

USS

Used car
System
Solutions

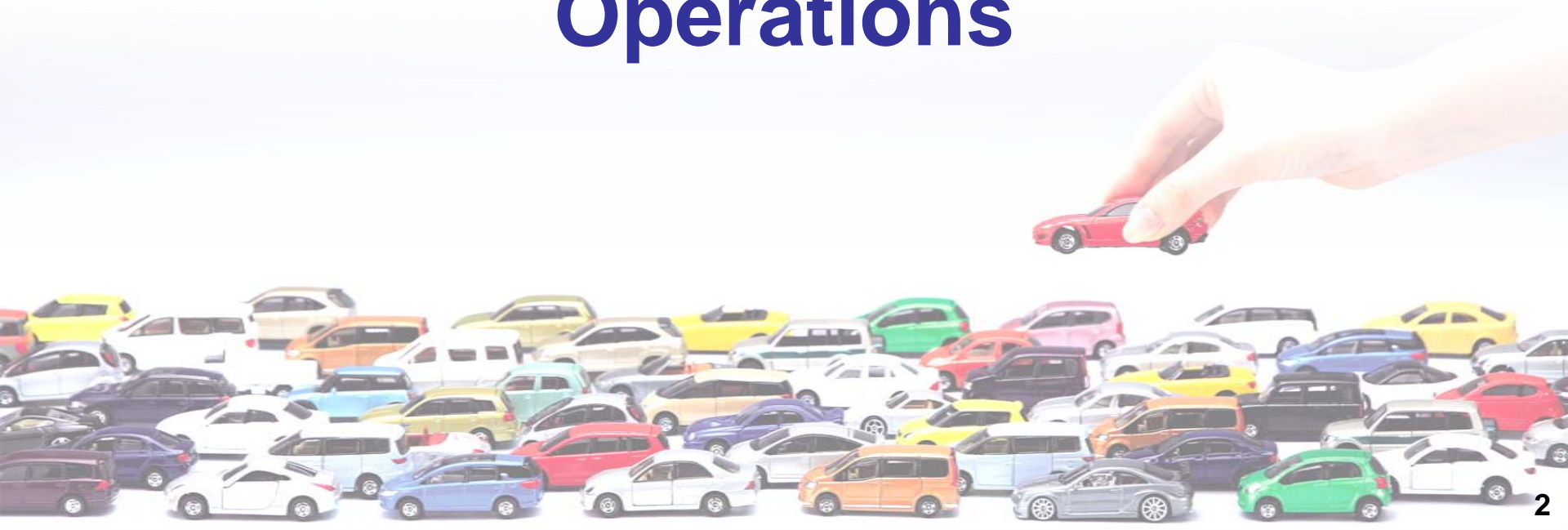
Consolidated Results of Operations

The first quarter, fiscal year ending March 31, 2012

USS Co., Ltd.
August 2011



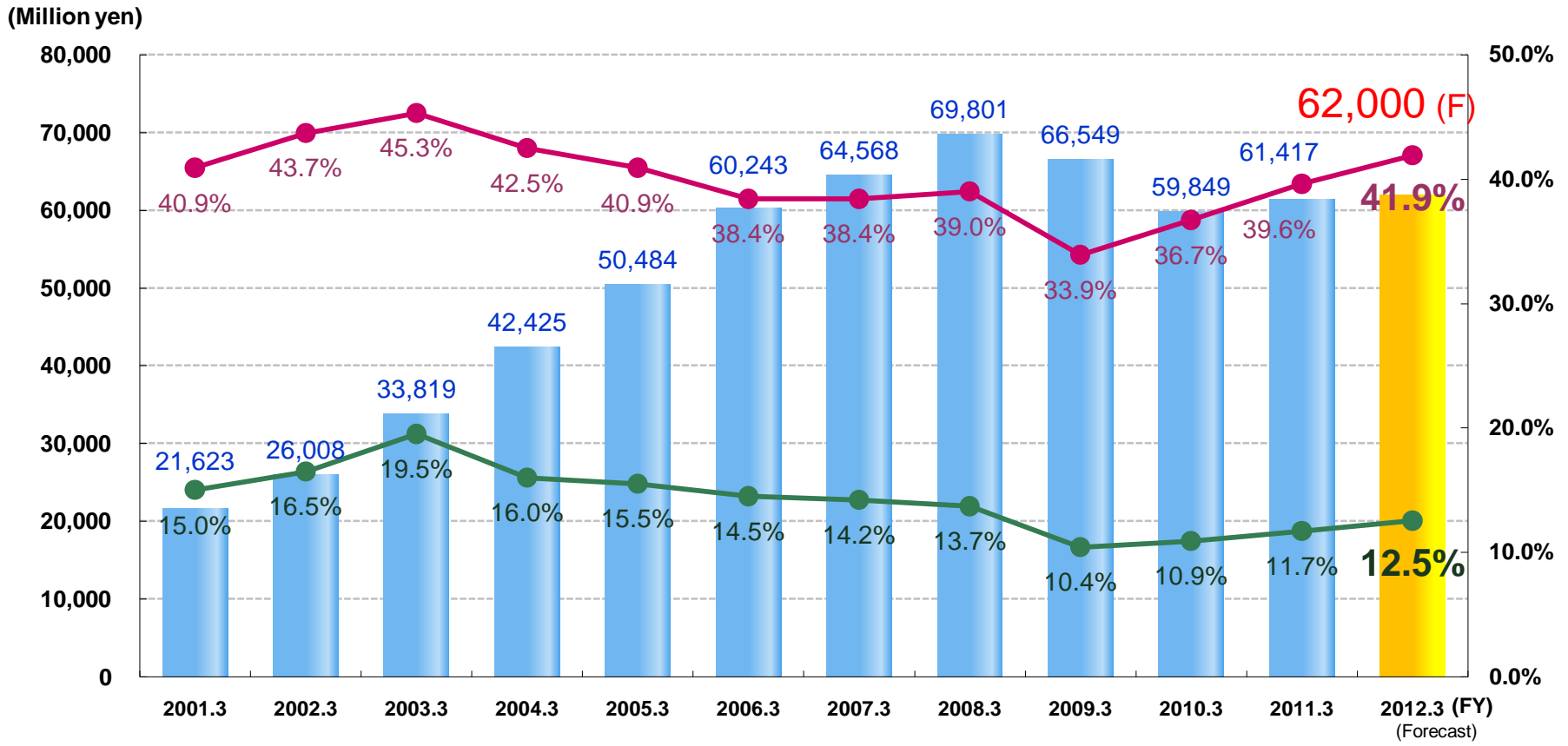
USS Profile and Results of Operations



(1) Consolidated Sales, Operating Margin and ROE

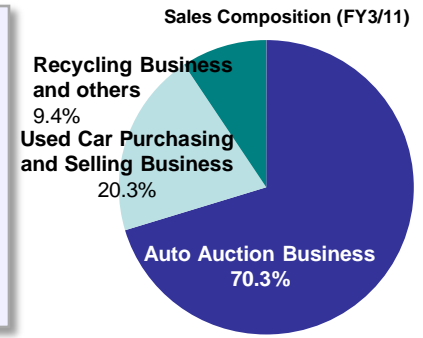
Steady medium-term growth and high profitability

Net sales Operating income ROE



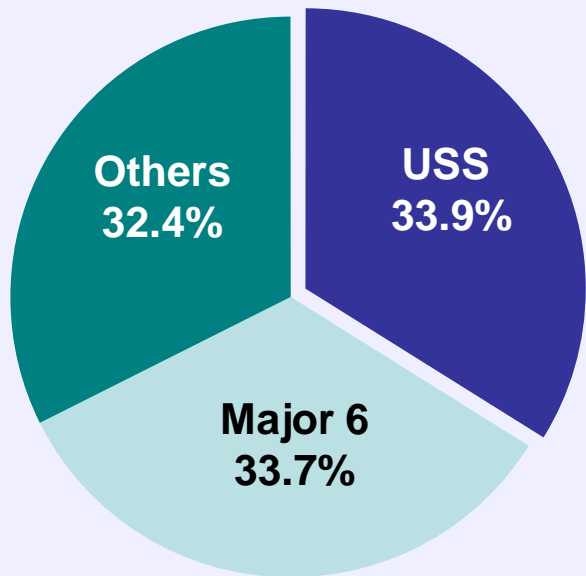
2001.3 - 2011.3

Avg. 10-year growth rate Sales **11.0%** Operating income **10.7%**
 Avg. 10-year operating margin **39.8%**
 Average 10-year ROE **14.3%**



Largest Share of the Auto Auction Market

Market share (1H 2011)



*Major 6 : JAA(9.2%), TAA(7.8%), CAA(6.4%), Arai AA(4.1%), LAA(3.3%), KCAA(2.9%)

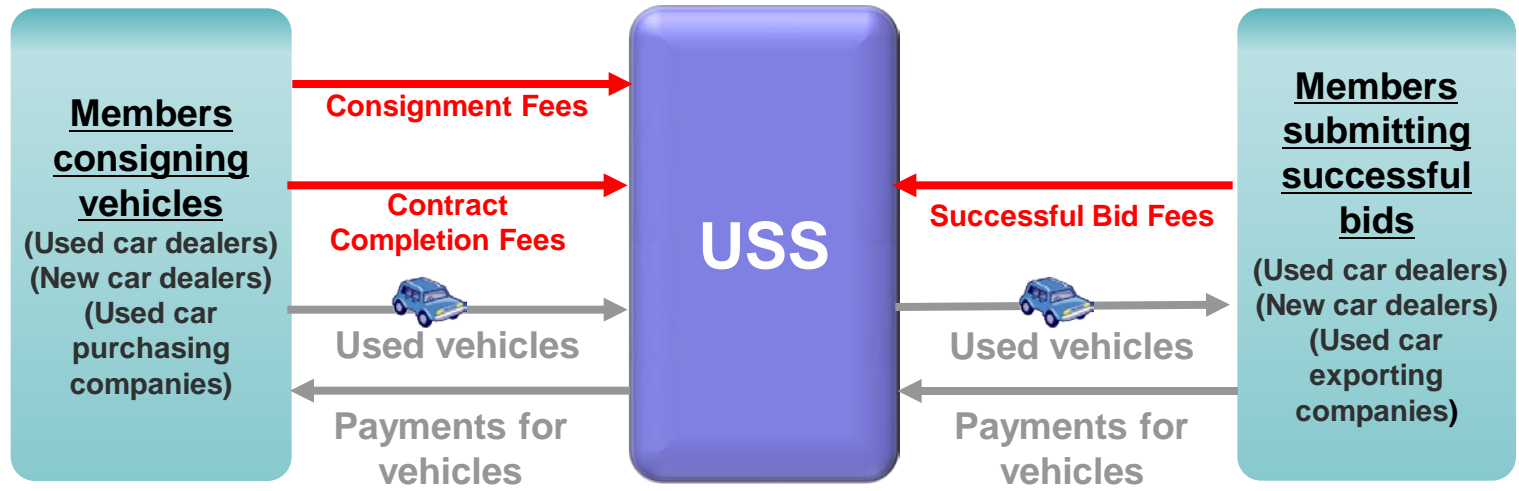
The Superiority of USS

- **Overwhelming lead in the number of members: 45,000 companies**
- **The industry leader with 17 auction sites nationwide**
- **High-volume auction sites in Tokyo, Nagoya and other locations**
- **Off-site bidding system using satellite TV and the Internet**
- **USS created the industry standards for vehicle evaluations and auction systems**
- **A sound financial position**
- equity ratio of 82.2%

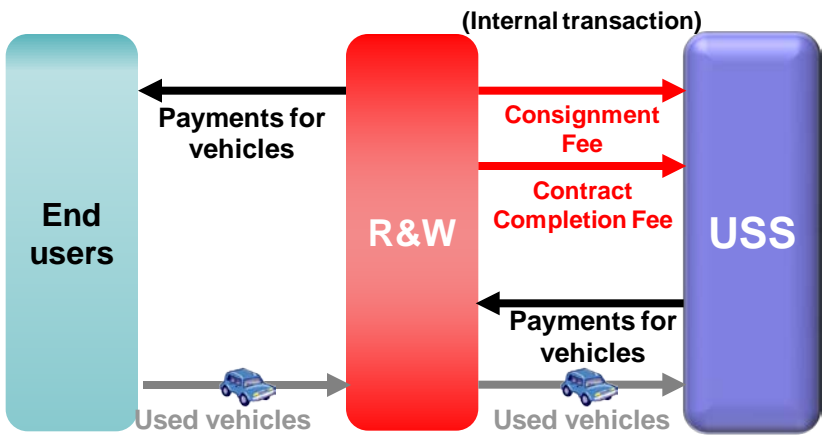
(As of end of June 2011)

(3) Flow Charts of Core Business Models

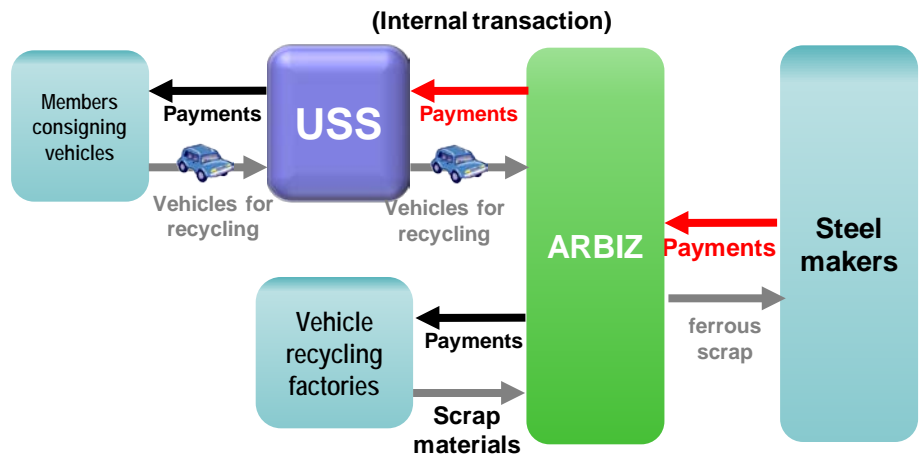
Auto Auction Business



Used Vehicle Sales/Purchases Business



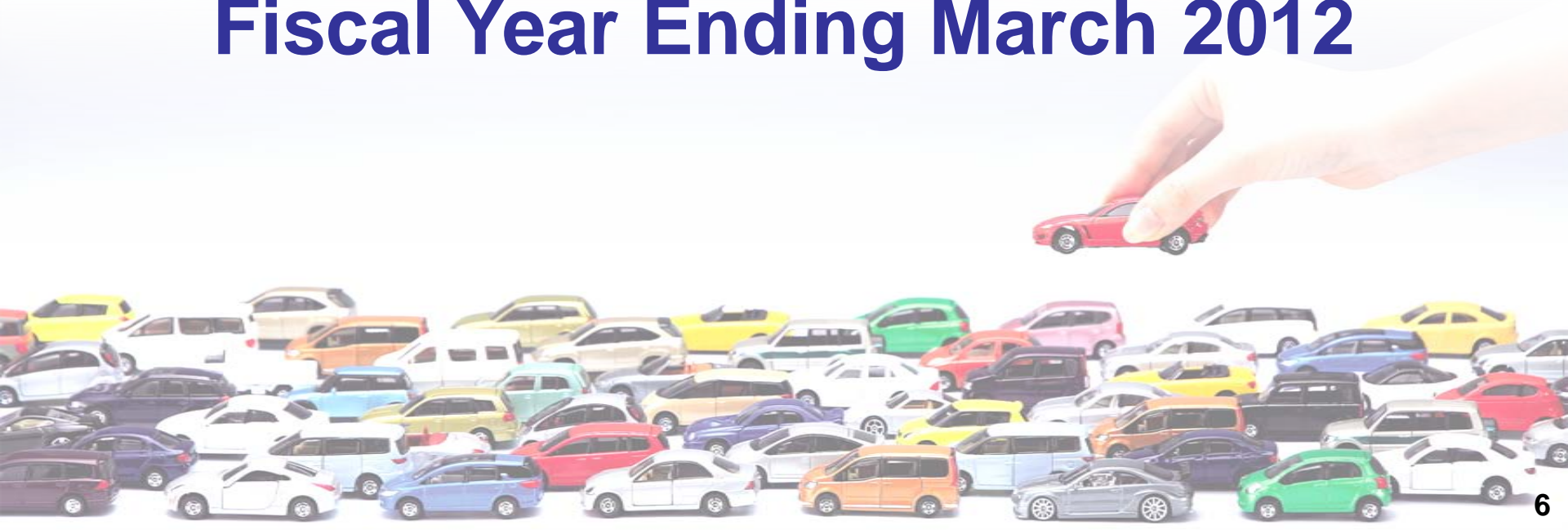
Recycling Business



Results of Operations

First Quarter

Fiscal Year Ending March 2012



- **Sales up 3.1% (YoY) despite a challenging operating environment**
 - Vehicles consigned down 11.4% and contracted vehicles up 2.3% (YoY)
 - Contract completion rate improved from 60.3% to 69.7% (YoY)
 - Satellite TV/Internet/Off-site contract successful bid ratio increased from 47.7% to 48.8% (YoY)
- **Operating income up 11.2% and ordinary income up 15.5% (YoY)**
 - Depreciation, leasing expenses and goodwill amortization declined
 - Operating margin improved to 43.7% from 40.1% in previous fiscal year 1Q
- **Big increase in earnings in the used car purchasing and selling business**
- **Sales and earnings higher in the recycling business**
- **Earnings per share increased 32.5% due in part to stock repurchases**
- **Maintained a high equity ratio of 82.2%**

