quarter	Total			
FY 2022	¥—	¥20.00	¥—	¥23.00	¥43.00	Mil.¥842	%20.5	%3.0
FY 2023	—	24.00	—	24.00	48.00	1,881	79.4	7.6
FY 2024 (Forecasted)	—	24.00	—	24.00	48.00	—	—	—

(Note) We have conducted the 2-for-1 stock split of its common stock with an effective date of June 1, 2023.

Dividends per share of FY 2022 is the amount of actual dividends before the stock split is stated.

3. Forecasts of consolidated results of operations for FY 2024

(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.¥	%	¥
FY 2024	9,400~ 10,300	△25.2~ △18.1	2,000~ 2,500	△58.8~ △48.6	2,000~ 2,500	△58.6~ △48.2	1,150~ 1,500	△51.4~ △36.6	29.00~38.50

\* Notes

(1) Significant changes in scope of consolidation

(Changes in scope of consolidation of specified subsidiaries) : No

(2) Changes in accounting policies and changes or restatement of accounting estimates

- (i) Changes in accounting policies caused by revision of accounting standards : No
- (ii) Changes in accounting policies other than (i) : No
- (iii) Changes in accounting estimates : No
- (iv) Restatement : No

(3) Number of shares issued (common stock)

- (i) Number of shares issued at end of the year (including treasury stock)
- (ii) Number of shares issued at end of the year at end of the year
- (iii) Number of average shares outstanding during twelve-month period

FY 2023	40,412,690 shares	FY 2022	40,412,690 shares
FY 2023	1,204,628 shares	FY 2022	1,335,798 shares
FY 2023	39,152,184 shares	FY 2022	39,548,530 shares

(Note) We have conducted the 2-for-1 stock split of its common stock with an effective date of June 1, 2023.

Total shares outstanding including treasury shares, treasury shares, and average outstanding shares are calculated as if the stock splits had been conducted at the beginning of FY 2022.

(For Reference) Financial Highlights (Non-Consolidated)

(1) Non-Consolidated Results of Operations

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

	Net sales		Operating profit		Ordinary profit		Profit	
	Mil.¥	%	Mil.¥	%	Mil.¥	%	Mil.¥	%
FY 2023	6,550	△7.4	4,904	△11.4	5,717	3.2	2,089	△44.0
FY 2022	7,072	7.6	5,532	11.8	5,539	11.7	3,729	5.3

	Profit per share (basic)	Profit per share (diluted)
	¥	¥
FY 2023	53.37	53.29
FY 2022	94.30	94.28

(Note) We have conducted the 2-for-1 stock split of its common stock with an effective date of June 1, 2023.

Earnings per share and diluted earnings per share are calculated as if the stock splits had been conducted at the beginning of FY 2022.

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Shareholders' equity per share
	Mil.¥	Mil.¥	%	¥
FY 2023	23,909	22,147	91.7	559.50
FY 2022	29,508	25,582	85.9	648.97

(Note) Shareholder's equity FY 2023 21,937 Mil.¥ FY 2022 25,359 Mil.¥

We have conducted the 2-for-1 stock split of its common stock with an effective date of June 1, 2023.

Earnings per share and diluted earnings per share are calculated as if the stock splits had been conducted at the beginning of FY 2022.

\* This consolidated financial report is not subject to audit procedures by certified public accountants or an auditing firm.

\* Note to forecasts on the consolidated results of operations and other items

Descriptions regarding the future are estimated based on the information that the Company is able to obtain at the present point in time and assumptions which are deemed to be reasonable. However, actual results may be different due to various factors.

The video of the financial results briefing for the FY2023 will be delivered to institutional investors and analysts via the Company's website. The materials used in this video will be posted on the website.

