



September 28, 2009

Dear Shareholders and Investors:

USS Co., Ltd.  
President and CEO: Yukihiro Ando  
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Stock exchange listings: Tokyo and Nagoya (first sections)  
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Junior Managing Director, Officer, Supervisory Office

#### Announcement of Merger of Two Subsidiaries

USS Fujioka Co., Ltd. and USS Gunma Co., Ltd., both of which are wholly owned subsidiaries of USS Co., Ltd., will merge on November 1, 2009. Details are as follows.

##### 1. Description of merger

###### (1) Merger method

USS Fujioka will absorb USS Gunma. As a result, USS Fujioka will be the surviving company after the merger and USS Gunma will be dissolved.

###### (2) Merger ratio and payment

There is no need to determine a merger ratio because both companies are wholly owned subsidiaries of USS.

###### (3) Summary of accounting treatment of merger

Under business combination accounting, this merger will be treated as a transaction between companies under common control. There will be no effect on the earnings of USS.

## 2. Profiles of companies to merge

Name	USS Fujioka Co., Ltd. (surviving company)	USS Gunma Co., Ltd. (company to be dissolved)
Activities	Operation of automobile auctions	Operation of automobile auctions
Established	June 17, 1997	December 12, 1997
Head office	58 Naka, Fujioka, Gunma	387 Naka, Fujioka, Gunma
Representative	Yukihiro Ando, President and Representative Director	Eiichi Arai, President and Representative Director
Capital	109.6 million yen	250 million yen
Fiscal year end	March 31	March 31
Shareholder	USS Co., Ltd. (100%)	USS Co., Ltd. (100%)

Note: USS Fujioka became a wholly owned subsidiary of USS on July 15, 2009.

## 3. Profile of company after merger

Name	USS Gunma Co., Ltd.
Activities	Operation of automobile auctions
Head office	387 Naka, Fujioka, Gunma
Representative	Eiichi Arai, President and Representative Director
Capital	50 million yen
Fiscal year end	March 31
Shareholder	USS Co., Ltd. (100%)

Note: USS Fujioka will change its name to USS Gunma on November 1, 2009. On the same day, the capital of USS Gunma will be reduced from 109.6 million yen to 50 million yen, which is a difference of 59.6 million yen.

## 4. Effect of merger on results of operations

Since the two companies that are to merge are both consolidated subsidiaries of USS, the merger will have no effect on the results of operations of the USS Group.