

## What Is the Medium-Term Management Plan, Project 343?

The medium-term management plan, Project 343, is the USS Group's growth scenario that involves achieving three goals (putting 3 million vehicles up for auction annually, having a market share of 40%, and earning

consolidated ordinary income of ¥30 billion) by the fiscal year ending March 31, 2009, accelerating growth further to become the leading company in the market, and increasing corporate value.

	Results for fiscal year ended March 31, 2007	Goals for fiscal year ending March 31, 2009
Number of vehicles handled annually	2.84 million vehicles	3 million vehicles
Market share	33.7%	40%
Consolidated ordinary income	¥25.36 billion	¥30 billion

### Number of Vehicles Handled Annually

#### Benefiting from the Expansion of the Auction Market, We Are Close to Reaching Our Goals

Within the vehicle distribution market in the fiscal year under review, new vehicles registrations dropped 4.1% in comparison with the previous period, and used vehicle registrations declined 4.3%, while the number of vehicles up for auction in the auction market increased 3.8%, to

8.42 million. The number of vehicles put up for auction by the USS Group during the fiscal year under review benefited from this expansion in the auction market, rising 6.7% in comparison with the previous period, to 2.84 million, drawing near to the goal of 3 million vehicles.

### Market Share

#### Accelerating the Strategy of Having the No. 1 Auction Site in Each Local Market, and Increasing Market Share

The USS Group has separated the domestic market into seven geographical areas, and pursues a strategy of striving for the position of No. 1 auction site in each local market. During the fiscal year under review, the Group strengthened its regional share in the Kansai region, where it has lagged comparatively. It also made a major

foray into the Sea of Japan coastal area, where no auction sites existed previously, building new auction sites and expanding existing sites to move forward with the strategy of striving for the position of No. 1 auction site in each local market, taking concrete steps to boost market share.

### Consolidated Ordinary Income

#### Pushing toward Our Goal by Maximizing the Direct Link between Increases in Scale and Profit

The business model employed by the USS Group via its auction activities is fundamentally a fee-based model without stock, and a characteristic of the model is that increases in the scale of business link directly to profits. Ordinary income for the fiscal year under review

benefited from an expansion in the number of vehicles handled annually and the increase in market share, recording a rise of 7.7% in comparison with the previous year to ¥25.36 billion, coming within close range of our stated target of ¥30 billion.