UNITED Consolidated Financial Statements

(1) UNITED Consolidated Balance Sheet

(Unit : Thousands of Yen)

Items of an account	FY 2022	FY 2023
	(As of March 31, 2023)	(As of March 31, 2024)
	Amount	Amount
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	13,370,743	12,985,094
Accounts receivable - trade	1,061,233	967,929
Operational investment securities	11,236,595	7,836,613
Inventories	30,397	33,440
Derivatives	1,942,923	2,263,379
Other	271,640	308,220
Allowance for doubtful accounts	△21,662	△15,324
<b>Total current assets</b>	<b>27,891,871</b>	<b>24,379,354</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	374,423	360,107
Tools, furniture and fixtures	187,144	185,985
Accumulated depreciation	△250,590	△268,911
<b>Total property, plant and equipment</b>	<b>310,977</b>	<b>277,181</b>
<b>Intangible assets</b>		
Goodwill	905,899	76,907
Software	298,369	298,882
Other	1,025	1,025
<b>Total intangible assets</b>	<b>1,205,294</b>	<b>376,815</b>
<b>Investments and other assets</b>		
Investment securities	423,820	1,373,335
Shares of subsidiaries and associates	30,798	9,649
Derivatives	2,088,959	-
Deferred tax assets	95,444	92,551
Leasehold and guarantee deposits	234,840	202,401
Other	36,346	33,790
<b>Total investments and other assets</b>	<b>2,910,211</b>	<b>1,711,728</b>
<b>Total non-current assets</b>	<b>4,426,483</b>	<b>2,365,725</b>
<b>Total assets</b>	<b>32,318,354</b>	<b>26,745,079</b>

Items of an account	FY 2022	FY 2023
	(As of March 31, 2023)	(As of March 31, 2024)
	Amount	Amount
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	739,442	712,498
Short-term borrowings	100,000	100,000
Current portion of long-term borrowings	47,720	6,370
Accounts payable - other	280,608	249,546
Income taxes payable	1,201,741	650,519
Other	408,150	344,529
<b>Total current liabilities</b>	<b>2,777,664</b>	<b>2,063,463</b>
<b>Non-current liabilities</b>		
Long-term borrowings	54,900	51,430
Deferred tax liabilities	2,838,741	1,089,681
<b>Total non-current liabilities</b>	<b>2,893,641</b>	<b>1,141,111</b>
<b>Total liabilities</b>	<b>5,671,305</b>	<b>3,204,575</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	2,923,019	2,923,019
Capital surplus	379,270	452,447
Retained earnings	17,437,075	18,413,837
Treasury shares	△1,068,576	△963,119
<b>Total shareholders' equity</b>	<b>19,670,789</b>	<b>20,826,184</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	3,934,443	914,162
Deferred gains or losses on hedges	2,797,321	1,570,333
<b>Total accumulated other comprehensive income</b>	<b>6,731,764</b>	<b>2,484,495</b>
Share acquisition rights	222,743	210,665
Non-controlling interests	21,751	19,158
<b>Total net assets</b>	<b>26,647,048</b>	<b>23,540,504</b>
<b>Total liabilities and net assets</b>	<b>32,318,354</b>	<b>26,745,079</b>

## (2) UNITED Consolidated Statement of Income

(Unit : Thousands of Yen)

Items of an account	FY 2022 (April 1, 2022 to March 31, 2023)	FY 2023 (April 1, 2023 to March 31, 2024)
	Amount	Amount
Net sales	13,140,387	12,573,853
Cost of sales	4,343,254	4,464,161
Gross profit	8,797,132	8,109,692
Selling, general and administrative expenses	2,973,343	3,250,114
Operating profit	5,823,789	4,859,577
Non-operating income		
Interest and dividend income	132	4,510
Share of profit of entities accounted for using equity method	26,182	-
Foreign exchange gains	-	3,715
Gain on forfeiture of unclaimed dividends	3,252	1,072
Gain on valuation of crypto assets	-	13,425
Gain on reversal of office relocation expense	-	6,270
Received settlement fee	-	2,780
Other	11,377	8,752
Total non-operating income	40,944	40,527
Non-operating expenses		
Interest expenses	2,050	1,923
Share of loss of entities accounted for using equity method	-	21,149
Foreign exchange losses	1,368	-
Commission expenses	1,589	-
Non-deductible consumption tax	-	7,382
Incentive payment	-	37,266
Loss on valuation of crypto assets	3,957	-
Expense related to restricted stock	3,646	-
Other	981	2,593
Total non-operating expenses	13,593	70,315
Ordinary profit	5,851,140	4,829,789
Extraordinary income		
Gain on sale of investment securities	-	23,347
Gain on reversal of share acquisition rights	15,699	-
Transfer of rights income	350,000	-
Total extraordinary income	365,699	23,347
Extraordinary losses		
Loss on retirement of non-current assets	2,717	-
Impairment losses	-	770,075
Office relocation expenses	26,322	-
Loss on liquidation of business	12,267	-
Loss on valuation of investment securities	-	22,743
Loss on sale of shares of subsidiaries and associates	7,722	-
Loss on step acquisitions	-	580
Total extraordinary losses	49,029	793,400
Profit before income taxes	6,167,810	4,059,737
Income taxes - current	2,034,711	1,699,429
Income taxes - deferred	△6,273	△29
Total income taxes	2,028,438	1,699,400
Profit	4,139,372	2,360,336
Loss attributable to non-controlling interests	-	△5,959
Profit attributable to owners of parent	4,139,372	2,366,296