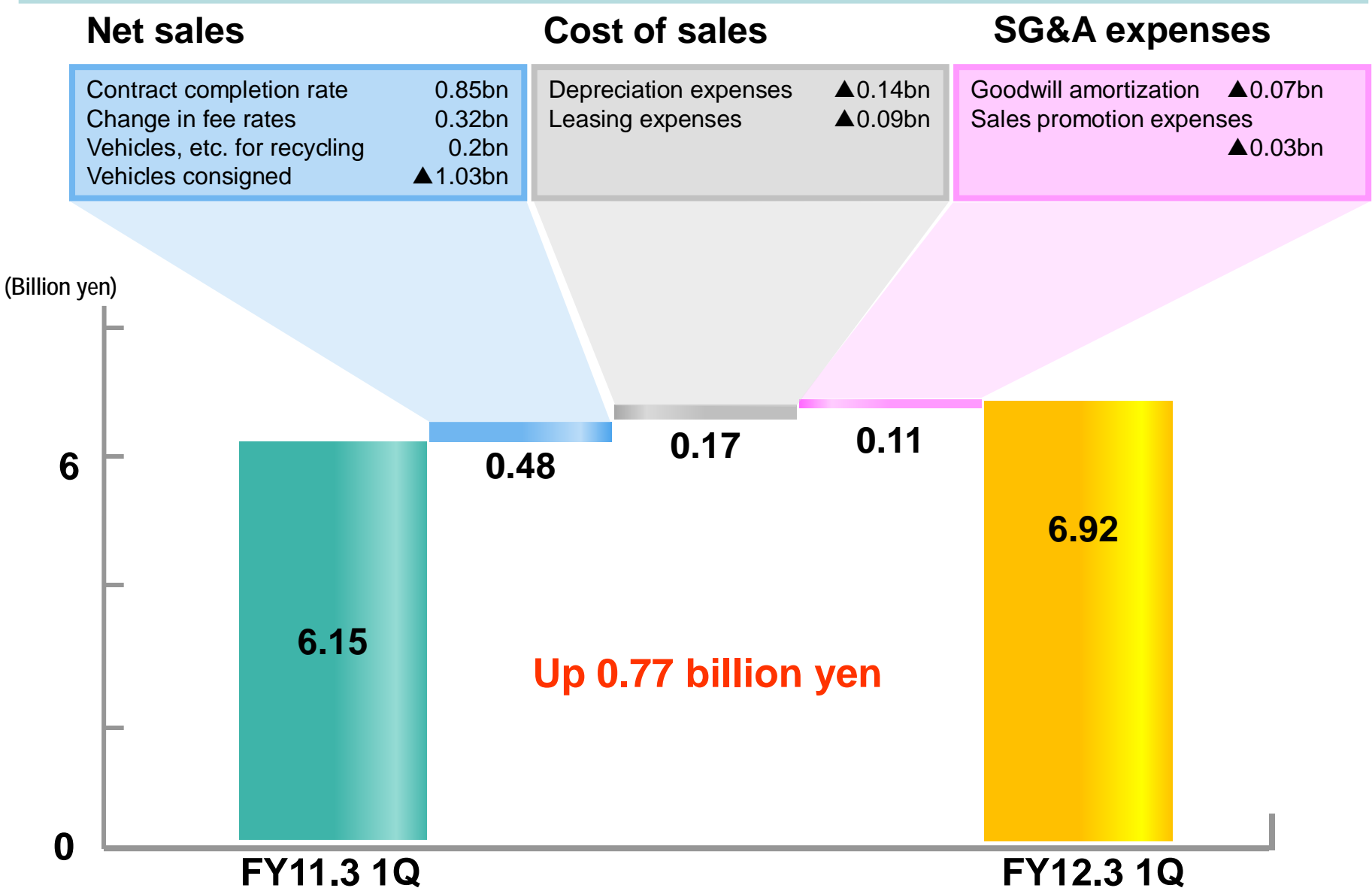
Big increase in operating income due to higher contract completion rate and lower depreciation

(Million yen)

| | 2010.3.1Q | 2011.3 1Q | 2012.3 1Q | Year on Year |
|--|------------------|------------------|------------------|--------------|
| Net Sales | 14,203 | 15,348 | 15,829 | 103.1% |
| Cost of sales (Per sales) | 6,550 (46.1%) | 6,643 (43.3%) | 6,464 (40.8%) | 97.3% |
| Gross profit (Per sales) | 7,653 (53.9%) | 8,705 (56.7%) | 9,365 (59.2%) | 107.6% |
| Selling, general and administrative expenses (Per sales) | 2,757 (19.4%) | 2,554 (16.6%) | 2,444 (15.4%) | 95.7% |
| Operating income (Per sales) | 4,895 (34.5%) | 6,150 (40.1%) | 6,921 (43.7%) | 112.5% |
| Ordinary income (Per sales) | 5,103 (35.9%) | 6,098 (39.7%) | 7,041 (44.5%) | 115.5% |
| Net income (Per sales) | 2,972 (20.9%) | 3,242 (21.1%) | 4,161 (26.3%) | 128.3% |
| Net income per share (yen) | 97.18 | 109.60 | 145.20 | 132.5% |

- Net sales:** Vehicles consigned decreased but fee income was higher because of an increase in fees rates
In the used car purchasing and selling business, both the number of vehicles handled and selling prices were higher
- Cost of sales:** Depreciation expenses and leasing expenses decreased
- SG&A expenses:** Goodwill amortization decreased
- Non-operating income/expenses:** 39 million yen gain on valuation of compound financial instruments (was valuation loss of 117 million yen one year earlier)

Reasons for change in operating income



Outstanding financial soundness even as substantial earnings distributions to shareholders continue

(Million yen)

| | 2011.3 | 2011.6 | Changes |
|--|----------------|----------------|---------------|
| Current assets | 47,074 | 41,736 | ▲5,337 |
| Cash and deposits | 30,980 | 27,438 | ▲3,541 |
| Receivables due from member dealers at auction | 11,151 | 9,315 | ▲1,835 |
| Other | 4,942 | 4,982 | 39 |
| Noncurrent assets | 104,562 | 104,044 | ▲517 |
| Property, plant and equipment | 94,479 | 93,713 | ▲765 |
| Intangible assets | 1,114 | 1,044 | ▲69 |
| Investments and other assets | 8,969 | 9,287 | 317 |
| Total assets | 151,636 | 145,781 | ▲5,855 |
| Current liabilities | 22,994 | 18,994 | ▲3,999 |
| Payables due to member dealers at auction | 11,502 | 9,762 | ▲1,739 |
| Short-term loans payable | 188 | 203 | 15 |
| Other | 11,303 | 9,028 | ▲2,275 |
| Noncurrent liabilities | 6,695 | 6,654 | ▲40 |
| Long-term loans payable | 167 | 152 | ▲15 |
| Other | 6,527 | 6,502 | ▲25 |
| Total liabilities | 29,689 | 25,649 | ▲4,039 |
| Total shareholders' equity | 126,556 | 124,714 | ▲1,841 |
| Total other comprehensive income | ▲4,918 | ▲4,924 | ▲6 |
| Subscription rights to shares | 31 | 34 | 3 |
| Minority interests | 278 | 306 | 28 |
| Total net assets | 121,947 | 120,131 | ▲1,815 |

Current assets

- Cash and deposits down 3.5 billion yen mainly because of income tax and dividend payments and the purchase of stock

Noncurrent assets

- Noncurrent assets down 510 million yen mainly because of depreciation of 950 million yen

Current liabilities

- Other current liabilities down 2.2 billion yen because of lower income taxes payable

Repurchased stock and consolidated dividend payout ratio of more than 40%

(Million yen)

| | 2010.6 | 2011.6 | Changes |
|--|---------------|---------------|--------------|
| Net Cash provided operating activities | 2,061 | 3,043 | 982 |
| Income before income taxes | 5,532 | 7,058 | 1,525 |
| Depreciation and other amortization | 1,142 | 990 | ▲152 |
| Amortization of goodwill | 101 | 22 | ▲78 |
| Loss (▲gain) on sale and retirement of property, plant and equipment | ▲2 | ▲17 | ▲15 |
| Loss (▲gain) on sales and retirement of intangible assets | 10 | - | ▲10 |
| Net change in due from/to member dealers at auction (▲increase) | ▲633 | 96 | 729 |
| Income taxes paid | ▲5,066 | ▲5,586 | ▲519 |
| Other | 976 | 479 | ▲496 |
| Net cash provided by investing activities | ▲707 | 163 | 871 |
| Purchase of property, plant and equipment | ▲428 | ▲127 | 300 |
| Other | ▲279 | 291 | 571 |
| Net cash provided by financing activities | ▲5,321 | ▲6,049 | ▲727 |
| Net increase in loans payable | ▲246 | 0 | 246 |
| Purchases of treasury stock | ▲2,147 | ▲3,078 | ▲930 |
| Cash dividends paid | ▲2,842 | ▲2,924 | ▲82 |
| Other | ▲85 | ▲45 | 39 |
| Net increase (decrease) in cash and cash equivalents | ▲3,968 | ▲2,841 | 1,126 |
| Cash and cash equivalents at beginning of period | 29,681 | 29,280 | ▲401 |
| Cash and cash equivalents at end of period | 25,713 | 26,438 | 725 |

Operating activities

- Income before income taxes was 7.05 billion yen
- Income taxes paid were 5.58 billion yen

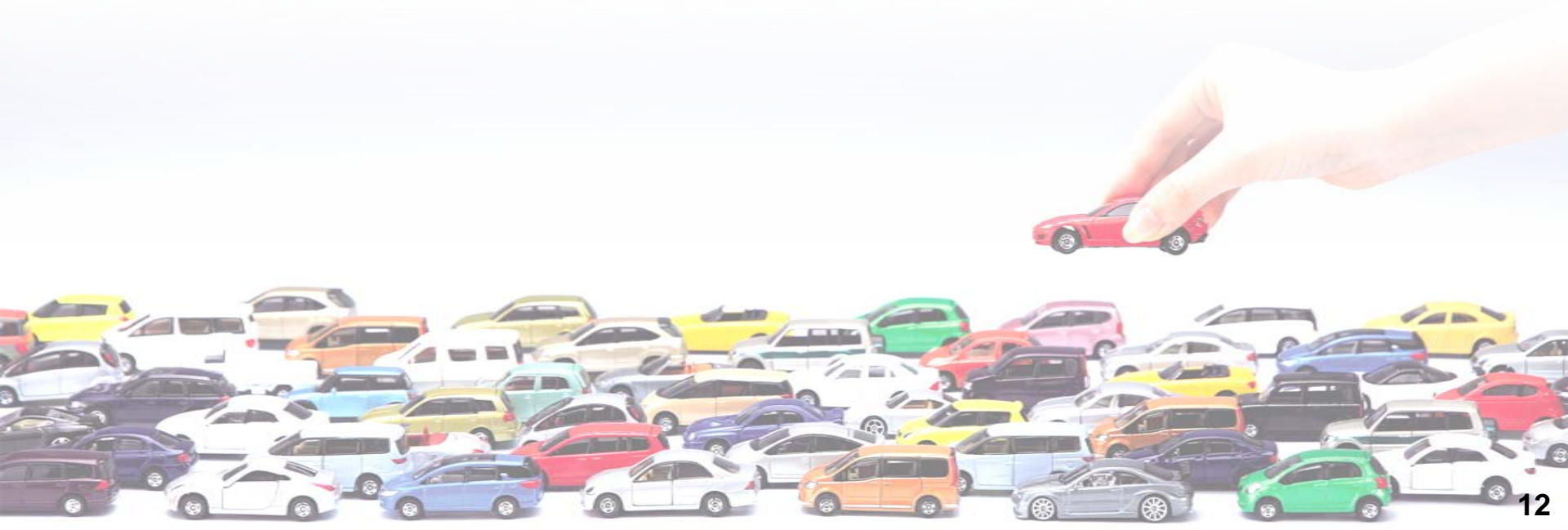
Investing activities

- Purchase of property, plant and equipment was only 100 million yen due to the absence of major capital expenditures

Financing activities

- Purchases of treasury stock were 3 billion yen
- Cash dividends paid were 2.9 billion yen

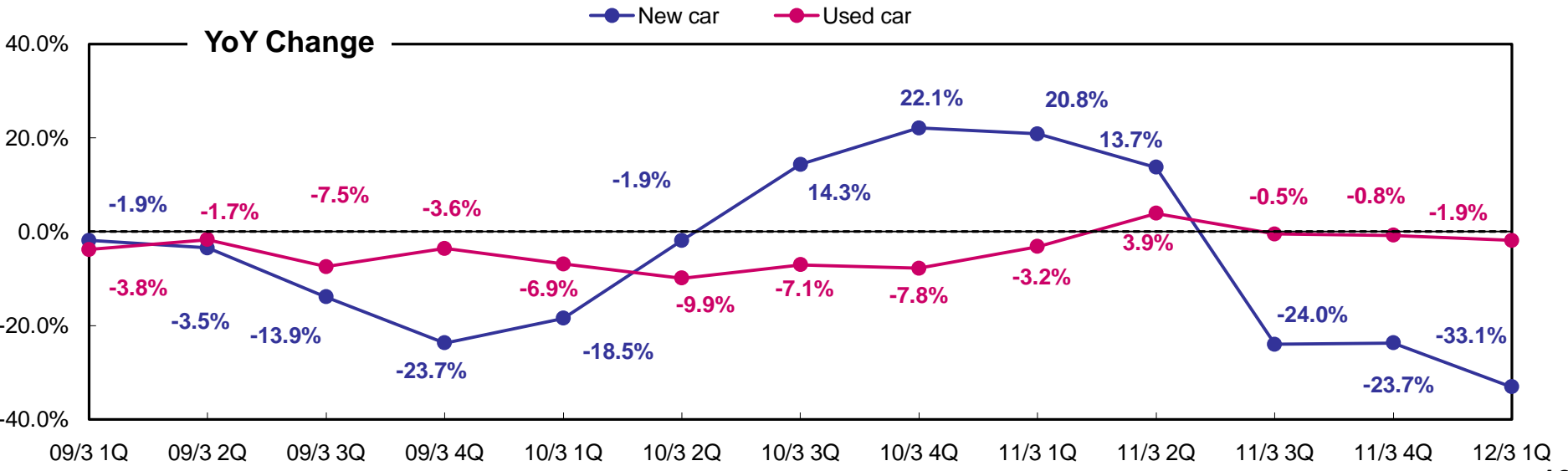
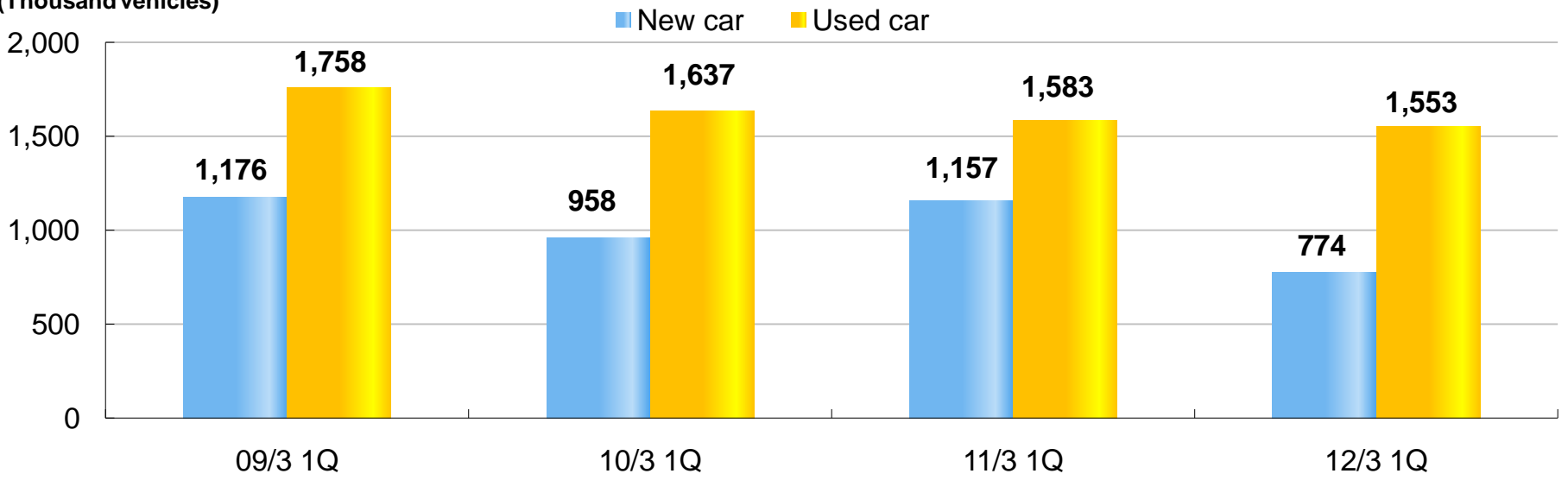
Market Overview



