



Semi-annual Consolidated Earning Results for Fiscal 2005

November 22, 2005

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1. Semi-annual Consolidated Results for Fiscal 2005 (April 1, 2005 –September 30, 2005)

(1) Consolidated Operating Results (millions of yen)

	Operating revenues	Operating income	Recurring profit
Six months ended Sep.30, 2005	29,328	11,194	11,332
Six months ended Sep.30, 2004	23,858	10,332	10,497
Year ended March 31, 2005	50,484	20,673	21,096

	Net income	Net income per share (yen)	Diluted net income per share (yen)
Six months ended Sep.30, 2005	6,517	202.61	201.89
Six months ended Sep.30, 2004	5,957	192.54	186.29
Year ended March 31, 2005	11,814	377.69	366.03

(2) Consolidated Financial Position (millions of yen)

	Total assets	Shareholders' equity	Equity ratio (%)	Shareholders' equity per share (yen)
As of Sep.30, 2005	126,006	93,293	74.0	2,877.66
As of Sep.30, 2004	100,039	73,463	73.4	2,370.43
As of March 31, 2005	115,704	84,877	73.4	2,652.32

(3) Consolidated Cash Flows (millions of yen)

	Operating activities	Investing activities	Financing activities	Cash and cash equivalents at the end of the period
Six months ended Sep.30, 2005	8,723	(5,902)	(589)	17,903
Six months ended Sep.30, 2004	7,075	(7,725)	(1,008)	13,460
Year ended March 31, 2005	16,296	(18,596)	2,382	15,672

(4) Information Regarding Scope of Consolidation and Application of Equity Method

Consolidated subsidiaries: 16

Non-consolidated subsidiaries accounted for by the equity method: 0

Affiliates accounted for by the equity method: 0

(5) Change in Scope of Consolidation and Application of Equity Method

Consolidated subsidiaries

New: 1

Excluded: 0

Subsidiaries accounted for by the equity method

New: 0

Excluded: 0

2. Consolidated Outlook for Fiscal 2005 (April 1, 2005 – March 31, 2006)

(millions of yen)

	Operating revenues	Recurring profit	Net income
For the year	61,000	22,900	12,500

Reference: Projected net income per share: ¥383.84

Consolidated Financial Statements

1. Consolidated Balance Sheets

(millions of yen)

	As of Sep.30, 2004		As of Sep.30, 2005		As of March 31, 2005	
		%		%		%
Assets						
Current assets:						
Cash and cash equivalents	13,521		17,903		15,818	
Receivables due from member dealers at auction	8,297		9,732		8,847	
Trade notes and accounts receivables	317		722		296	
Inventories	571		721		722	
Other current assets	1,696		2,252		1,848	
Allowance for doubtful accounts	(72)		(50)		(50)	
Total current assets	24,332	24.3	31,281	24.8	27,483	23.8
Fixed Assets:						
Property and equipment						
Buildings and structures	19,071		32,741		26,803	
Land	35,787		44,377		43,188	
Construction in progress	9,357		1,462		3,390	
Other property and equipment	1,724		2,808		2,105	
Total property and equipment	65,940	65.9	81,390	64.6	75,488	65.2
Intangible assets						
Excess of cost of investments in consolidated subsidiaries over the fair value of net assets	196		3,482		3,100	
Other intangible assets	688		790		709	
Total intangible assets	885	0.9	4,272	3.4	3,809	3.3
Investments and other assets						
Investments and other assets	9,372		9,536		9,230	
Allowance for doubtful accounts	(491)		(474)		(307)	
Total investments and other assets	8,881	8.9	9,061	7.2	8,923	7.7
Total fixed assets	75,706	75.7	94,724	75.2	88,221	76.2
Total assets	100,039	100.0	126,006	100.0	115,704	100.0

(millions of yen)

