

Consolidated Financial Results(Japanese Accounting Standards) for the 3rd Quarter of FY 2014

Company name: UNITED, Inc.
 Stock exchange listing: Tokyo Stock Exchange
 Stock code: 2497
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Scheduled date for filing of securities report: February 4, 2015
 Scheduled date of commencement of dividend payment: —
 Supplementary documents for quarterly results: YES
 Quarterly results briefing: YES (For securities analyst and institutional investors)

(Amounts of less than one million yen are rounded to the nearest million yen)

1. Consolidated Financial Results for the 3rd Quarter of FY 2014 (April 1, 2014 – December 31, 2014)

(1) Consolidated Results of Operations (Accounting Total) (Percentages show year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	Mil.¥	%	Mil.¥	%	Mil.¥	%	Mil.¥	%
3rd Quarter of FY 2014	6,100	40.6	219	—	470	—	708	—
3rd Quarter of FY 2013	4,339	54.9	6	—	18	—	△ 21	—

(Note) Comprehensive income: 897 million yen (- %) for the 3rd Quarter of FY 2014

△ 8 million yen (- %) for the 3rd Quarter of FY 2013

	Earnings per share	Diluted earnings per share
	Yen	Yen
3rd Quarter of FY 2014	30.13	29.96
3rd Quarter of FY 2013	△ 0.94	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Mil.¥	Mil.¥	%
3rd Quarter of FY 2014 (As of December 31, 2014)	10,024	8,424	83.9
Fiscal Year 2013 (As of March 31, 2014)	8,200	7,159	87.0

(Reference) Capital: December 31, 2014: 8,409 million yen March 31, 2014: 7,137 million yen

2. Dividend per share

Record date	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	End of period	Annual dividend
	Yen	Yen	Yen	Yen	Yen
Fiscal Year 2013	—	0.00	—	1.00	1.00
Fiscal Year 2014	—	1.00	—	—	—
Fiscal Year 2014 (expected)	—	—	—	—	—

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

3. Consolidated earnings forecast for fiscal year ending March 2015 (April 1, 2014 to March 31, 2015)

The consolidated earnings forecast for this period has not been included due to difficulties conducting reasonable calculations of the earnings forecast.

***Notes**

- (1) Changes of important subsidiaries during the period
(Changes of specific subsidiaries in accordance with changes in the scope of consolidation):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 standard: | 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 stock):
- | | |
|--|-------------------|
| (i) Number of shares outstanding at end of period (including treasury stock) | |
| As of December 31, 2014: | 23,588,996 shares |
| As of March 31, 2014: | 23,370,034 shares |
| (ii) Number of treasury stock at end of period | |
| As of December 31, 2014: | 7,311 shares |
| As of March 31, 2014: | 7,061 shares |
| (iii) Average number of shares outstanding during the term | |
| 3rd Quarter of FY 2014: | 23,525,953 shares |
| 3rd Quarter of FY 2013: | 22,560,509 shares |

***Status of a quarterly review**

- This financial summary does not need to undergo a quarterly review under the Financial Instruments an Exchange Act. Procedures for a quarterly review of the consolidated financial statements are being followed at the time of the announcement of this financial summary.

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

- The forward-looking statements such as result forecasts included in this document are based on the information available to the Company at the time of the announcement and on certain assumptions considered resonable, and the Company makes no representations as to their achievability. Actual results may differ materially from the forecast depending on a range of factors.
- We will hold a quarterly results briefing for institutional investors and analyst on February 4, 2015. For material that are distributed in this briefing, it will be posted on our website.

UNTIED Consolidated Financial Statements
(1) UNTIED Consolidated Balance Sheets

(Unit: Thousands of Yen)