(1) New/Used Car Registrations in Japan

New/Used Car Registrations (April – June)

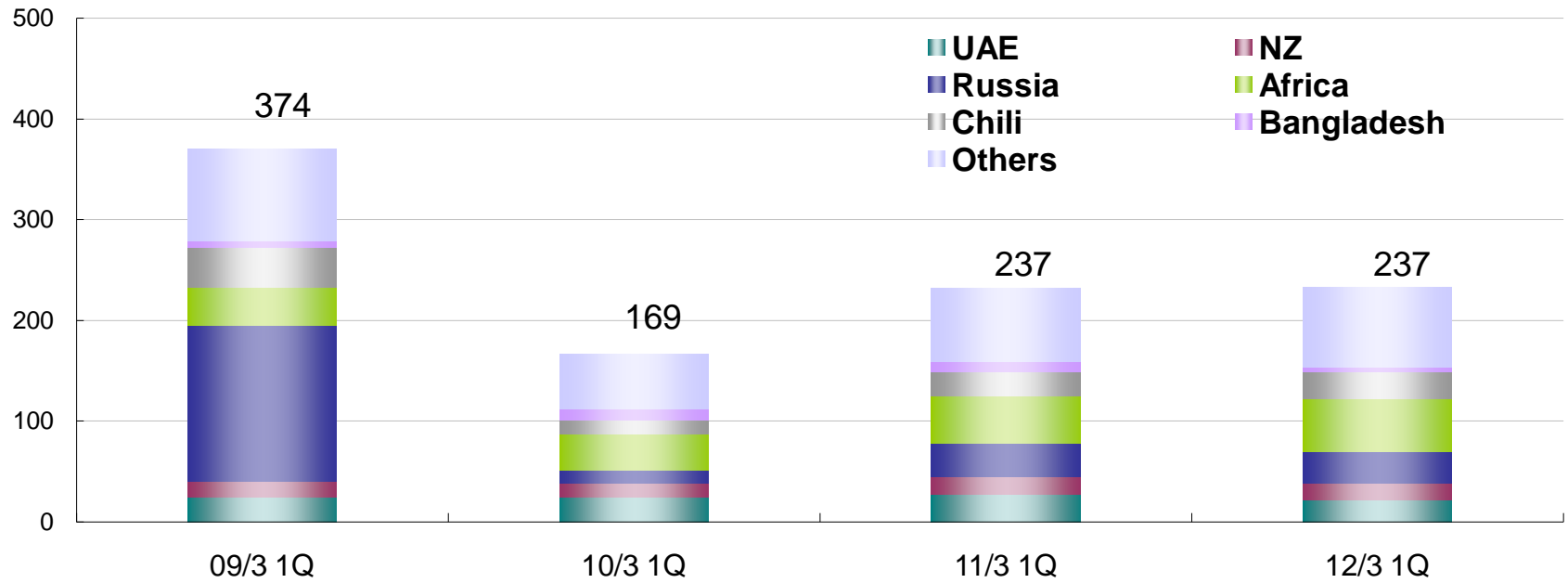
(Thousand vehicles)



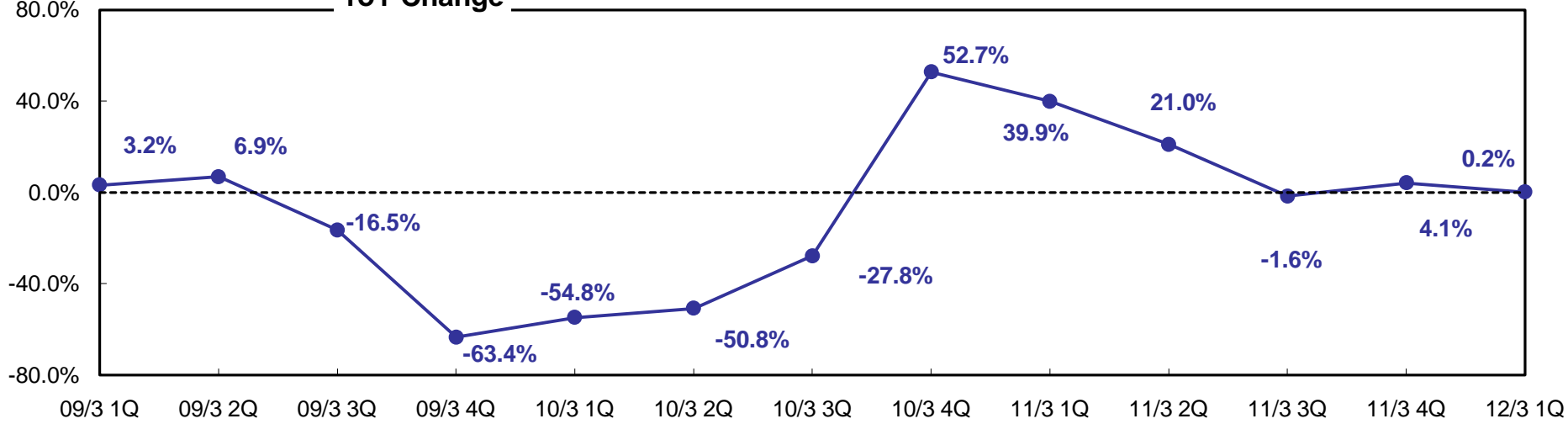
(2) Used Car Exports

Used car exports (April - June)

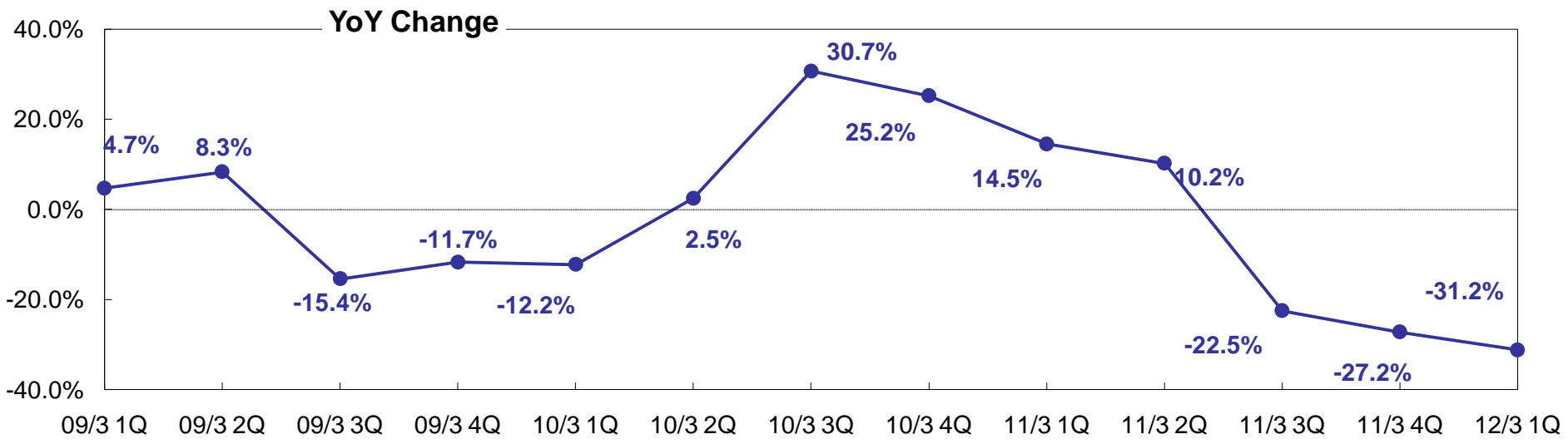
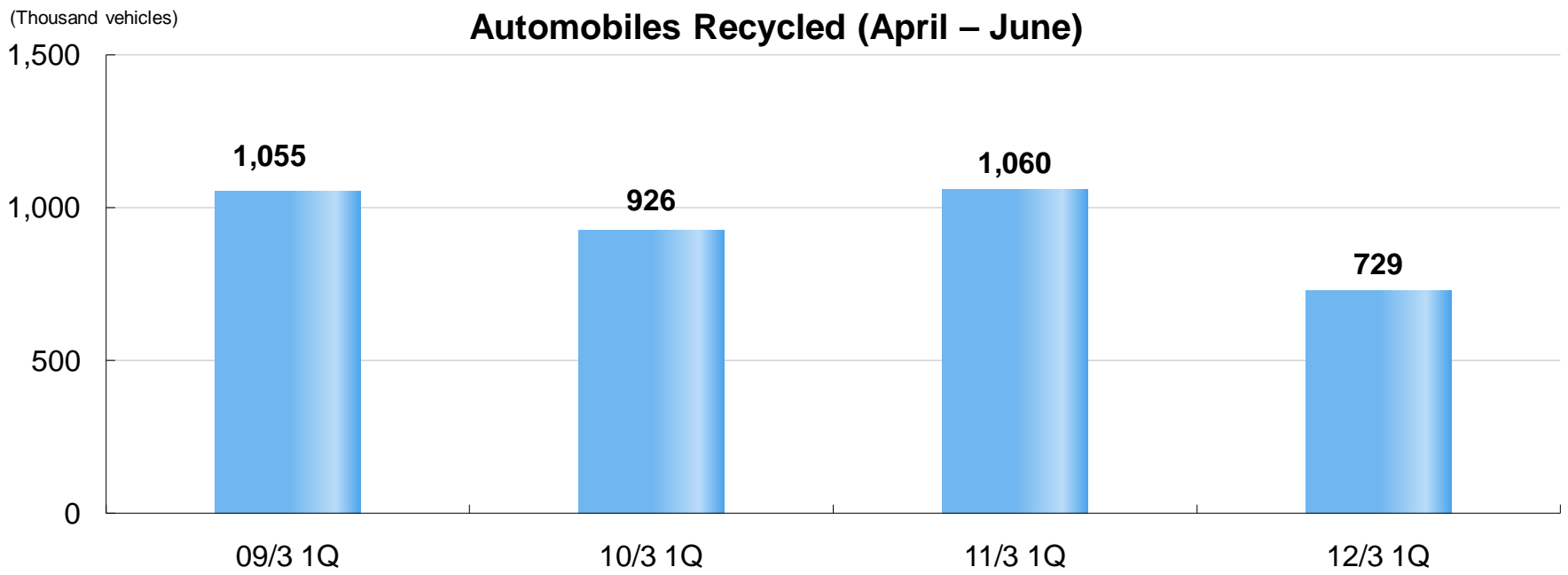
(Thousand vehicles)



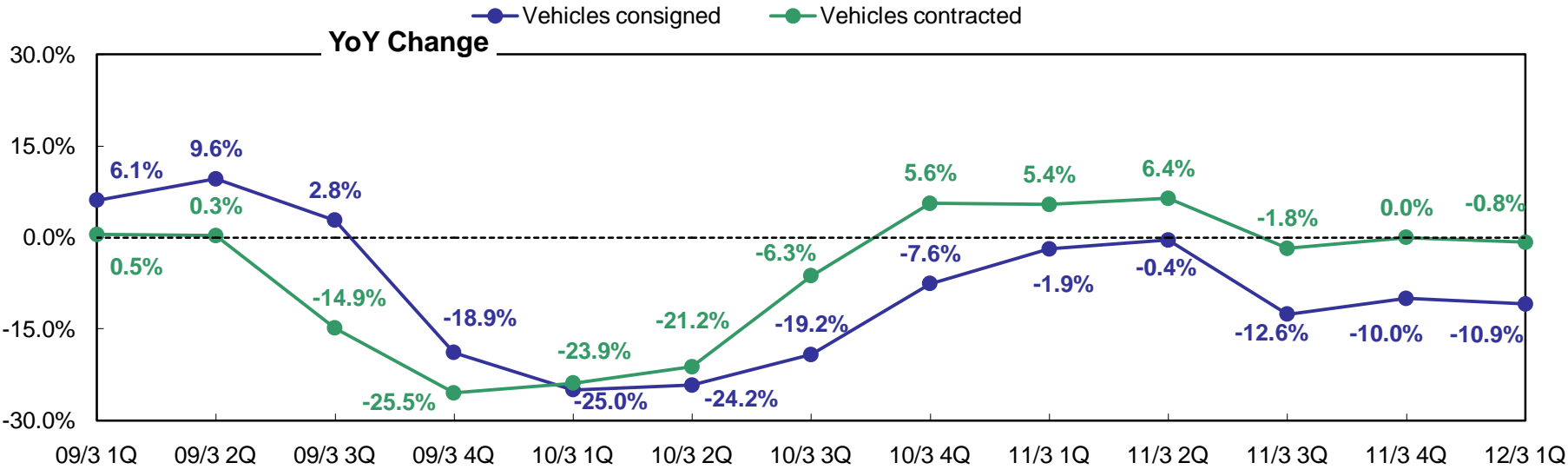
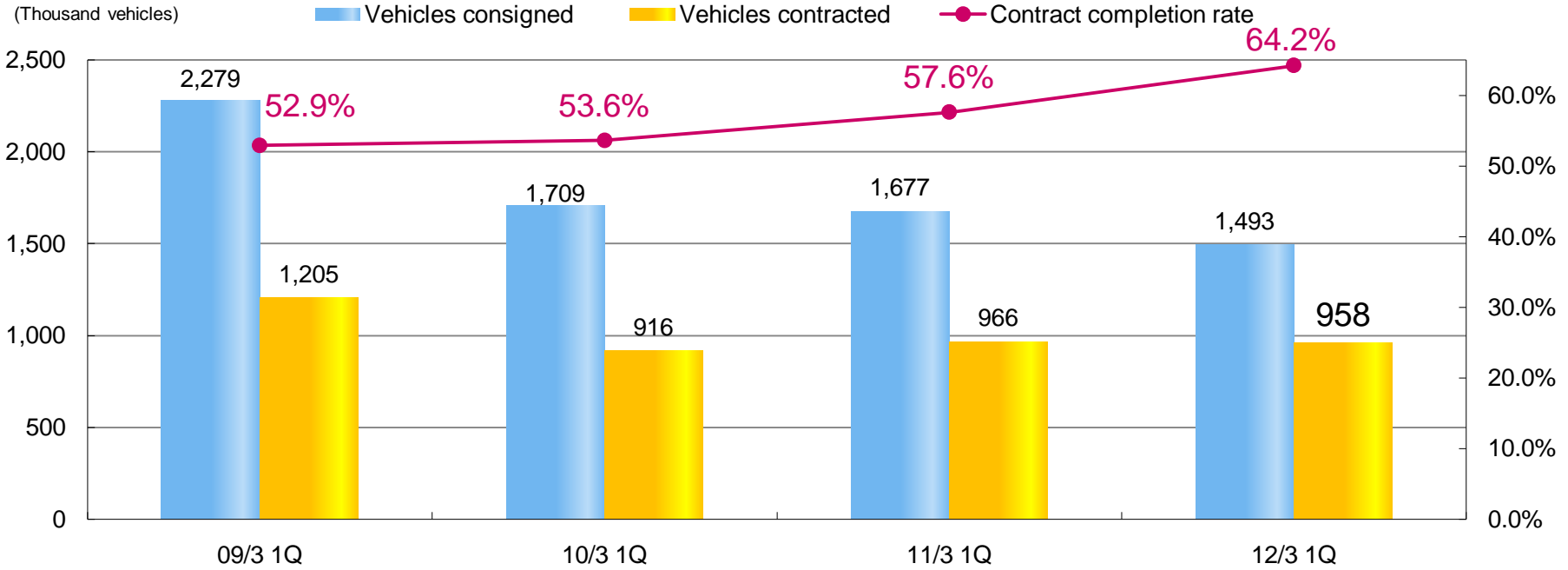
YoY Change