	As of Sep.30, 2004		As of Sep.30, 2005		As of March 31, 2005	
		%		%		%
Liabilities and Shareholders' Equity						
Current Liabilities:						
Payables due to member dealers at auction	8,560		11,571		9,573	
Bonds payable due within one year	100		200		200	
Short-term borrowings	1,659		3,385		3,659	
Income taxes payable	4,180		4,897		4,517	
Allowance for bonus	259		332		302	
Other current liabilities	3,535		3,847		4,434	
Total current liabilities	18,296	18.3	24,234	19.2	22,687	19.6
Long-term debt:						
Bond	200		-		-	
Convertible bond	3,172		-		631	
Long-term borrowings	988		3,750		3,000	
Employee retirement benefit liability	97		114		76	
Accrued severance indemnities for officers	330		368		349	
Guarantee deposits received from member dealers	2,910		3,314		3,157	
Other long-term debt	-		470		-	
Total long-term debt	7,699	7.7	8,017	6.4	7,214	6.2
Total liabilities	25,996	26.0	32,252	25.6	29,901	25.8
Minority interests in consolidated subsidiaries						
Minority interests in consolidated subsidiaries	579	0.6	460	0.4	925	0.8
Shareholders' Equity						
Common stock	16,030	16.0	18,063	14.3	17,580	15.1
Additional paid-in capital	20,019	20.0	27,173	21.6	24,755	21.4
Retained earnings	42,283	42.3	52,509	41.7	47,167	40.8
Land revaluation decrement	(5,024)	(5.0)	(4,981)	(4.0)	(4,915)	(4.2)
Net unrealized gains on securities	165	0.1	539	0.4	300	0.3
Treasury stock	(9)	(0.0)	(11)	(0.0)	(11)	(0.0)
Total shareholders' equity	73,463	73.4	93,293	74.0	84,877	73.4
Total liabilities, minority interests and shareholders' equity	100,039	100.0	126,006	100.0	115,704	100.0

2 . Consolidated Statements of Income

(millions of yen)

	Six Months Ended Sep.30, 2004			Six Months Ended Sep.30, 2005			Year Ended March 31, 2005		
			%			%			%
Operating Revenues	23,858		100.0	29,328		100.0	50,484		100.0
Costs of revenues	8,957		37.6	12,479		42.5	19,988		39.6
Gross profit	14,901		62.4	16,849		57.5	30,496		60.4
Selling, general and administrative expenses:									
Advertising	616			656			1,551		
Sales promotion expenses	616			682			1,263		
Provision for doubtful accounts	16			10			16		
Remuneration for directors and statutory auditors	154			168			319		
Employee salaries and bonuses	1,331			1,551			2,864		
Provision for bonuses	147			170			157		
Depreciation	128			166			305		
Amortization of excess of cost of investments in consolidated subsidiaries over the fair value of net assets	40			234			81		
Other	1,516	4,568	19.1	2,013	5,655	19.3	3,262	9,823	19.5
Operating income	10,332		43.3	11,194		38.2	20,673		40.9
Non-operating Income:									
Interest and dividend income	4			5			8		
Lease of real estate	75			67			78		
Compensation received	7			11			18		
Commission earned	30			8			50		
Other income	111	229	1.0	94	187	0.6	383	538	1.1
Non-operating Expenses:									
Interest expenses	28			31			59		
Fees on syndicated loans	7			1			23		
Other expenses	28	65	0.3	15	49	0.2	32	115	0.2
Recurring profit	10,497		44.0	11,332		38.6	21,096		41.8

(millions of yen)

	Six Months Ended Sep.30, 2004			Six Months Ended Sep.30, 2005			Year Ended March 31, 2005		
			%			%			%
Extraordinary gains:									
Gain on sales of property and equipment	199			118			205		
Reversal of allowance for doubtful accounts	22			18			59		
Gain on sales of investment securities	54			36			54		
Gain on prior year adjustments	46			-			46		
Other extraordinary gains	-	323	1.4	4	178	0.6	-	366	0.7
Extraordinary losses:									
Loss on sales of property and equipment	1			0			35		
Loss on disposal of property and equipment	22			32			89		
Severance pay for directors and statutory auditors	15			12			15		
Impairment loss	410			27			556		
Loss on write-down of investment securities	-			-			98		
Other extraordinary losses	29	478	2.0	-	72	0.2	56	850	1.7
Income before income taxes and minority interests		10,342	43.4		11,438	39.0		20,612	40.8
Income taxes	4,215			4,809			8,492		
Deferred tax	79	4,295	18.0	(52)	4,756	16.2	110	8,602	17.0
Minority interest in net income of consolidated subsidiaries		89	0.4		164	0.6		194	0.4
Net income		5,957	25.0		6,517	22.2		11,814	23.4

3 . Statements of Consolidated Retained Earnings

(millions of yen)

