

## Consolidated Balance Sheets

USS Co., Ltd. and Subsidiaries  
March 31, 2007 and 2006

Assets	Millions of Yen		Thousands of U.S. Dollars
	2007	2006	2007
<b>Current assets:</b>			
Cash and cash equivalents .....	¥ 21,150	¥ 19,495	\$ 179,237
Short-term investments (Note 5) .....	—	500	—
Receivables:			
Due from member dealers at auction (Note 4) .....	14,983	10,845	126,975
Trade and other accounts .....	2,413	1,534	20,449
Allowance for doubtful accounts .....	(47)	(37)	(398)
Total receivables .....	17,349	12,342	147,026
Inventories (Note 6) .....	1,062	762	9,000
Deferred tax assets (Note 12) .....	962	710	8,153
Other current assets .....	544	530	4,609
Total current assets .....	41,067	34,339	348,025
<b>Property and equipment, at cost:</b>			
Land .....	48,910	45,032	414,492
Buildings and structures .....	51,350	45,589	435,169
Vehicles and equipment .....	13,408	12,052	113,627
Construction in progress .....	1,519	201	12,873
Total .....	115,187	102,874	976,161
Less, accumulated depreciation .....	(22,711)	(18,012)	(192,466)
Total .....	92,476	84,862	783,695
<b>Investments and other assets:</b>			
Investment securities (Note 5) .....	1,439	1,840	12,195
Intangible assets (Note 7) .....	3,706	4,021	31,407
Deferred tax assets (Note 12) .....	623	557	5,280
Deferred tax assets for revaluation .....	3,359	3,350	28,466
Investment property .....	1,720	1,723	14,576
Other assets .....	1,900	1,605	16,102
Allowance for doubtful accounts .....	(118)	(388)	(1,000)
Total .....	12,629	12,708	107,026
Total assets .....	¥146,172	¥131,909	\$1,238,746

See accompanying Notes to Consolidated Financial Statements.

Total Liabilities and Equity	Millions of Yen		Thousands of U.S. Dollars
	2007	2006	2007
<b>Current liabilities:</b>			
Short-term borrowings (Note 8).....	¥ —	¥ 700	\$ —
Current portion of long-term debt (Note 8) .....	2,306	1,500	19,542
Payables:			
Due to member dealers at auction (Notes 4 and 13) .....	16,811	12,422	142,466
Trade and other accounts .....	3,500	2,502	29,661
Total payables .....	20,311	14,924	172,127
Deposits received in advance .....	2,823	2,813	23,924
Accrued expenses .....	922	723	7,814
Income taxes payable.....	5,945	5,389	50,381
Other current liabilities.....	203	442	1,720
Total current liabilities .....	32,510	26,491	275,508
<b>Long-term debt (Note 8) .....</b>	<b>3,049</b>	<b>3,000</b>	<b>25,839</b>
<b>Guarantee deposits received from member dealers .....</b>	<b>3,617</b>	<b>3,402</b>	<b>30,653</b>
<b>Employee retirement benefit liability (Note 9) .....</b>	<b>115</b>	<b>95</b>	<b>975</b>
<b>Accrued directors' and corporate auditors' severance indemnities .....</b>	<b>422</b>	<b>382</b>	<b>3,576</b>
<b>Deferred tax liabilities for revaluation .....</b>	<b>471</b>	<b>471</b>	<b>3,991</b>
Total liabilities.....	40,184	33,841	340,542
<b>Equity (Note 10):</b>			
Common stock.....	18,582	—	157,475
Capital surplus.....	27,692	—	234,678
Retained earnings .....	69,237	—	586,754
Treasury stock, at cost.....	(5,770)	—	(48,898)
Total shareholders' equity.....	109,741	—	930,009
Other components of equity .....	(4,756)	—	(40,305)
Minority interests.....	1,003	—	8,500
Total equity .....	105,988	—	898,204
Total liabilities and equity.....	¥146,172	—	\$1,238,746
<b>Minority interests .....</b>	<b>—</b>	<b>676</b>	<b>—</b>
<b>Shareholders' equity (Note 10):</b>			
Common stock.....	—	18,250	—
Capital surplus.....	—	27,360	—
Retained earnings .....	—	58,141	—
Land revaluation decrement .....	—	(4,980)	—
Net unrealized gains on available-for-sale securities .....	—	389	—
Treasury stock, at cost.....	—	(1,768)	—
Total shareholders' equity.....	—	97,392	—
Total liabilities, minority interests and shareholders' equity.....	—	¥131,909	—