(3) Automobiles Recycled



(4) Auto Auction Market



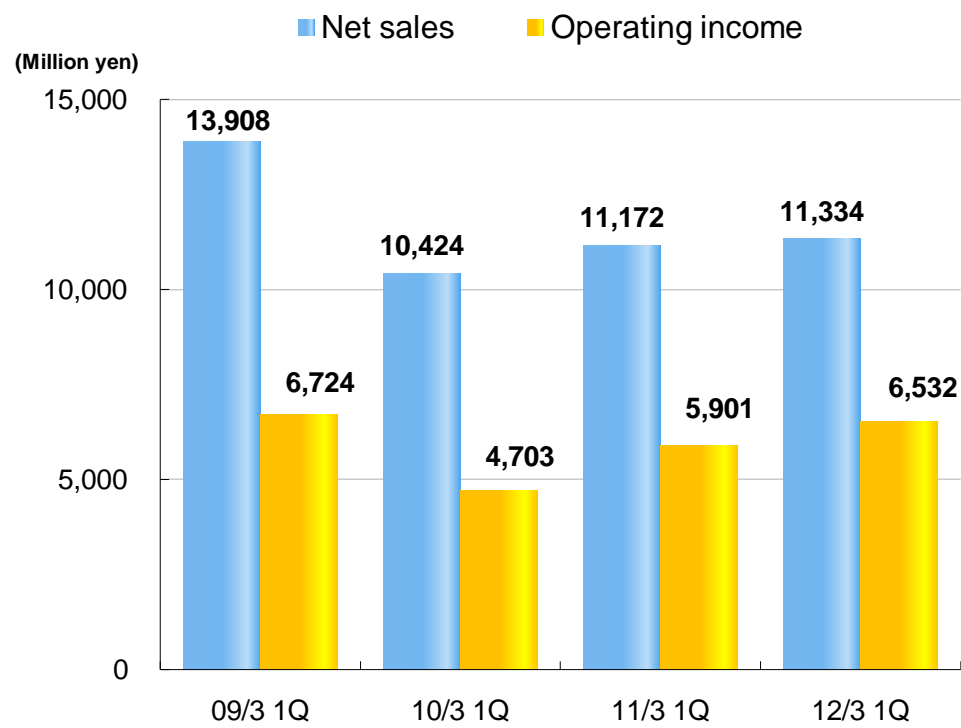
Results of Operations

First Quarter Ended June 2011

(Segment Information)



Auto Auction Business (1) – Results of Operations



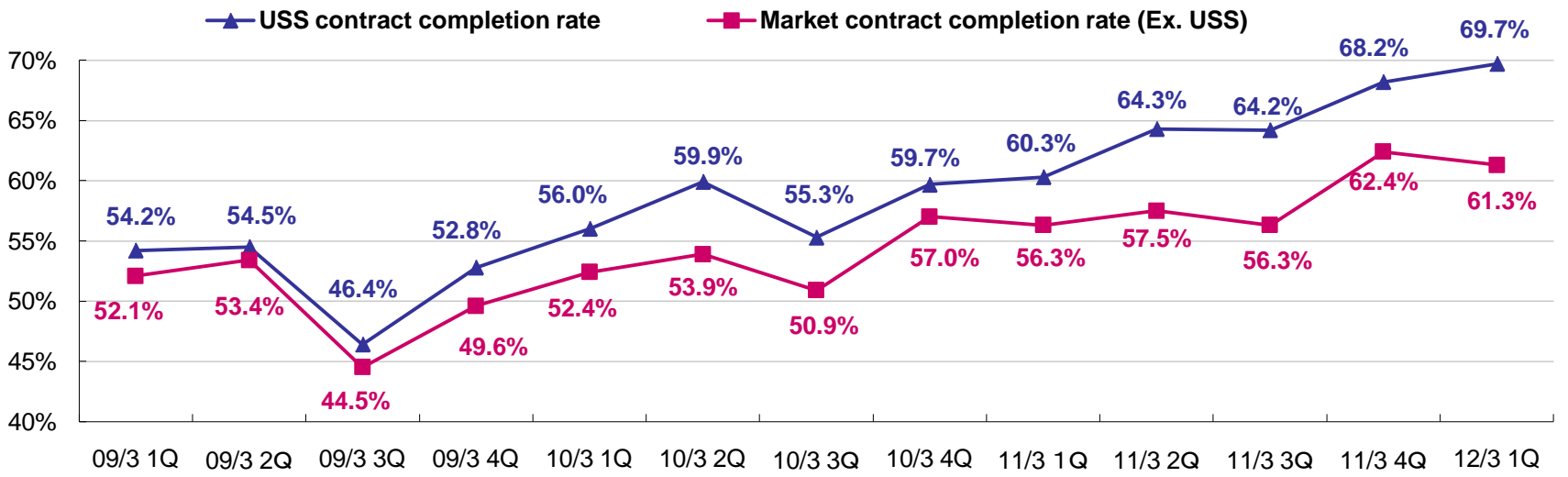
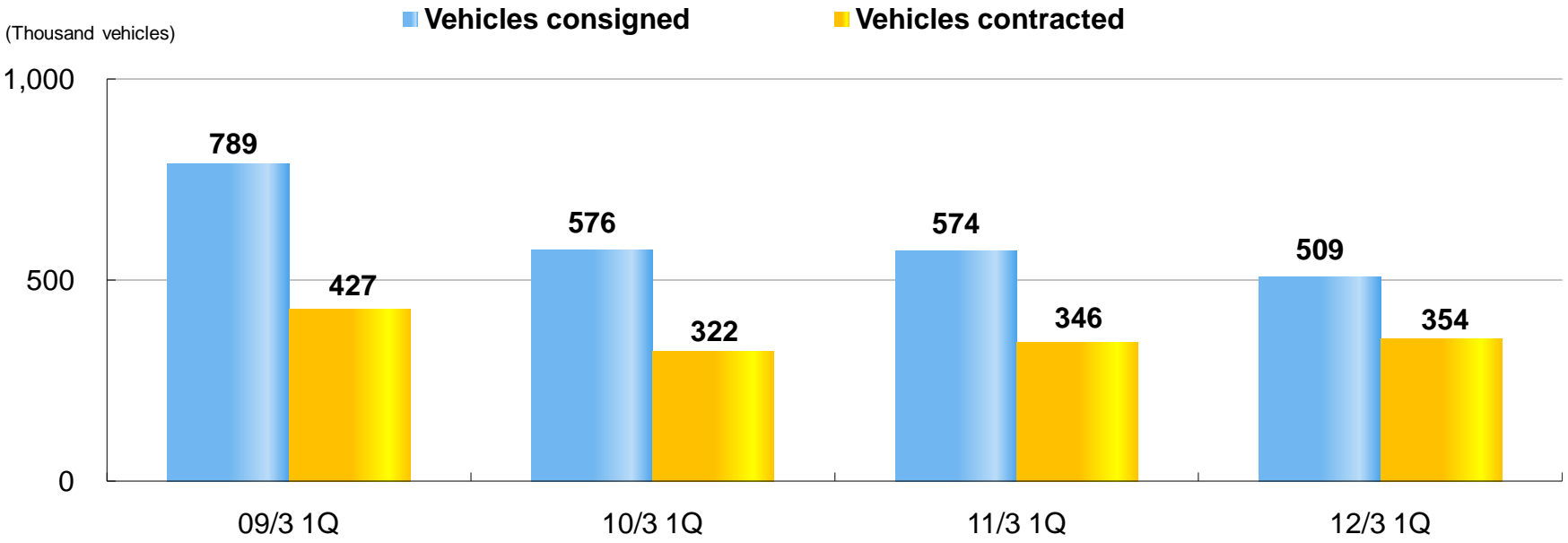
| | (Million yen) | | |
|------------------------------|---------------|---------------|--------|
| | 2011.3 1Q | 2012.3 1Q | YoY |
| Net sales | 11,172 | 11,334 | 101.4% |
| Operating income (Per sales) | 5,901 (52.8%) | 6,532 (57.6%) | 110.7% |

Net sales increased 1.4% (YoY) to 11,334 million yen

- A small increase in sales as the decrease in the number of vehicles consigned but there were increases in successful bid fees because of the higher contract completion rate

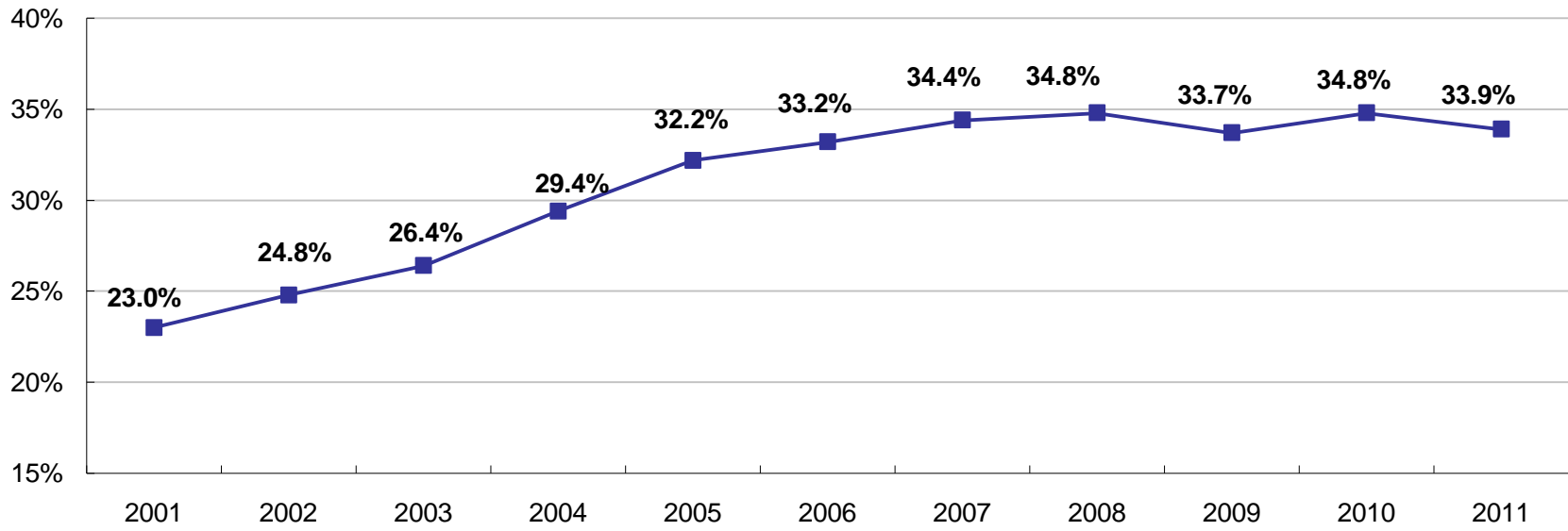
Operating income increased 10.7% (YoY) to 6,532 million yen

- Depreciation decreased 140 million yen
- Lease expenses decreased 90 million yen
- Goodwill amortization decreased 70 million yen



Medium-term growth in market share

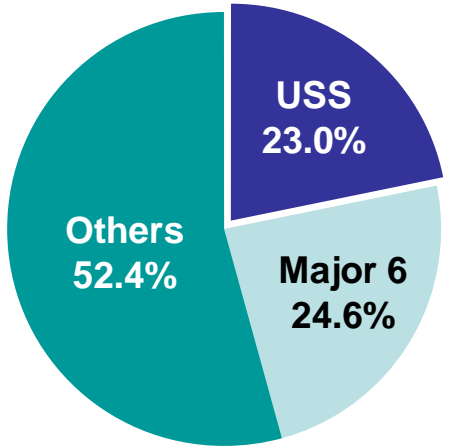
USS Market Share



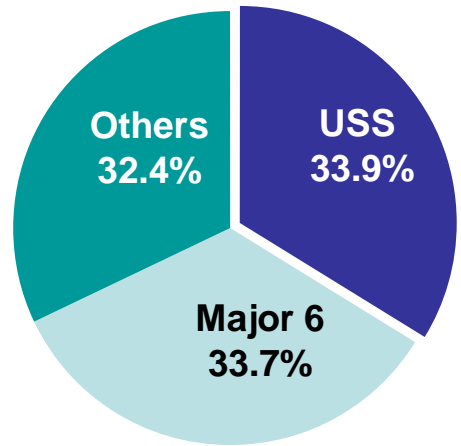
Jan – Jun 2001 Market Share

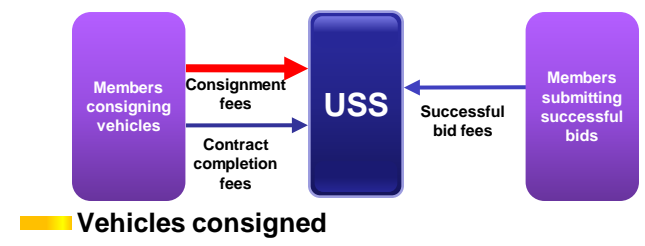
Jan – Jun 2011 Market Share

- *Major 6
- JAA(6.3%)
- TAA(5.1%)
- CAA(4.3%)
- Arai AA(5.0%)
- KCAA(2.7%)
- LAA(1.2%)

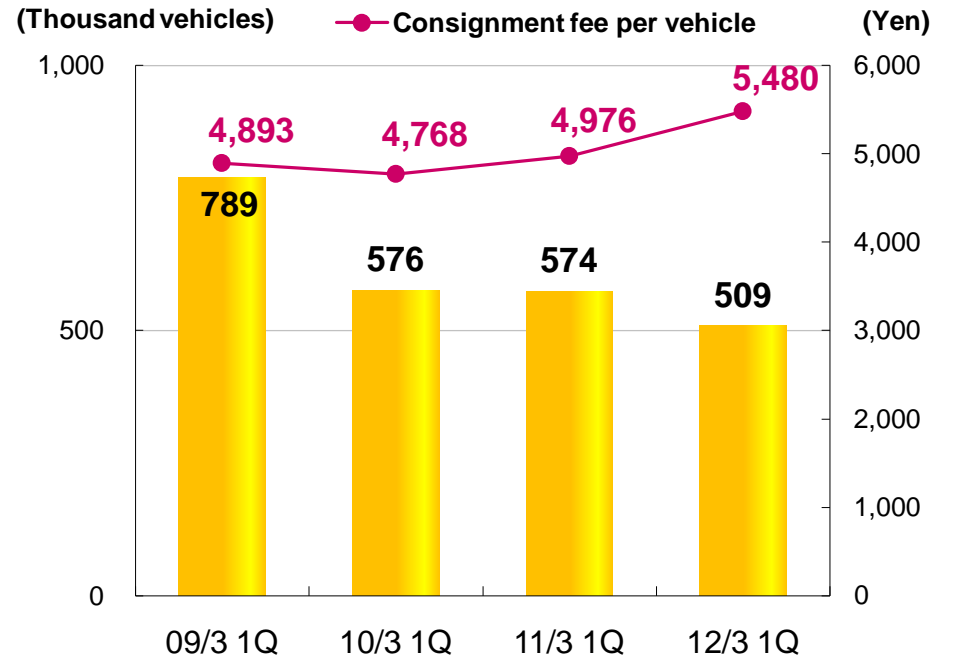
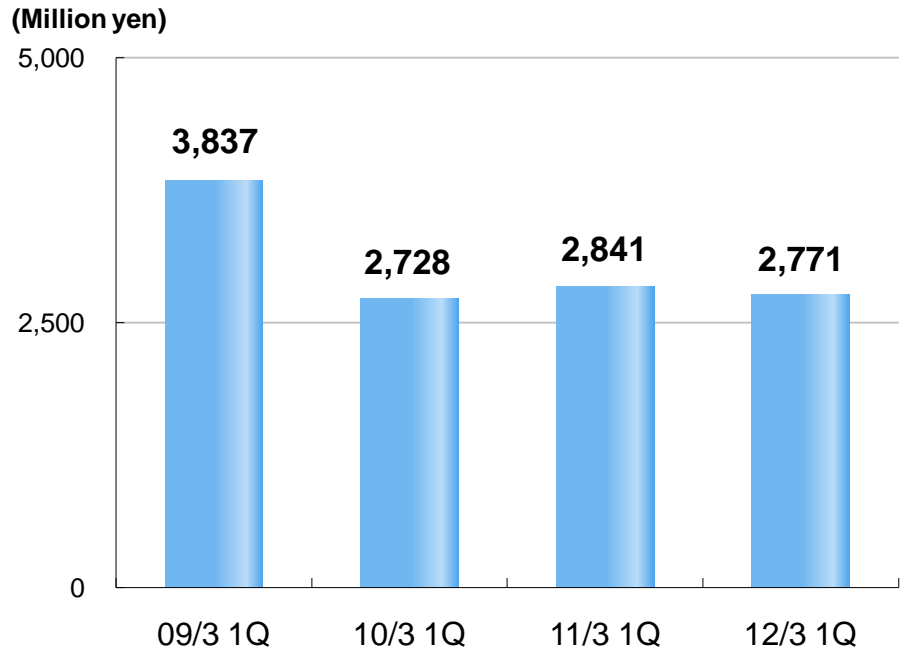


