



April 28, 2011

To All Stakeholders:

USS Co., Ltd.
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Announcement of Absorption-type Merger (Simplified Merger/ Short-form Merger) of Consolidated Subsidiaries

USS Co., Ltd. hereby announces that it has decided, at a meeting of the Board of Directors held on April 28, 2011, to absorb its wholly owned subsidiaries USS Yokohama Co., Ltd. (USS Yokohama hereafter) and USS Kansai Co., Ltd. (USS Kansai hereafter) in an absorption-type merger as follows.

The disclosure items and contents are partially abbreviated because the merger concerns a wholly-owned, consolidated subsidiary of USS.

1. Aim of merger

In order to improve the business efficiency of the Group, USS has decided to absorb by merger its consolidated subsidiaries USS Yokohama and USS Kansai.

2. Details of merger

(1) Merger schedule

Meeting of Board of Directors to decide on merger April 28, 2011

Merger contract concluded April 28, 2011

Scheduled effective date of merger (date of entry into force) July 1, 2011

Note: The Company is conducting the merger using the short-form merger procedure in accordance with the provisions of Article 796-3 of the Company Law of Japan. USS Yokohama and USS Kansai are conducting the merger using the summary procedure in accordance with Article 784-1 of the Company Law of Japan. There is no necessity for the merger contract between USS and USS Yokohama and USS Kansai to be approved by a general meeting of shareholders of the respective companies.

(2) Merger method

USS will absorb USS Yokohama and USS Kansai. As a result, USS will be the surviving company and USS Yokohama and USS Kansai will be dissolved.

(3) Merger ratio and payment

No new shares will be issued and no cash-out payment will be made as a result of the merger.

- (4) The merger will have no effect on dealings in the warrants for new shares and bonds with warrants for new shares of the dissolved company.

3. Profiles of companies to merge (As of March 31, 2011)

(1) Trade name	USS Co., Ltd. (Company performing merger)	USS Yokohama Co., Ltd. (Company to be absorbed)	USS Kansai Co., Ltd. (Company to be absorbed)
(2) Business activities	Operation of used car auctions	Operation of used car auctions	Operation of used car auctions
(3) Establishment	October 29, 1980	April 1, 2002	September 17, 2004
(4) Head office	507-20 Shinpo-machi, Tokai city, Aichi Prefecture	9-20 Daikoku-cho, Tsurumi-ku, Yokohama	2-7-106 Nakajima, Nishiyodogawa-ku, Osaka
(5) Representative	President Yukihiro Ando	President Yukihiro Ando	President Yukihiro Ando
(6) Capital stock	18,881 million yen	50 million yen	90 million yen
(7) Shares issued	31,325,000	1,000	2,000
(8) Fiscal year	Ends March 31	Ends March 31	Ends March 31
(9) Major shareholders and pct. of stock held	1. Futoshi Hattori. 8.39% 2. USS Co., Ltd. 7.54% 3. BBH for Fidelity Low Price Stock Fund 6.38% 4. State Street Bank and Trust Company 6.17% 5. The Chase Manhattan Bank, N.A. London Secs Lending Omnibus Account 4.95%	USS Co., Ltd. 100%	USS Co., Ltd. 100%
(10) Latest business results and financial conditions			
Fiscal Year	End of March 2010 (consolidated)	End of March 2010 (non consolidated)	End of March 2010 (non consolidated)
Net assets	118,390million yen	1,049million yen	604million yen
Total assets	142,164million yen	3,088million yen	1,577million yen
Equity per share	3,970.03yen	1,049,814.07yen	302,324.41yen
Net sales	59,849million yen	2,908million yen	2,450million yen
Operating income	21,940million yen	867million yen	99million yen
Ordinary income	22,511million yen	879million yen	110million yen
Net income	12,717million yen	511million yen	61million yen
Net income per share	418.85yen	511,591.00yen	30,750.87yen

4. Profile of company after merger

No changes will be made to the trade name, business activities, title and name of representative director, capital stock or fiscal year as a result of the merger.

5. Effect of merger on results of operations

The merger will have minimal effect on the results of operations of the USS Group.

6. Record date

The Company has set May 22, 2011 as the record date for determining shareholders qualified to exercise the right to request purchase of their shares. Shareholders registered or recorded on the final shareholder's register as of the record date shall be considered to be the shareholders with the right to request purchase of shares.