Items of an account	FY2013 (As of March 31, 2014)	3rd Quarter of FY2014 (As of December 31, 2014)
	Amount	Amount
Assets		
Current assets		
Cash and deposits	5,096,046	5,303,858
Notes and accounts receivable – trade	1,063,987	1,512,127
Operational investment securities	973,316	1,998,241
Inventories	32,792	42,801
Other	79,082	94,711
Allowance for doubtful accounts	-5,386	-5,795
Total current assets	7,239,839	8,945,944
Non-current assets		
Property, plant and equipment	86,221	76,527
Intangible assets		
Goodwill	3,424	5,990
Other	120,960	104,378
Total intangible assets	124,385	110,369
Investments and other assets		
Investment securities	456,724	575,948
Stocks of subsidiaries and affiliates	194,444	209,123
Other	108,035	121,892
Allowance for doubtful accounts	-9,373	-15,684
Total investments and other assets	749,830	891,280
Total non-current assets	960,437	1,078,177
Total assets	8,200,276	10,024,121
Liabilities		
Current liabilities		
Accounts payable – trade	654,441	1,009,300
Short-term loans payable	100,000	100,000
Current portion of long-term loans payable	530	—
Income taxes payable	37,259	80,513
Provision for point card certificates	45,261	41,092
Other	202,800	368,358
Total current liabilities	1,040,293	1,599,264
Non-current liabilities		
Other	52	72
Total non-current liabilities	52	72
Total liabilities	1,040,346	1,599,337
Net assets		
Shareholders' equity		
Capital stock	2,696,846	2,906,480
Capital surplus	2,813,562	3,023,197
Retained earnings	1,517,697	2,179,546
Treasury shares	-2,310	-2,818
Total shareholders' equity	7,025,796	8,106,405
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	110,968	221,988
Foreign currency translation adjustment	1,135	80,686
Total accumulated other comprehensive income	112,104	302,675
Subscription rights to shares	21,687	13,306
Minority interests	342	2,397
Total net assets	7,159,930	8,424,784
Total liabilities and net assets	8,200,276	10,024,121

(2)UNITED Consolidated Statements of Income

(Unit:Thousands of Yen)

Items of an account	3rd Quarter of FY2013 (April 1,2013 to December 31,2013)	3rd Quarter of FY2014 (April 1,2014 to December 31,2014)
	Amount	Amount
Net sales	4,339,826	6,100,724
Cost of sales	3,159,379	4,583,241
Gross profit	1,180,447	1,517,483
Selling, general and administrative expenses	1,174,269	1,297,893
Operating income (loss)	6,177	219,589
Non-operating income		
Interest income	2,490	2,262
Dividend income	1	1
Share of profit of entities accounted for using equity method	12,099	249,265
Other	6,959	3,685
Total non-operating income	21,550	255,214
Non-operating expenses		
Interest expenses	1,240	1,129
Share issuance cost	6,727	1,353
Other	1,396	1,991
Total non-operating expenses	9,364	4,474
Ordinary income (loss)	18,363	470,328
Extraordinary income		
Gain on sales of investment securities	—	380,275
Gain on reversal of subscription rights to shares	2,197	102
Gain on change in equity	151	—
Gain on sales of shares of subsidiaries and associates	7,308	—
Gain on reversal of asset retirement obligations	8,000	—
Total extraordinary income	17,657	380,377
Extraordinary losses		
Loss on retirement of non-current assets	3,239	20,659
Loss on change in equity	844	2,483
Loss on liquidation of subsidiaries and associates	—	38,037
Office transfer expenses	2,689	—
Loss on valuation of investment securities	2,998	—
Impairment loss	17,749	—
Total extraordinary losses	27,520	61,180
Income (loss) before income taxes and minority interests	8,501	789,525
Income taxes – current	33,060	83,086
Total income taxes	33,060	83,086
Income (loss) before minority interests	-24,559	706,439
Minority interests in income (loss)	-3,366	-2,339
Net income (loss)	-21,192	708,779

(3)UNITED Consolidated Statements of Comprehensive Income

(Unit:Thousands of Yen)

Items of an account	3rd Quarter of FY2013 (April 1,2013 to December 31,2013)	3rd Quarter of FY2014 (April 1,2014 to December 31,2014)
	Amount	Amount
Income (loss) before minority interests	-24,559	706,439
Other comprehensive income		
Valuation difference on available-for-sale securities	26,378	115,771
Foreign currency translation adjustment	1,823	79,550
Share of other comprehensive income of entities accounted for using equity method	-11,659	-4,723
Total other comprehensive income	16,543	190,598
Comprehensive income	-8,016	897,038
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	-4,711	899,350
Comprehensive income attributable to minority interests	-3,304	-2,311