- *Major 6
- JAA(9.2%)
- TAA(7.8%)
- CAA(6.4%)
- Arai AA(4.1%)
- KCAA(2.9%)
- LAA(3.3%)





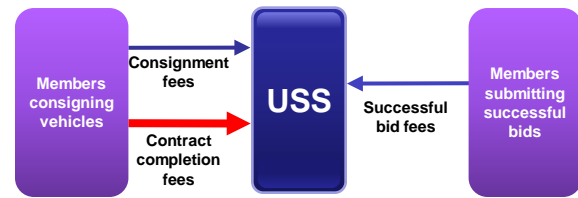
Total of consignment fees



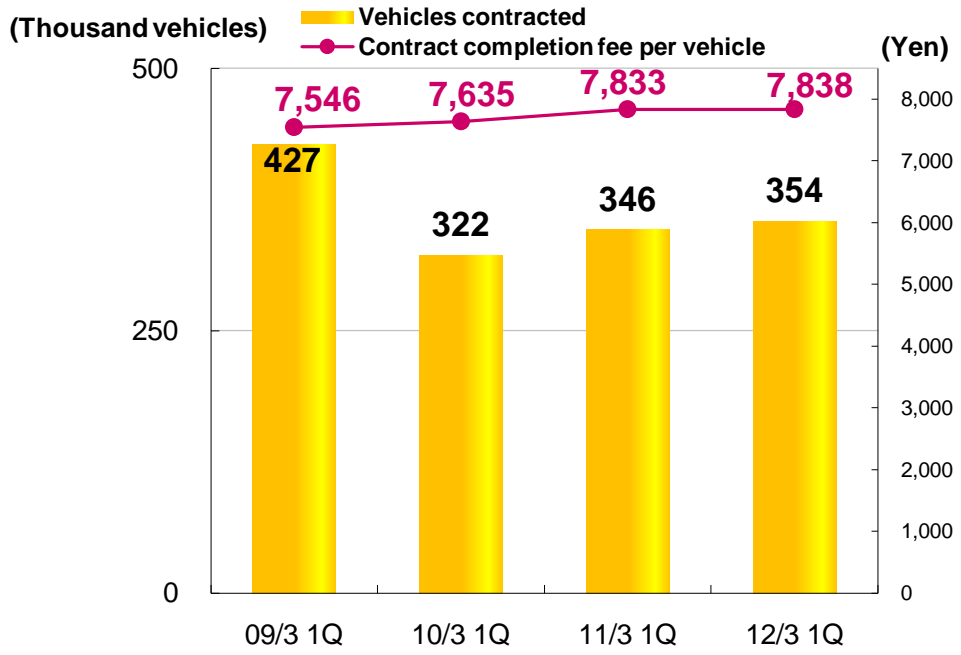
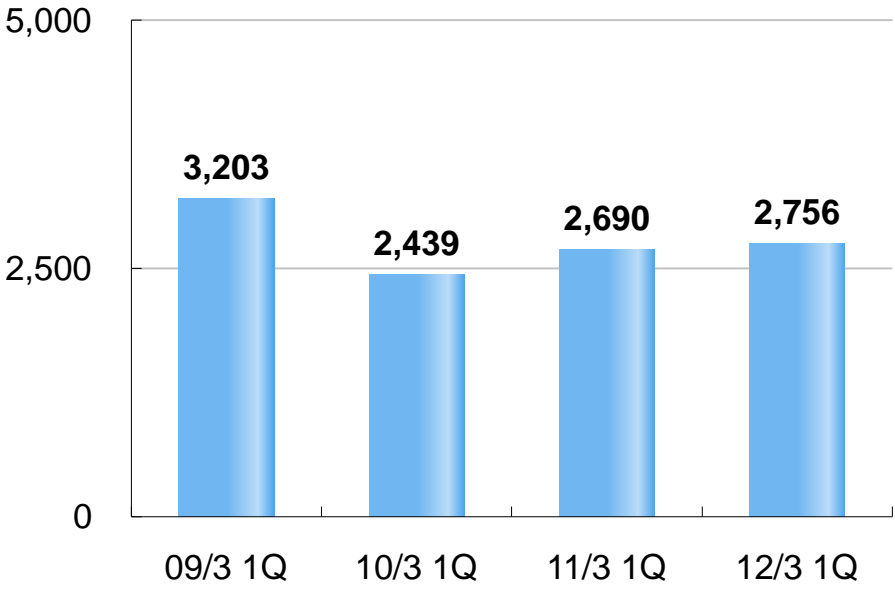
*Consignment fee per vehicle is calculated before eliminations for consolidation.

Consignment fee per vehicle increased by 504 yen from 4,976 yen to 5,480 yen (YoY)

- Ended Tokyo Auction Site sales of vehicles for recycling, which have low consignment fees, in January 2011
- Started using a revised fee structure at the Tohoku Auction Site in April 2011
- Decline in marketing campaigns at the Yokohama Auction Site and other locations



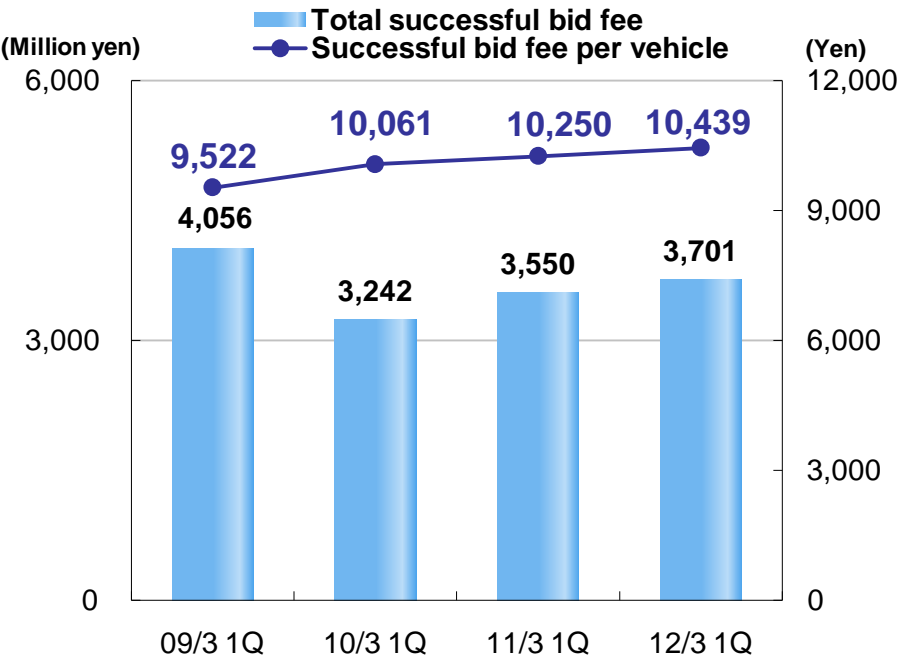
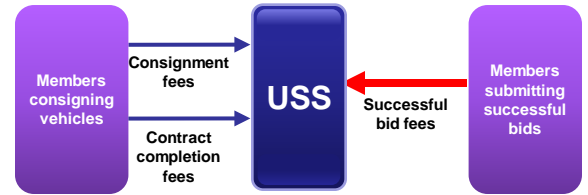
Total of Contract Completion Fees
(Million yen)



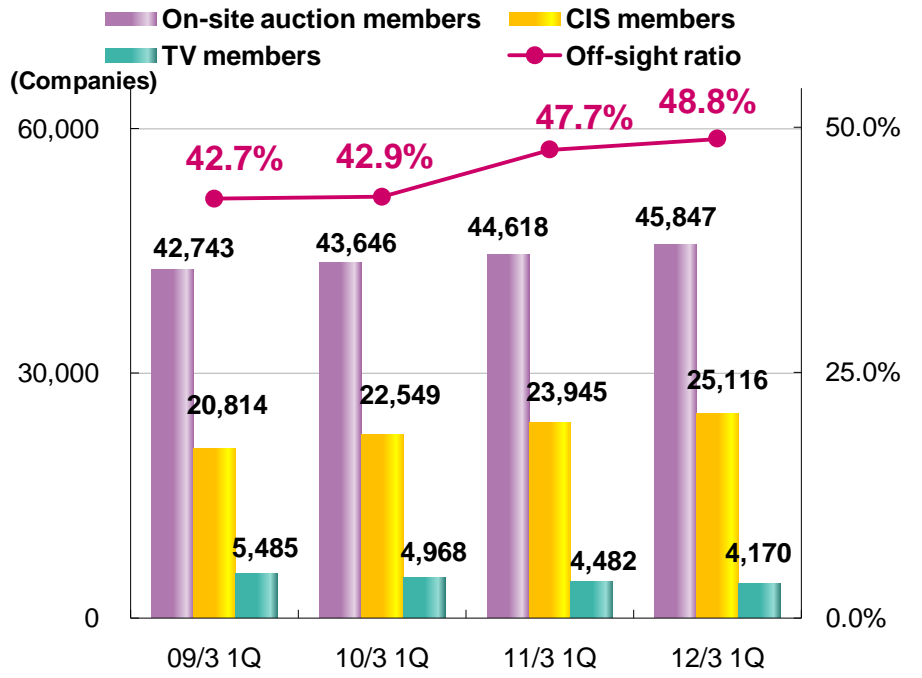
*Consignment fee per vehicle is calculated before eliminations for consolidation.

Contract completion fee per vehicle increased by 5 yen from 7,833 yen to 7,838 yen

- Small increase from one year earlier as there was no significant change in the contract completion fee rates



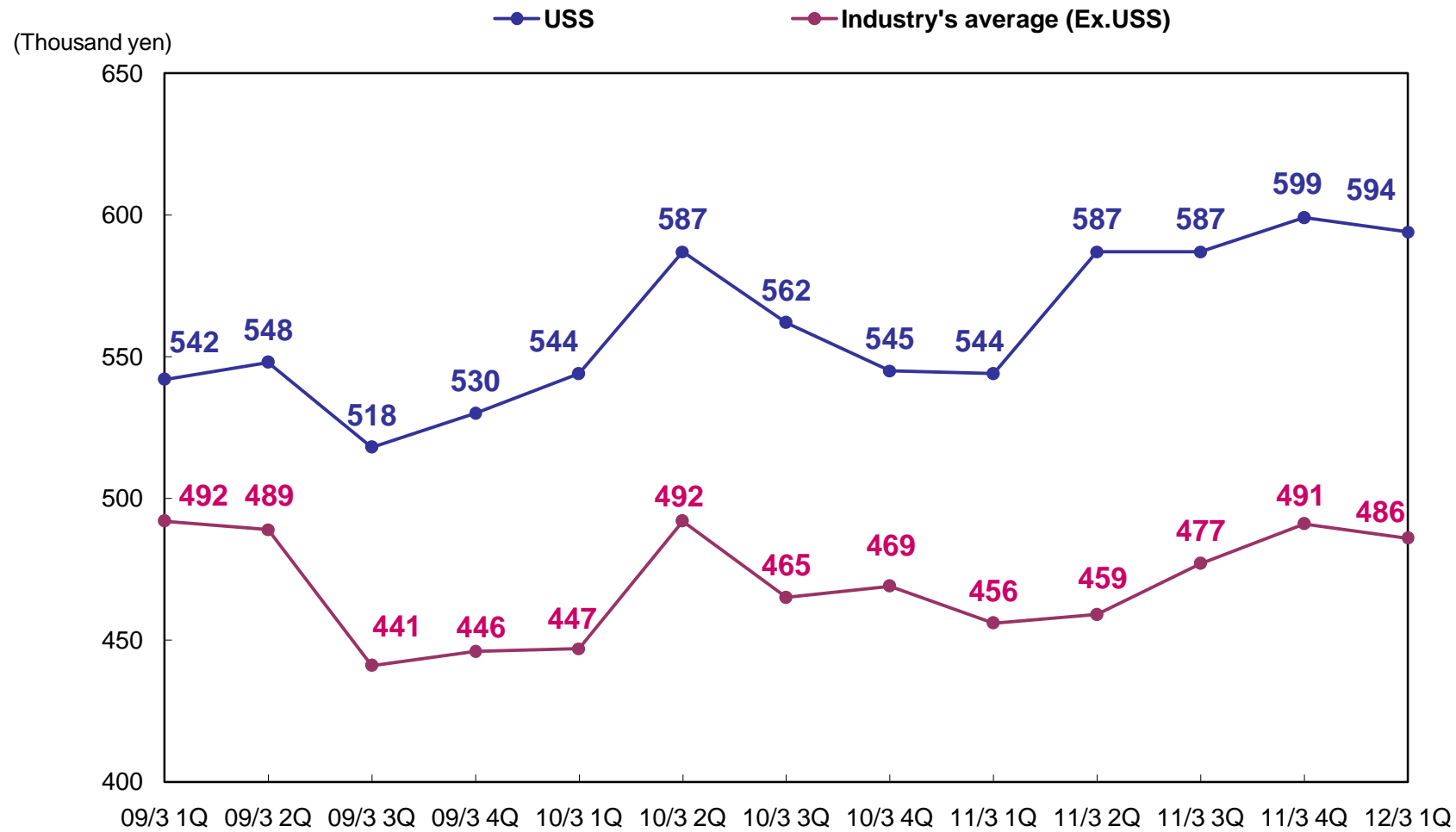
* Successful bid fee per vehicle is calculated before eliminations for consolidation.



Successful bid fee per vehicle increased by 189 yen from 10,250 yen to 10,439 yen

- The off-site successful bid ratio rose from 47.7% to 48.8%.