## Consolidated Statements of Income

USS Co., Ltd. and Subsidiaries

For the Years Ended March 31, 2007 and 2006

	Millions of Yen		Thousands of U.S. Dollars
	2007	2006	2007
<b>Operating revenue</b> (Notes 13 and 14).....	<b>¥64,569</b>	¥60,243	<b>\$547,195</b>
<b>Operating costs and expenses</b> (Note 14):			
Costs of revenue.....	<b>27,581</b>	25,794	<b>233,737</b>
Selling, general and administrative expenses.....	<b>12,171</b>	11,345	<b>103,144</b>
	<b>39,752</b>	37,139	<b>336,881</b>
Operating income.....	<b>24,817</b>	23,104	<b>210,314</b>
<b>Other income (expenses):</b>			
Interest and dividend income.....	<b>26</b>	17	<b>220</b>
Interest expense.....	<b>(49)</b>	(56)	<b>(416)</b>
Gain (loss) on sale or disposal of property and equipment.....	<b>116</b>	(622)	<b>983</b>
Gain on sale of investment securities.....	—	570	—
Impairment loss on fixed assets.....	<b>(13)</b>	(27)	<b>(110)</b>
Loss on legal settlement.....	—	(408)	—
Other, net.....	<b>522</b>	474	<b>4,424</b>
	<b>602</b>	(52)	<b>5,101</b>
Income before income taxes and minority interests.....	<b>25,419</b>	23,052	<b>215,415</b>
<b>Income taxes</b> (Note 12).....	<b>10,700</b>	9,643	<b>90,678</b>
<b>Less, minority interests in net income of subsidiaries</b> .....	<b>328</b>	205	<b>2,779</b>
Net income.....	<b>¥14,391</b>	¥13,204	<b>\$121,958</b>
		Yen	U.S. Dollars
<b>Per share:</b>			
Net income:			
—Basic.....	<b>¥447.12</b>	¥407.08	<b>\$3.79</b>
—Diluted.....	<b>446.62</b>	406.03	<b>3.78</b>
Cash dividends.....	<b>100.00</b>	80.00	<b>0.85</b>

See accompanying Notes to Consolidated Financial Statements.

## Consolidated Statements of Changes in Equity

USS Co., Ltd. and Subsidiaries

For the Years Ended March 31, 2007 and 2006

	Number of common shares issued	Common stock	Capital surplus	Retained earnings	Land revaluation decrement	Net unrealized gains on available- for-sale securities	Treasury stock	Total shareholders' equity
<b>Balance at March 31, 2005</b> .....	31,981,969	¥17,580	¥24,756	¥47,168	¥(4,916)	¥301	¥ (11)	¥84,878
Net income for the year .....	—	—	—	13,204	—	—	—	13,204
Issuance of common shares upon exercise of stock options .....	129,270	354	354	—	—	—	—	708
Conversion of convertible bonds .....	135,573	316	315	—	—	—	—	631
Stock issued under stock-for-stock exchange transaction (Note 3) .....	240,120	—	1,935	—	—	—	—	1,935
Cash dividends .....	—	—	—	(2,173)	—	—	—	(2,173)
Bonuses to directors and corporate auditors .....	—	—	—	(56)	—	—	—	(56)
Reversal of land revaluation decrement .....	—	—	—	(2)	2	—	—	—
Adjustments for applicable income taxes .....	—	—	—	—	(66)	—	—	(66)
Net change in unrealized gains on available-for-sale securities, net of applicable income taxes .....	—	—	—	—	—	88	—	88
Purchases of treasury stock and fractional shares, net .....	—	—	—	—	—	—	(1,757)	(1,757)
<b>Balance at March 31, 2006</b> .....	<b>32,486,932</b>	<b>¥18,250</b>	<b>¥27,360</b>	<b>¥58,141</b>	<b>¥(4,980)</b>	<b>¥389</b>	<b>¥(1,768)</b>	<b>¥97,392</b>
		Shareholders' equity						
	Number of common shares issued	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity		
	Millions of Yen							
<b>Balance at March 31, 2006</b> .....	<b>32,486,932</b>	<b>¥18,250</b>	<b>¥27,360</b>	<b>¥58,141</b>	<b>¥(1,768)</b>	<b>¥101,983</b>		
Net income for the year .....	—	—	—	14,391	—	14,391		
Issuance of common shares upon exercise of stock options .....	117,130	332	332	—	—	664		
Cash dividends .....	—	—	—	(3,144)	—	(3,144)		
Bonuses to directors and corporate auditors .....	—	—	—	(74)	—	(74)		
Purchases of treasury stock and fractional shares, net .....	—	—	—	(77)	(4,002)	(4,079)		
Net changes other than shareholders' equity for the year .....	—	—	—	—	—	—		
<b>Balance at March 31, 2007</b> .....	<b>32,604,062</b>	<b>¥18,582</b>	<b>¥27,692</b>	<b>¥69,237</b>	<b>¥(5,770)</b>	<b>¥109,741</b>		
		Other components of equity						
		Net unrealized gains on available- for-sale securities	Land revaluation decrement	Total other components of equity	Minority interests	Total equity		
	Millions of Yen							
<b>Balance at March 31, 2006</b> .....		<b>¥389</b>	<b>¥(4,980)</b>	<b>¥(4,591)</b>	<b>¥ 676</b>	<b>¥ 98,068</b>		
Net income for the year .....		—	—	—	—	14,391		
Issuance of common shares upon exercise of stock options .....		—	—	—	—	664		
Cash dividends .....		—	—	—	—	(3,144)		
Bonuses to directors and corporate auditors .....		—	—	—	—	(74)		
Purchases of treasury stock and fractional shares, net .....		—	—	—	—	(4,079)		
Net changes other than shareholders' equity for the year .....		(166)	1	(165)	327	162		
<b>Balance at March 31, 2007</b> .....		<b>¥223</b>	<b>¥(4,979)</b>	<b>¥(4,756)</b>	<b>¥1,003</b>	<b>¥105,988</b>		