## (3) UNITED Consolidated Statement of Comprehensive Income

(Unit : Thousands of Yen)

Items of an account	FY 2022 (April 1, 2022 to March 31, 2023)	FY 2023 (April 1, 2023 to March 31, 2024)
	Amount	Amount
Profit	4,139,372	2,360,336
Other comprehensive income		
Valuation difference on available-for-sale securities	△5,667,277	△3,020,280
Deferred gains or losses on hedges	△366,426	△1,226,988
Total other comprehensive income	△6,033,704	△4,247,268
Comprehensive income	△1,894,331	△1,886,931
Comprehensive income attributable to owners of parent	△1,894,331	△1,892,891
Comprehensive income attributable to non-controlling interests	-	5,959

## (4) Consolidated Statement of Changes in Equity

FY2022(April 1,2022-March 31,2023)

(Unit:Thousands of Yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of current period	2,923,019	379,270	14,979,955	△ 983,344	17,298,901
Changes of items during period					
Dividends of surplus			△ 796,260		△ 796,260
Profit attributable to owners of parent			4,139,372		4,139,372
Purchase of treasury stock				△ 1,001,405	△ 1,001,405
Disposal of treasury stock		△ 1,425		36,224	34,799
Cancellation of treasury stock		△ 879,948		879,948	-
Transfer from retained earnings to capital surplus		881,374	△ 881,374		-
Decrease in retained earnings due to exclusion of equity method companies			△ 4,617		△ 4,617
Capital increase of consolidated subsidiaries					-
Purchase of shares of consolidated subsidiaries					-
Net changes in items other than shareholders' equity					
Total changes of items during period	-	-	2,457,119	△ 85,231	2,371,888
Balance at the end of current period	2,923,019	379,270	17,437,075	△ 1,068,576	19,670,789

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total accumulated other comprehensive income			
Balance at the beginning of current period	9,601,720	3,163,747	12,765,468	224,154	-	30,288,524
Changes of items during period						
Dividends of surplus						△ 796,260
Profit attributable to owners of parent						4,139,372
Purchase of treasury stock						△ 1,001,405
Disposal of treasury stock						34,799
Cancellation of treasury stock						-
Transfer from retained earnings to capital surplus						-
Decrease in retained earnings due to exclusion of equity method companies						△ 4,617
Capital increase of consolidated subsidiaries						-
Purchase of shares of consolidated subsidiaries						-
Net changes in items other than shareholders' equity	△ 5,667,277	△ 366,426	△ 6,033,704	△ 1,410	21,751	△ 6,013,363
Total changes of items during period	△ 5,667,277	△ 366,426	△ 6,033,704	△ 1,410	21,751	△ 3,641,475
Balance at the end of current period	3,934,443	2,797,321	6,731,764	222,743	21,751	26,647,048