Average Price of Vehicles Contracted



1Q FY2012.3 (From April 1, 2011 to June 30, 2011)

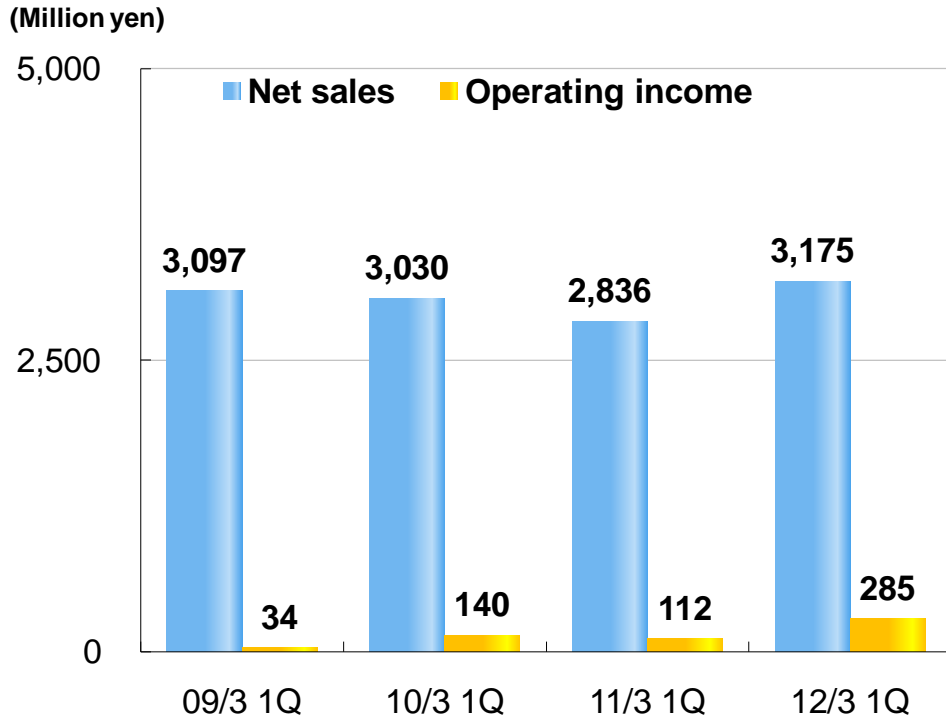
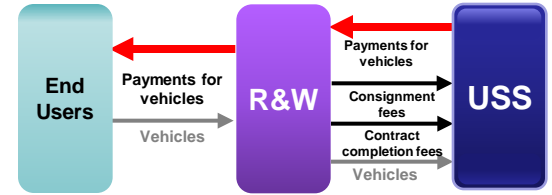
(Vehicles, Number of auctions held)

| | Number of auctions | | Number of consigned vehicles | | | Number of contract completions | | | Contract completion rate | |
|--------------|--------------------|------------|------------------------------|----------------|---------------|--------------------------------|----------------|-------------|--------------------------|--------------|
| | 12.3 1Q | 11.3 1Q | 12.3 1Q | 11.3 1Q | Changes | 12.3 1Q | 11.3 1Q | Changes | 12.3 1Q | 11.3 1Q |
| Tokyo | 12 | 12 | 138,584 | 149,892 | ▲7.5% | 104,747 | 100,381 | 4.3% | 75.6% | 67.0% |
| Nagoya | 12 | 12 | 78,244 | 84,892 | ▲7.8% | 54,223 | 54,302 | ▲0.1% | 69.3% | 64.0% |
| Kyushu | 12 | 13 | 40,954 | 40,965 | ▲0.0% | 26,785 | 23,437 | 14.3% | 65.4% | 57.2% |
| Yokohama | 12 | 12 | 38,959 | 51,845 | ▲24.9% | 26,788 | 29,586 | ▲9.5% | 68.8% | 57.1% |
| Sapporo | 12 | 12 | 33,659 | 34,625 | ▲2.8% | 22,674 | 19,894 | 14.0% | 67.4% | 57.5% |
| R-Nagoya | 12 | 12 | 23,763 | 25,475 | ▲6.7% | 19,731 | 19,755 | ▲0.1% | 83.0% | 77.5% |
| Osaka | 12 | 12 | 22,073 | 27,871 | ▲20.8% | 15,051 | 17,359 | ▲13.3% | 68.2% | 62.3% |
| Shizuoka | 12 | 12 | 20,925 | 21,901 | ▲4.5% | 13,186 | 12,217 | 7.9% | 63.0% | 55.8% |
| Tohoku | 12 | 12 | 20,299 | 19,472 | 4.2% | 15,770 | 12,939 | 21.9% | 77.7% | 66.4% |
| Gunma | 12 | 12 | 17,453 | 19,017 | ▲8.2% | 12,513 | 12,006 | 4.2% | 71.7% | 63.1% |
| Okayama | 12 | 13 | 14,816 | 17,542 | ▲15.5% | 9,344 | 7,779 | 20.1% | 63.1% | 44.3% |
| Fukuoka | 12 | 12 | 12,989 | 16,315 | ▲20.4% | 5,088 | 5,896 | ▲13.7% | 39.2% | 36.1% |
| Ryutsu | 12 | 12 | 11,856 | 25,297 | ▲53.1% | 6,460 | 8,630 | ▲25.1% | 54.5% | 34.1% |
| Niigata | 12 | 12 | 9,647 | 8,630 | 11.8% | 5,337 | 4,284 | 24.6% | 55.3% | 49.6% |
| Kobe | 12 | 12 | 9,137 | 9,700 | ▲5.8% | 5,836 | 5,702 | 2.4% | 63.9% | 58.8% |
| Saitama | 12 | 12 | 8,086 | 14,460 | ▲44.1% | 5,904 | 8,152 | ▲27.6% | 73.0% | 56.4% |
| Hokuriku | 12 | 12 | 7,822 | 7,023 | 11.4% | 5,333 | 4,376 | 21.9% | 68.2% | 62.3% |
| Total | 204 | 206 | 509,266 | 574,922 | ▲11.4% | 354,770 | 346,695 | 2.3% | 69.7% | 60.3% |

Auto Auction Business (9) – Monthly Auction Results (Fiscal Year)

(Vehicles, %)

| | | Apr. | May. | Jun. | Jul. | Aug. | Sep. | First Half | Oct. | Nov. | Dec. | Jan. | Feb. | Mar. | Second Half | Fiscal Year |
|----------------------------|------------|---------|---------|---------|---------|---------|---------|------------|---------|---------|---------|---------|---------|---------|-------------|-------------|
| No. of Consigned Vehicles | FY 2010.3 | 230,469 | 168,335 | 177,611 | 195,339 | 158,138 | 182,241 | 1,112,133 | 217,763 | 201,513 | 182,285 | 175,235 | 193,991 | 244,595 | 1,215,382 | 2,327,515 |
| | YoY Change | ▲22.7 | ▲31.9 | ▲27.2 | ▲23.5 | ▲26.7 | ▲29.2 | ▲26.7 | ▲24.4 | ▲20.8 | ▲12.9 | ▲6.3 | ▲2.6 | ▲1.0 | ▲12.2 | ▲19.8 |
| | FY 2011.3 | 228,978 | 158,658 | 187,286 | 191,512 | 138,354 | 189,850 | 1,094,638 | 189,668 | 165,854 | 145,278 | 137,038 | 167,041 | 222,431 | 1,027,310 | 2,121,948 |
| | YoY Change | ▲0.6 | ▲5.7 | 5.4 | ▲2.0 | ▲12.5 | 4.2 | ▲1.6 | ▲12.9 | ▲17.7 | ▲20.3 | ▲21.8 | ▲13.9 | ▲9.1 | ▲15.5 | ▲8.8 |
| | FY 2012.3 | 202,821 | 131,696 | 174,749 | 172,495 | - | - | 681,761 | - | - | - | - | - | - | - | 681,761 |
| | YoY Change | ▲11.4 | ▲17.0 | ▲6.7 | ▲9.9 | - | - | - | - | - | - | - | - | - | - | - |
| No. of Contracted Vehicles | FY 2010.3 | 121,077 | 94,693 | 106,849 | 117,816 | 93,367 | 109,827 | 643,629 | 126,930 | 110,332 | 95,640 | 101,938 | 117,784 | 146,705 | 699,329 | 1,342,958 |
| | YoY Change | ▲23.2 | ▲29.2 | ▲21.7 | ▲17.2 | ▲18.7 | ▲21.4 | ▲22.0 | ▲11.2 | ▲4.1 | 5.5 | 11.6 | 7.1 | 10.3 | 2.4 | ▲10.9 |
| | FY 2011.3 | 131,914 | 98,901 | 115,880 | 121,537 | 90,021 | 122,798 | 681,051 | 119,997 | 106,639 | 94,804 | 95,384 | 119,259 | 144,465 | 680,548 | 1,361,599 |
| | YoY Change | 9.0 | 4.4 | 8.5 | 3.2 | ▲3.6 | 11.8 | 5.8 | ▲5.5 | ▲3.3 | ▲0.9 | ▲6.4 | 1.3 | ▲1.5 | ▲2.7 | 1.4 |
| | FY 2012.3 | 133,721 | 96,492 | 124,557 | 117,640 | - | - | 472,410 | - | - | - | - | - | - | - | 472,410 |
| | YoY Change | 1.4 | ▲2.4 | 7.5 | ▲3.2 | - | - | - | - | - | - | - | - | - | - | - |
| Contract Completion Rate | FY 2010.3 | 52.5 | 56.3 | 60.2 | 60.3 | 59.0 | 60.3 | 57.9 | 58.3 | 54.8 | 52.5 | 58.2 | 60.7 | 60.0 | 57.5 | 57.7 |
| | FY 2011.3 | 57.6 | 62.3 | 61.9 | 63.5 | 65.1 | 64.7 | 62.2 | 63.3 | 64.3 | 65.3 | 69.6 | 71.4 | 64.9 | 66.2 | 64.2 |
| | FY 2012.3 | 65.9 | 73.3 | 71.3 | 68.2 | - | - | - | - | - | - | - | - | - | - | - |



(Million yen)

| | 2011.3 1Q | 2012.3 1Q | YoY |
|------------------------------|------------|------------|--------|
| Net Sales | 2,836 | 3,175 | 112.0% |
| Operating Income (Per sales) | 112 (4.0%) | 285 (9.0%) | 253.0% |

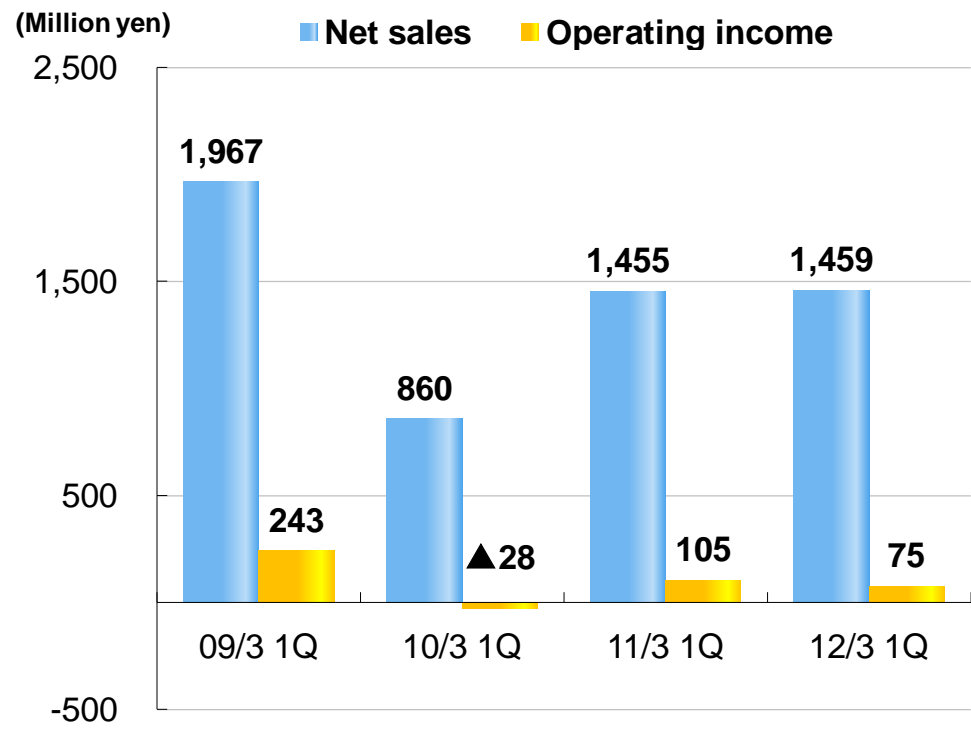
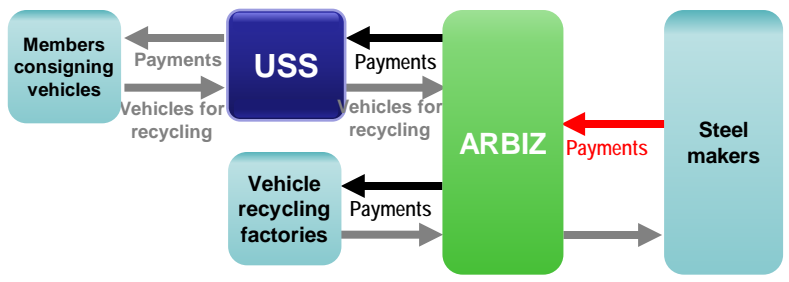
Rabbit (used car purchasing and selling shops) sales increased 10.9% to 2,084 million yen and operating income was up 153.5% to 158 million yen (YoY).

- Number of vehicles handled increased
- Higher gross profit per vehicle because of strength in the auction market

Sales of accident-damaged vehicles increased 14.1% to 1,091 million yen and operating income was up 152.3% to 126 million yen.

- Number of vehicles handled increased
- Higher gross profit per vehicle because of strength in the auction market

Other Business (Recycling Business) – Results of Operations



(Million yen)

| | 2011.3 1Q | 2012.3 1Q | YoY |
|------------------------------|------------|-----------|--------|
| Net Sales | 1,455 | 1,459 | 100.2% |
| Operating Income (Per sales) | 105 (7.3%) | 75 (5.1%) | 71.1% |

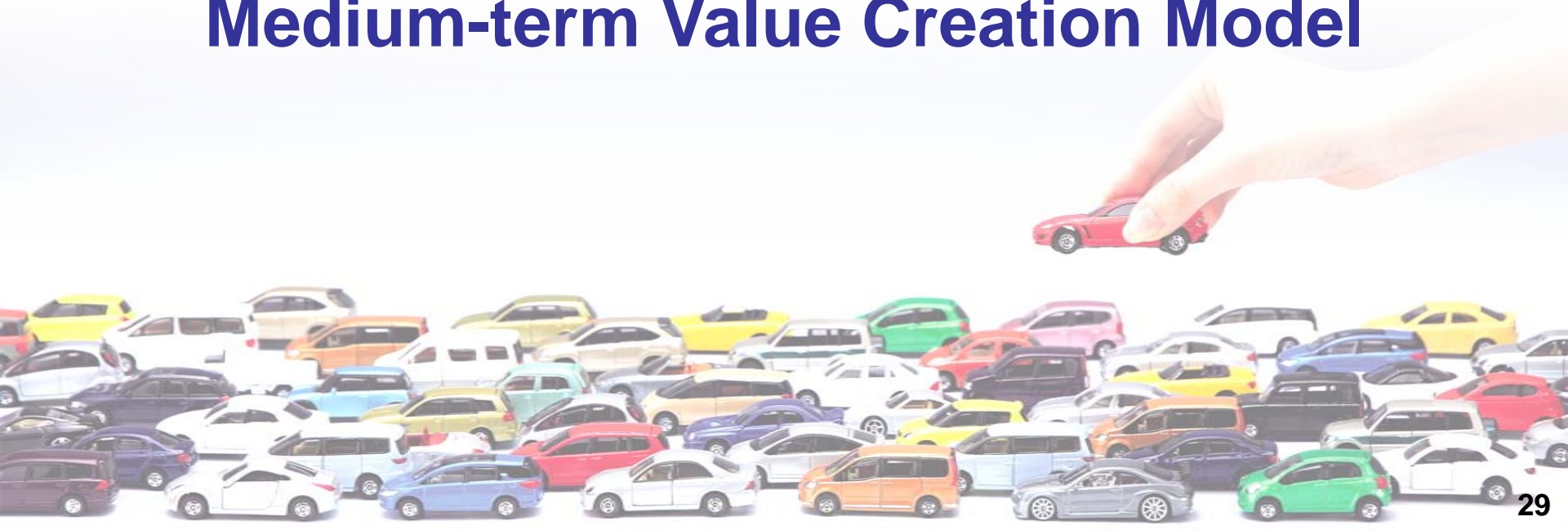
ARBIZ sales decreased 0.8% to 1,204 million yen and operating income fell 21.7% to 65 million yen (YoY).

- Handling volume of vehicles for recycling and industrial scrap materials decreased
- Higher prices for materials purchased

USS Toyo sales increased 4.7% to 253 million yen but operating income fell 18.0% to 17 million yen (YoY).