	Six Months Ended Sep.30, 2004		Six Months Ended Sep.30, 2005		Year Ended March. 31, 2005	
Balance at beginning of period		37,264		47,167		37,264
Appropriations						
Cash dividends	770		1,119		1,700	
Bonuses to directors and statutory auditors	45		55		45	
Decrease in retained earnings due to the change of scope of equity method	0		-		0	
Reversal of land revaluation decrement	121	938	-	1,175	164	1,911
Net income	5,957	5,957	6,517	6,517	11,814	11,814
Balance at end of period		42,283		52,509		47,167

4 . Consolidated Statements of Cash Flows

(millions of yen)

	Six Months Ended Sep.30,2004	Six Months Ended Sep.30,2005	Year Ended March 31,2005
Cash flows from operating activities:			
Income before income taxes	10,342	11,438	20,612
Adjustments for:	1,141	1,761	2,968
Depreciation and amortization			
Impairment loss	410	27	556
Amortization of excess of cost of investments in consolidated subsidiaries over the fair value of net assets	40	234	81
Increase (decrease) in allowance for doubtful accounts	18	(5)	(190)
Increase in allowance for bonus	4	13	24
Increase (decrease) in employee retirement benefit liability	(0)	(24)	(21)
Increase (decrease) in allowance for loss on contingency	(52)	-	(52)
Increase in accrued severance indemnities for officers	9	12	28
Interest and dividend income	(7)	(5)	(12)
Interest expense	28	31	59
Gain on sales of investment securities	(54)	(36)	(54)
Loss (gain) on sale and disposal of property and equipment	(175)	(95)	(84)
Loss on sale and disposal of intangible assets	-	-	0
Net change in due from/to member dealers at auction	778	1,113	1,247
Increase (decrease) in trade notes and accounts receivables	134	(82)	154
Increase (decrease) in deposits received	(161)	(309)	112
Bonuses paid to directors and statutory auditors	(48)	(58)	(48)
Other, net	(498)	(834)	(285)
Sub-total	11,909	13,179	25,095
Interest and dividend received	7	5	12
Interest paid	(28)	(32)	(59)
Income taxes paid	(4,812)	(4,429)	(8,752)
Net cash provided by operating activities	7,075	8,723	16,296

(millions of yen)

	Six Months Ended Sep.30,2004	Six Months Ended Sep.30,2005	Year Ended March 31,2005
Cash flows from investing activities			
Net (increase) decrease in time deposits	(11)	146	(96)
Acquisition of property and equipment	(7,958)	(6,200)	(18,766)
Proceeds from sale of property and equipment	369	12	589
Purchase of intangible assets	(48)	(153)	(140)
Proceeds from sale of intangible assets	3	-	3
Payments for purchase of investment securities	(0)	(0)	(21)
Proceeds from sale of investment securities	104	107	104
Increase in long-term prepaid expenses	(13)	(3)	(45)
Purchase of shares of consolidated subsidiary	(225)	-	(225)
Proceeds from purchase of shares of new consolidated subsidiary	-	122	-
Other, net	56	66	1
Net cash used in investing activities	(7,725)	(5,902)	(18,596)
Cash flows from financing activities			
Net increase (decrease) in short-term borrowings	188	(314)	628
Proceeds from long-term debt	-	2,000	4,000
Repayments of long-term debt	(884)	(1,384)	(1,727)
Proceeds from guarantee deposits received from member dealers	149	205	306
Repayment of guarantee deposits received from member dealers	(32)	(48)	(77)
Payments for redemption of bond	-	-	(100)
Issuance of new shares	343	334	901
Proceeds from issuance of shares of consolidated subsidiary	-	-	155
Proceeds from the purchases of treasury stock of consolidated subsidiary	-	(260)	-
Payments for the purchases of treasury stock	(1)	(0)	(2)
Dividends paid	(770)	(1,119)	(1,700)
Dividends paid for minority shareholders	(2)	(2)	(2)
Net cash (used in) provided by financing activities	(1,008)	(589)	2,382
Increase (decrease) in cash and cash equivalents	(1,658)	2,230	82
Cash and cash equivalents at beginning of period	15,119	15,672	15,119
Increase in cash and cash equivalents upon inclusion of new consolidated subsidiary resulting from stock exchange transaction	-	-	470
Cash and cash equivalents at end of period	13,460	17,903	15,672