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of current period	2,923,019	379,270	17,437,075	△ 1,068,576	19,670,789
Changes of items during period					
Dividends of surplus			△ 1,389,534		△ 1,389,534
Profit attributable to owners of parent			2,366,296		2,366,296
Purchase of treasury stock					-
Disposal of treasury stock		18,850		105,456	124,306
Cancellation of treasury stock					-
Transfer from retained earnings to capital surplus					-
Decrease in retained earnings due to exclusion of equity method companies					-
Capital increase of consolidated subsidiaries		53,329			53,329
Purchase of shares of consolidated subsidiaries		996			996
Net changes in items other than shareholders' equity					
Total changes of items during period	-	73,176	976,762	105,456	1,155,395
Balance at the end of current period	2,923,019	452,447	18,413,837	△ 963,119	20,826,184

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total accumulated other comprehensive income			
Balance at the beginning of current period	3,934,443	2,797,321	6,731,764	222,743	21,751	26,647,048
Changes of items during period						
Dividends of surplus						△ 1,389,534
Profit attributable to owners of parent						2,366,296
Purchase of treasury stock						-
Disposal of treasury stock						124,306
Cancellation of treasury stock						-
Transfer from retained earnings to capital surplus						-
Decrease in retained earnings due to exclusion of equity method companies						-
Capital increase of consolidated subsidiaries						53,329
Purchase of shares of consolidated subsidiaries						996
Net changes in items other than shareholders' equity	△ 3,020,280	△ 1,226,988	△ 4,247,268	△ 12,077	△ 2,593	△ 4,261,939
Total changes of items during period	△ 3,020,280	△ 1,226,988	△ 4,247,268	△ 12,077	△ 2,593	△ 3,106,544
Balance at the end of current period	914,162	1,570,333	2,484,495	210,665	19,158	23,540,504



## (4) UNITED Consolidated Statements of Cash Flows

(Unit : Thousands of Yen)

Items of an account	FY 2022 (April 1, 2022 to March 31, 2023)	FY 2023 (April 1, 2023 to March 31, 2024)
	Amount	Amount
Cash flows from operating activities		
Profit before income taxes	6,167,810	4,059,737
Depreciation	147,721	151,030
Impairment losses	-	770,075
Amortization of goodwill	182,119	153,540
Share-based payment expenses	54,712	61,772
Increase (decrease) in allowance for doubtful accounts	16,251	△6,337
Interest and dividend income	△132	△4,510
Interest expenses	2,050	1,923
Share of loss (profit) of entities accounted for using equity method	△26,182	21,149
Loss on valuation of investment securities	-	22,743
Loss on sales of shares of subsidiaries and associates	7,722	-
Loss on retirement of non-current assets	2,717	-
Transfer of rights income	△350,000	-
Decrease (increase) in trade receivables	310,145	99,941
Decrease (increase) in operational investment securities	△599,667	△31,066
Increase (decrease) in trade payables	△161,038	△813,381
Other, net	184,276	△189,814
Subtotal	5,938,505	4,296,804
Interest and dividends received	132	4,510
Interest paid	△2,046	△1,797
Income taxes refund (paid)	△1,989,171	△2,214,075
Net cash provided by (used in) operating activities	3,947,418	2,085,441
Cash flows from investing activities		
Purchase of property, plant and equipment	△71,554	△10,830
Purchase of intangible assets	△171,372	△147,636
Purchase of investment securities	△217,308	△1,000,000
Purchase of shares of subsidiaries and associates	△35,000	-
Proceeds from sale of shares of subsidiaries and associates	23,203	-
Purchase of shares of subsidiaries resulting in change in scope of consolidation	△628,776	△34,657
Payments for acquisition of businesses	△100,000	-
Proceeds from transfer of rights	350,000	-
Other, net	11,713	58,682
Net cash provided by (used in) investing activities	△839,095	△1,134,441
Cash flows from financing activities		
Repayments of long-term borrowings	△106,724	△47,820
Purchase of treasury shares	△1,001,405	-
Dividends paid	△794,977	△1,386,807
Proceeds from exercise of employee share options	-	40,286
Proceeds from share issuance to non-controlling shareholders	-	57,696
Other, net	-	△3
Net cash provided by (used in) financing activities	△1,903,106	△1,336,647
Net increase (decrease) in cash and cash equivalents	1,205,216	△385,648
Cash and cash equivalents at beginning of period	12,165,526	13,370,743
Cash and cash equivalents at end of period	13,370,743	12,985,094