- Strong sales of rubber chips for artificial turf and other products
- Large increase in prices of raw materials

Forecast for FY2012.3 Earnings Distributions Medium-term Value Creation Model



(Million yen)

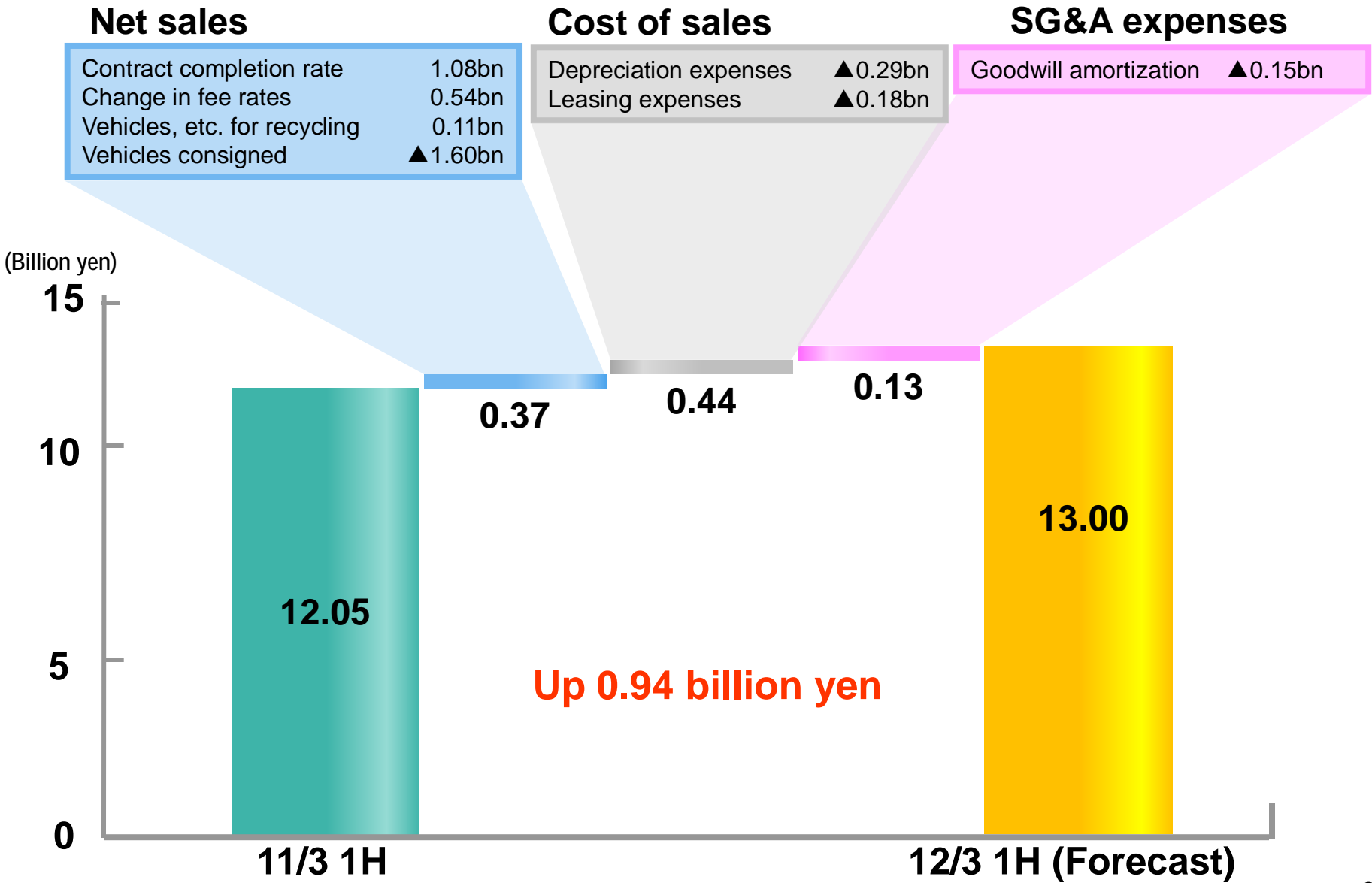
| | 2010.3 | 2011.3 | 2012.3 (Forecast) | VS. previous year |
|---|---------------------------|---------------------------|---------------------------|----------------------|
| Net Sales | 59,849 | 61,417 | 62,000 | 100.9% |
| Cost of sales (Per sales) | 27,120 (45.3%) | 26,865 (43.7%) | 26,000 (41.9%) | 96.8% |
| Gross profit (Per sales) | 32,728 (54.7%) | 34,552 (56.3%) | 36,000 (58.1%) | 104.2% |
| Selling, general and administrative expenses (Per sales) | 10,788 (18.0%) | 10,220 (16.6%) | 10,000 (16.1%) | 97.8% |
| Operating income (Per sales) | 21,940 (36.7%) | 24,332 (39.6%) | 26,000 (41.9%) | 106.9% |
| Ordinary income (Per sales) | 22,511 (37.6%) | 24,643 (40.1%) | 26,300 (42.4%) | 106.7% |
| Net income (Per sales) | 12,717 (21.2%) | 13,971 (22.7%) | 15,650 (25.2%) | 112.0% |
| Net income per share (yen) | 418.85 | 478.00 | 548.93 | 114.8% |

5 year Consolidated Performance

| Consolidated | (Million yen) | | | | | |
|---|--|---------------|---------------|---------------|---------------|---------------|
| | Results | | | | | Forecast |
| | 2007.3 | 2008.3 | 2009.3 | 2010.3 | 2011.3 | 2012.3 |
| <Auto Auction Business> | | | | | | |
| Consignment Fees | 13,972 | 14,595 | 13,802 | 11,285 | 10,822 | 11,153 |
| Contract Completion Fees | 11,469 | 12,491 | 11,347 | 10,283 | 10,559 | 10,475 |
| Successful Bidding Fees | 14,437 | 15,892 | 14,642 | 13,659 | 14,142 | 14,160 |
| Revenues from Sales of Goods | 1,142 | 1,682 | 1,781 | 746 | 848 | 746 |
| Other Revenues | 6,685 | 7,291 | 7,178 | 6,816 | 6,804 | 6,817 |
| Auto Auction Business Total | 47,707 | 51,953 | 48,752 | 42,791 | 43,177 | 43,352 |
| <Used Vehicle Sales/Purchases Business> | | | | | | |
| Revenues from Used Vehicle Sales/Purchases | 7,489 | 6,976 | 7,860 | 8,289 | 8,456 | 8,334 |
| Revenues from Accident-damaged Vehicle Sales/Purchases | 5,399 | 5,614 | 4,404 | 3,935 | 4,038 | 4,117 |
| Used Vehicles Sales/Purchases Business Total | 12,888 | 12,590 | 12,265 | 12,224 | 12,494 | 12,452 |
| <Other Business> | | | | | | |
| Revenues from Recycling End-of-Life Vehicle Sales/Purchases | 2,880 | 4,123 | 4,468 | 3,734 | 4,566 | 4,687 |
| Revenues from Recycling Scrap Rubbers | 1,091 | 1,133 | 1,063 | 1,098 | 1,178 | 1,237 |
| Revenues from Used Vehicle Export Clearing Service | - | - | - | - | - | 270 |
| Other Business Total | 3,972 | 5,257 | 5,532 | 4,832 | 5,745 | 6,194 |
| Net Sales | 64,568 | 69,801 | 66,549 | 59,849 | 61,417 | 62,000 |
| Operating Income | 24,817 | 27,200 | 22,568 | 21,940 | 24,332 | 26,000 |
| Ordinary Income | 25,360 | 27,490 | 22,503 | 22,511 | 24,643 | 26,300 |
| Net Income | 14,390 | 15,200 | 12,003 | 12,717 | 13,971 | 15,650 |
| Auto Auction Business | (Vehicles, %, Yen, Companies, No. of Shops) | | | | | |
| No. of Consigned Vehicles | 2,840,129 | 2,920,356 | 2,902,636 | 2,327,515 | 2,121,948 | 2,060,000 |
| No. of Contracted Vehicles | 1,541,521 | 1,670,429 | 1,507,802 | 1,342,958 | 1,361,599 | 1,350,000 |
| Contract Completion Rate | 54.3 | 57.2 | 51.9 | 57.7 | 64.2 | 65.5 |
| Consignment Fees per Vehicle consigned *1 | 4,957 | 5,031 | 4,791 | 4,884 | 5,139 | 5,454 |
| Contract completion fees per vehicle contracts completed *1 | 7,507 | 7,536 | 7,598 | 7,729 | 7,831 | 7,834 |
| Successful Bidding fees per vehicle contracts completed *1 | 9,374 | 9,544 | 9,742 | 10,178 | 10,393 | 10,494 |
| On-site Auction Members | 40,959 | 42,751 | 43,307 | 44,317 | 45,563 | 46,600 |
| CIS Internet Members | 17,465 | 19,995 | 22,273 | 23,565 | 24,688 | 25,500 |
| TV (Satellite Auction) Members | 6,132 | 5,637 | 5,098 | 4,599 | 4,248 | 4,000 |
| Rabbit Chain Shops | 252 | 229 | 207 | 189 | 176 | 175 |
| Capital Expenditures and Depreciation | (Million yen, %) | | | | | |
| Capital Expenditures (Terms of Cash Flows) *2 | 13,641 | 7,639 | 6,913 | 1,285 | 7,629 | 3,000 |
| Depreciation | 5,167 | 5,526 | 5,796 | 5,482 | 4,529 | 3,872 |

*1 Each fee per vehicle is calculated before eliminations for consolidation. *2 Capital expenditures include property, plant and equipment and software.

Reasons for change in operating income



Reasons for change in operating income

Net sales

| | |
|------------------------------|---------|
| Change in fee rates | 0.79bn |
| Contract completion rate | 0.51bn |
| Export clearing service | 0.27bn |
| Internet information service | 0.17bn |
| Vehicles consigned | ▲1.03bn |

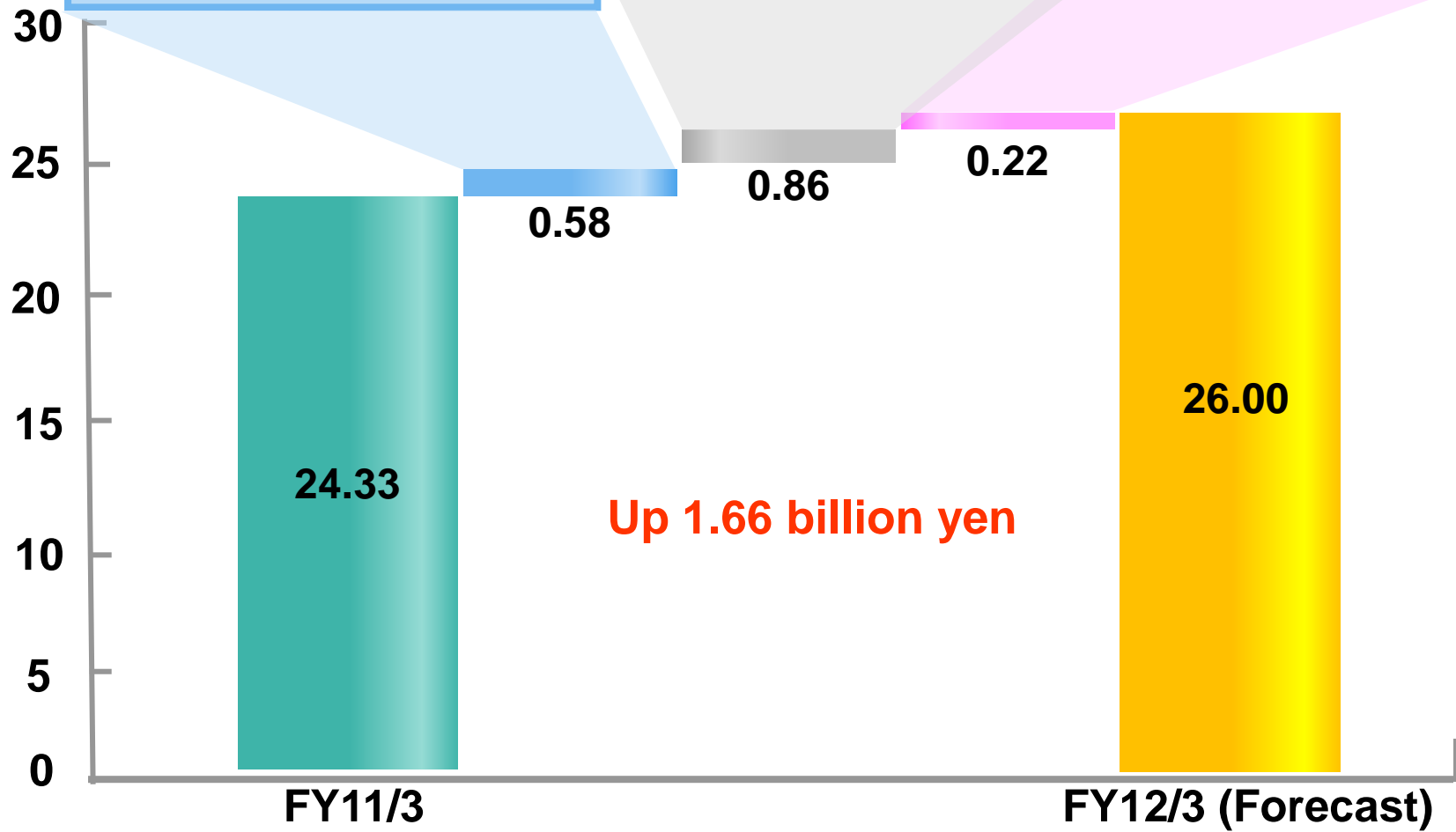
Cost of sales

| | |
|-----------------------|---------|
| Cost of purchase | 0.25bn |
| Depreciation expenses | ▲0.60bn |
| Leasing expenses | ▲0.28bn |
| Cost of sales | ▲0.26bn |

SG&A expenses

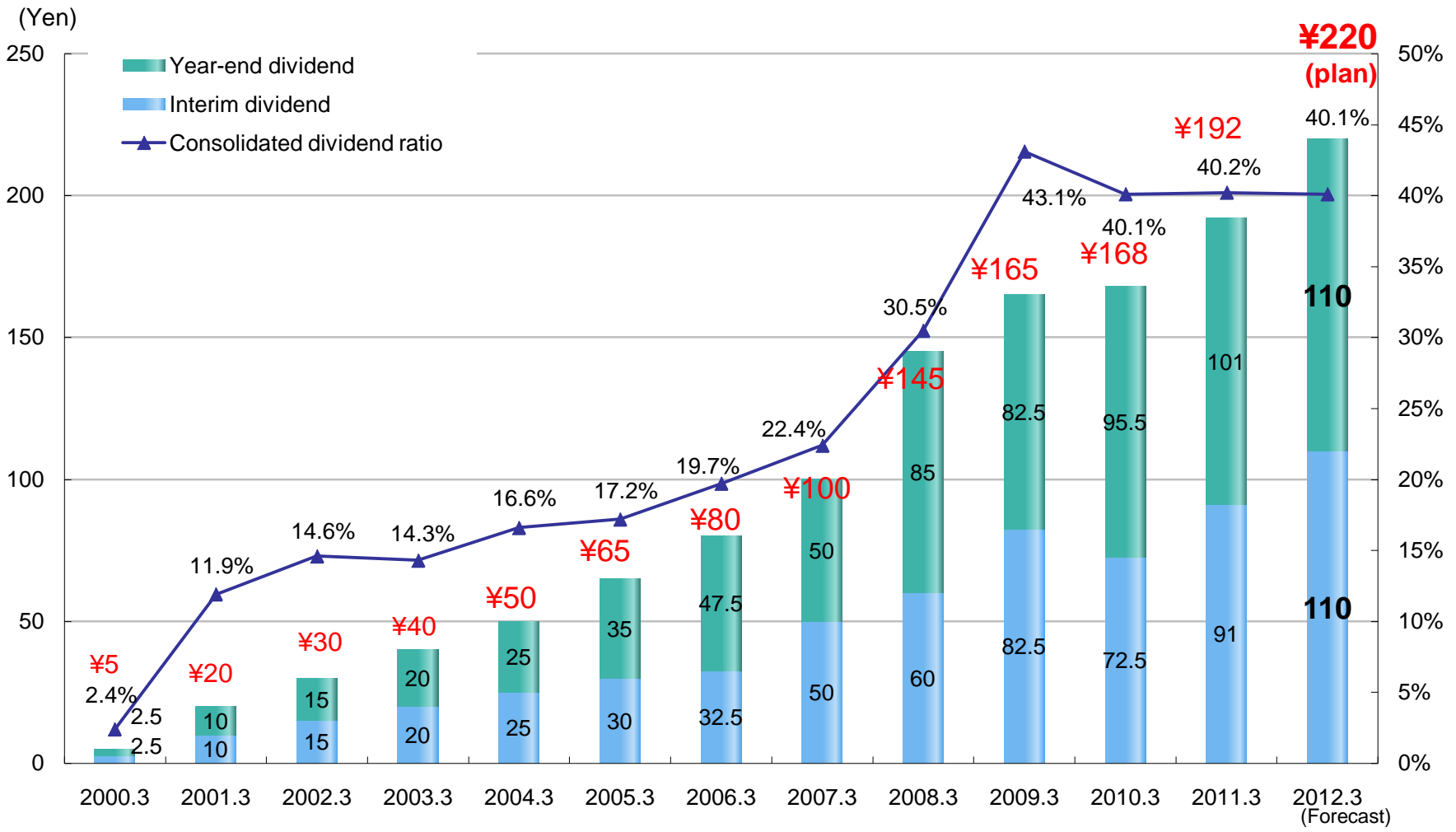
| | |
|--------------------------|---------|
| Sales promotion expenses | 0.07bn |
| Goodwill amortization | ▲0.15bn |
| Taxes | ▲0.12bn |