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
	Thousands of U.S. Dollars				
<b>Balance at March 31, 2006</b> .....	<b>\$154,661</b>	<b>\$231,864</b>	<b>\$492,720</b>	<b>\$(14,983)</b>	<b>\$864,262</b>
Net income for the year .....	—	—	121,958	—	121,958
Issuance of common shares upon exercise of stock options .....	2,814	2,814	—	—	5,628
Cash dividends .....	—	—	(26,644)	—	(26,644)
Bonuses to directors and corporate auditors .....	—	—	(627)	—	(627)
Purchases of treasury stock and fractional shares, net .....	—	—	(653)	(33,915)	(34,568)
Net changes other than shareholders' equity for the year .....	—	—	—	—	—
<b>Balance at March 31, 2007</b> .....	<b>\$157,475</b>	<b>\$234,678</b>	<b>\$586,754</b>	<b>\$(48,898)</b>	<b>\$930,009</b>

	Other components of equity				
	Net unrealized gains on available-for-sale securities	Land revaluation decrement	Total other components of equity	Minority interests	Total equity
	Thousands of U.S. Dollars				
<b>Balance at March 31, 2006</b> .....	<b>\$3,297</b>	<b>\$(42,203)</b>	<b>\$(38,906)</b>	<b>\$5,729</b>	<b>\$831,085</b>
Net income for the year .....	—	—	—	—	121,958
Issuance of common shares upon exercise of stock options .....	—	—	—	—	5,628
Cash dividends .....	—	—	—	—	(26,644)
Bonuses to directors and corporate auditors .....	—	—	—	—	(627)
Purchases of treasury stock and fractional shares, net .....	—	—	—	—	(34,568)
Net changes other than shareholders' equity for the year .....	(1,407)	8	(1,399)	2,771	1,372
<b>Balance at March 31, 2007</b> .....	<b>\$1,890</b>	<b>\$(42,195)</b>	<b>\$(40,305)</b>	<b>\$8,500</b>	<b>\$898,204</b>

See accompanying Notes to Consolidated Financial Statements.

## Consolidated Statements of Cash Flows

USS Co., Ltd. and Subsidiaries

For the Years Ended March 31, 2007 and 2006

	Millions of Yen		Thousands of U.S. Dollars
	2007	2006	2007
<b>Cash flows from operating activities:</b>			
Income before income taxes and minority interests.....	¥ 25,419	¥ 23,052	\$ 215,415
Adjustments for:			
Depreciation and amortization .....	5,254	4,199	44,525
(Gain) loss on sale or disposal of property and equipment .....	(116)	622	(983)
Impairment loss on fixed assets .....	13	27	110
Net change in amounts due from/to member dealers at auction.....	248	852	2,102
(Decrease) increase in deposits received in advance .....	(18)	1,411	(153)
Other, net.....	564	(221)	4,781
Sub-total.....	31,364	29,942	265,797
Interest and dividend received.....	15	16	127
Interest paid .....	(49)	(57)	(415)
Legal settlement paid .....	—	(408)	—
Income taxes paid .....	(10,320)	(8,625)	(87,458)
Net cash provided by operating activities.....	21,010	20,868	178,051
<b>Cash flows from investing activities:</b>			
Payments for purchases of property and equipment .....	(13,186)	(12,739)	(111,746)
Increase in long-term investments and other assets.....	(892)	(523)	(7,559)
Decrease in property, long-term investments and other assets.....	704	1,189	5,966
Decrease (increase) in short-term investments.....	500	(354)	4,237
Other.....	335	279	2,839
Net cash used in investing activities .....	(12,539)	(12,148)	(106,263)
<b>Cash flows from financing activities:</b>			
Increase in long-term debt .....	2,450	2,000	20,763
Repayment of long-term debt .....	(1,844)	(3,209)	(15,627)
Net change in short-term borrowings .....	(610)	(625)	(5,169)
Net increase in guarantee deposits received from member dealers .....	194	245	1,643
Issuance of common stock .....	664	708	5,627
Payments for purchase of treasury stock.....	(4,526)	(2,017)	(38,356)
Dividends paid.....	(3,144)	(2,173)	(26,644)
Other.....	—	173	—
Net cash used in financing activities.....	(6,816)	(4,898)	(57,763)
Net increase in cash and cash equivalents .....	1,655	3,822	14,025
Cash and cash equivalents at beginning of year .....	19,495	15,673	165,212
Cash and cash equivalents at end of year .....	¥21,150	¥19,495	\$179,237

See accompanying Notes to Consolidated Financial Statements.