(Billion yen)



Earnings Distributions (1) – Dividend Policy

- FY2012.3 dividend per share **¥220(plan)**
- Fundamental dividend policy is **to maintain a consolidated payout ratio of at least 40%**



USS consistently distributes earnings to shareholders

(Million yen)

| | 2001.3 | 2002.3 | 2003.3 | 2004.3 | 2005.3 | 2006.3 | 2007.3 | 2008.3 | 2009.3 | 2010.3 | 2011.3 |
|-----------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Net Income | 4,493 | 5,489 | 7,645 | 8,907 | 11,814 | 13,203 | 14,390 | 15,200 | 12,003 | 12,717 | 13,971 |
| Dividend Paid | 532 | 802 | 1,095 | 1,529 | 2,049 | 2,589 | 3,204 | 4,641 | 5,126 | 5,059 | 5,601 |
| Stock Repurchased | - | 0 | 5 | 2 | 2 | 1,757 | 4,525 | 0 | 8,940 | 4,671 | 4,950 |
| Total Earnings Distribution Ratio | 11.9% | 14.6% | 14.4% | 16.7% | 17.2% | 33.0% | 53.8% | 30.5% | 117.6% | 76.8% | 75.6% |

Dividends

- USS has increased its dividend every year since the September 1999 IPO (11 consecutive increases)

Stock repurchases

- Repurchased 500,000 shares at a cost of 3,078 million yen between May 11 and June 7, 2011
- Plan to repurchase 500,000 shares (upper limit) at a cost of 3,250 million yen (upper limit) from August 3, 2011 to September 22, 2011

Future policy for earnings distributions

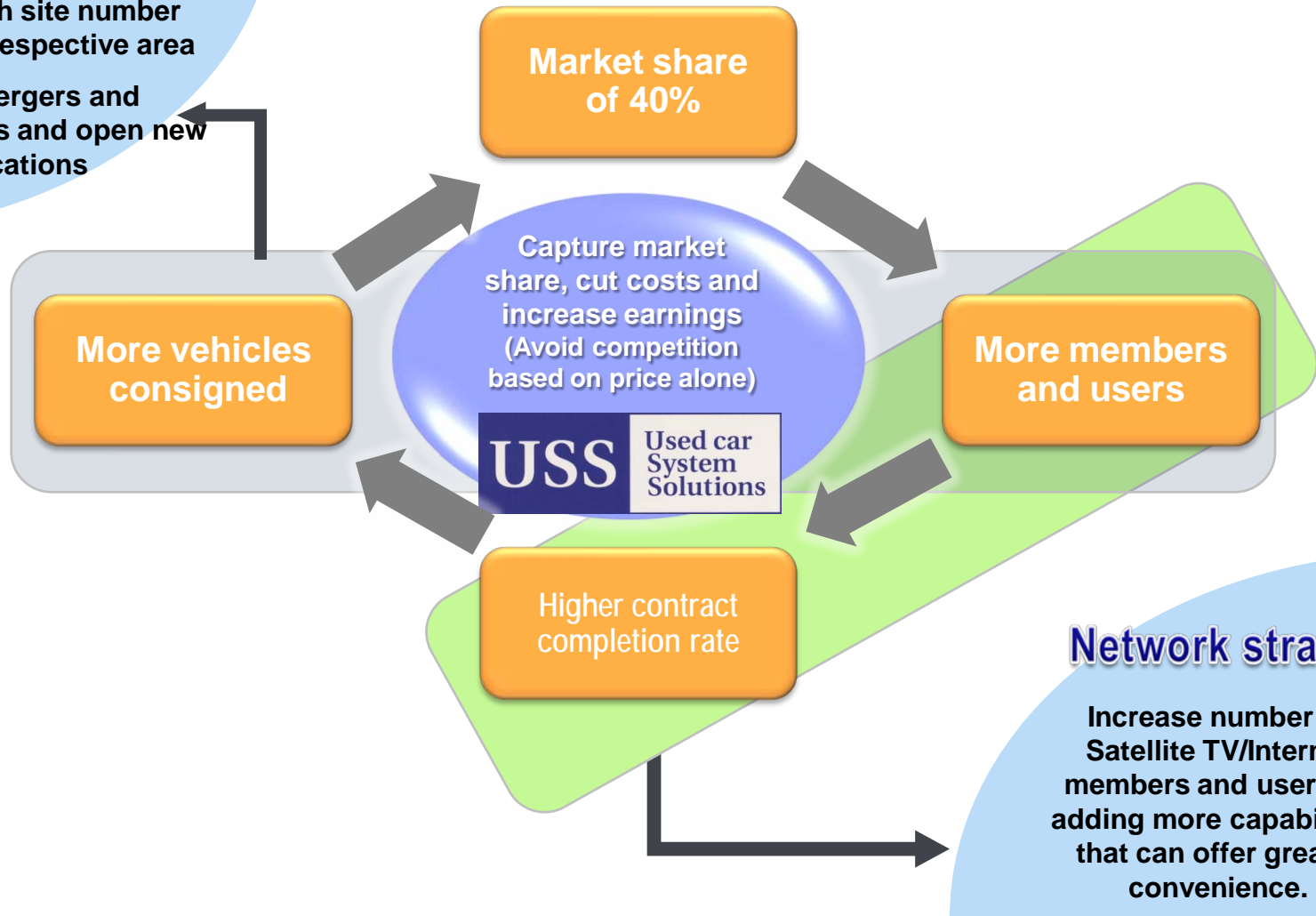
- A consolidated dividend payout ratio of 40% has been the fundamental policy since FY2009.3.
- USS may consider another stock repurchases in FY3/2012 based on cash flows, capital expenditures plans and other items.

USS is aiming for an overwhelming share of Japan's mature auto auction market by offering its members even greater convenience.

Auction site strategy

Make each site number one in its respective area

Use mergers and acquisitions and open new locations



■ Auction sites

- **June 2011: Combined operations of the Tokyo and Ryutsu auction sites at the Tokyo Auction Site located in Noda, Chiba prefecture**
- **July 2011: Expanded the Yokohama Auction Site stockyard, by 16,500 square meters**

■ Network services

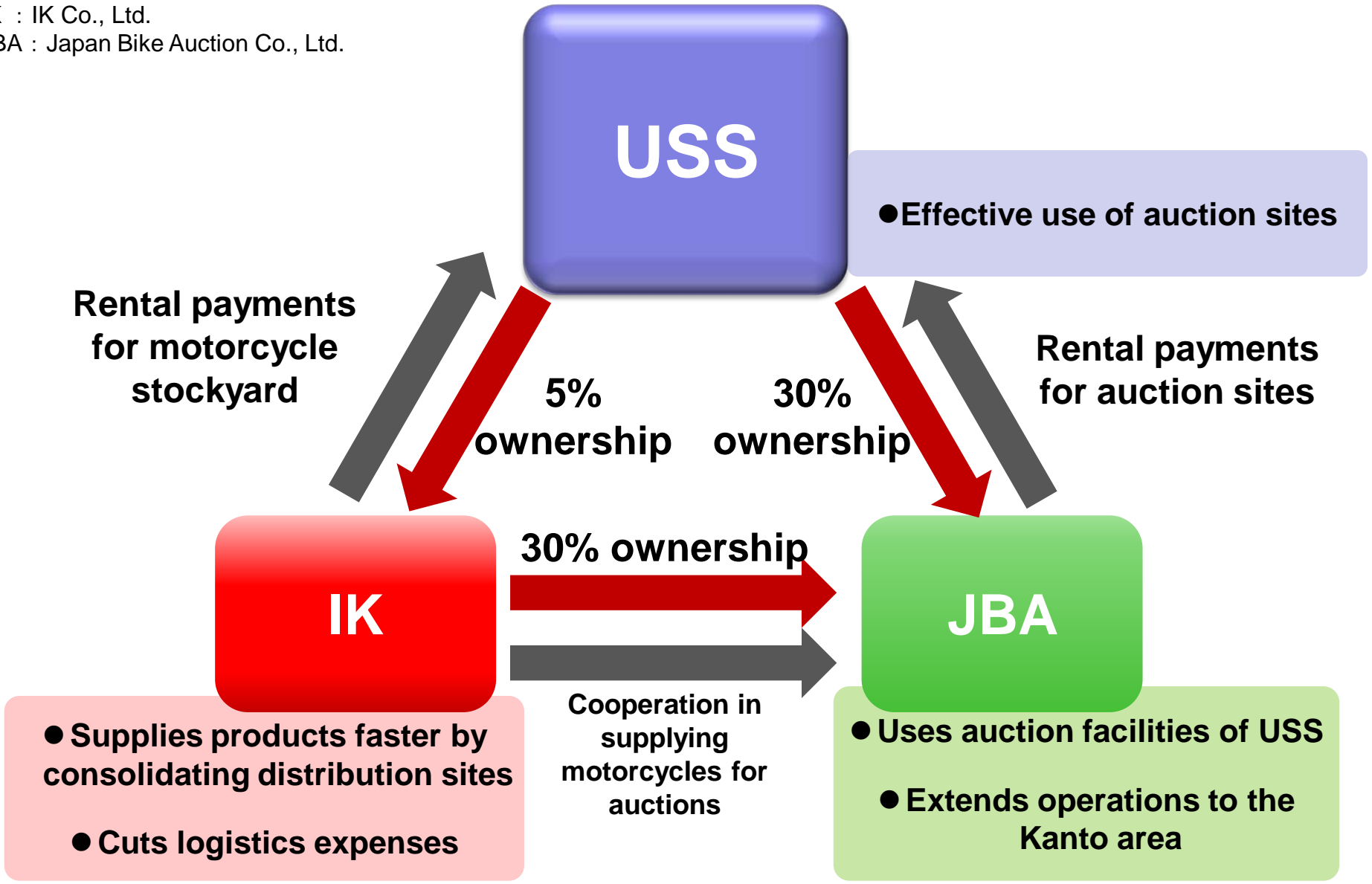
- **Conducting campaign to increase the number of Satellite TV and Internet auction members**
- **Conducting the “Goo Approved Cars” service through a business alliance with Proto Corporation**

■ New business activities

- **Established USS Logistics International Co., Ltd. to conduct used vehicles export clearing service; the new company has started operations at the Tokyo and Yokohama auction sites.**
- **Started motorcycle auction business by establishing equity and business alliances with Japan Bike Auction Co., Ltd. and IK Co. Ltd.**

Motorcycle Auction Operations

IK : IK Co., Ltd.
 JBA : Japan Bike Auction Co., Ltd.



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Reference materials

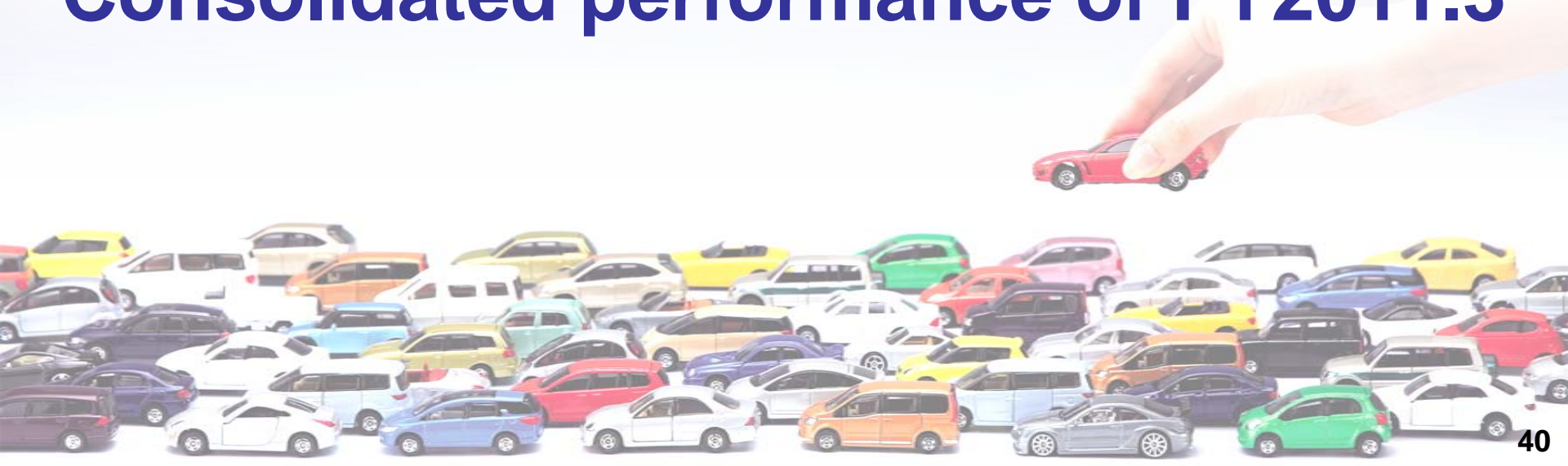
**Japan Automobile Dealers Association, Japan Mini Vehicles Association,
Monthly Magazine Used Car, International Auto Trade Association,
Japan automobile recycle promotion center**

(Precautions concerning these materials)

These materials contain forward-looking statements that are based on the judgments of management in accordance with information that is currently available. These statements include assumptions and beliefs based on these assumptions. Depending on changes in the operating environment, these assumptions and beliefs may differ from actual results. Statements by USS or its management concerning expectations or beliefs about future performance are not guarantees that these expectations or beliefs will be achieved, or that actual performance will be near these expectations or beliefs. Furthermore, as provided by law, unless stated otherwise, USS has no obligation to update any forecast to the latest version.

Supplemental Data

Consolidated performance of FY2011.3



- **Sales up 2.6% despite a challenging operating environment**
 - Vehicles consigned down 8.8% and contracted vehicles up 1.4% (vs. FY2010.3)
 - Contract completion rate improved from 57.7% to 64.2%
 - Satellite TV/Internet/Off-site contract successful bid ratio increased from 45.6% to 48.8%

- **Operating income up 10.9% and ordinary income up 9.5%**
 - Depreciation and goodwill amortization declined
 - Operating margin recovered to 39.6% from 36.7% in previous fiscal year

- **Big increase in earnings in the used car purchasing and selling business**

- **Sales higher but earnings down in the recycling business**

- **Earnings per share increased 14.1% due in part to stock repurchases**

- **Maintained a high equity ratio of 80.2%**

■ Opportunity loss caused by cancelation of auctions

- Five auctions were canceled: one each at the Tokyo, Yokohama and Ryutsu sites and two at the Tohoku site
- Opportunity loss of 435 million yen when converted to sales (based on fee income per auction per site in FY2011.3)

■ Expenses resulting from damage to auction site facilities

- Damage to some facilities at the Tohoku Auction Site (Murata-cho, Shibata-gun, Miyagi), Tokyo Auction Site, Ryutsu Auction Site (Nodashi, Chiba), Yokohama Auction Site (Yokohama) and Saitama Auction Site (Iruma-shi, Saitama)
- Expenses to replace damaged auction and other facilities are expected to be 35 million yen (not including cost of repair and restoration work at the Tohoku Auction Site stockyard)

Sales and operating income both reached the FY plan

(Million yen)

| | 2010.3 | 2011.3 | YoY | Plan (As of Nov. 9, 2010) | VS. plan |
|--|-------------------|-------------------|--------|------------------------------|----------|
| Net Sales | 59,849 | 61,417 | 102.6% | 61,000 | 100.7% |
| Cost of sales (Per sales) | 27,120 (45.3%) | 26,865 (43.7%) | 99.1% | 26,444 (43.4%) | 101.6% |
| Gross profit (Per sales) | 32,728 (54.7%) | 34,552 (56.3%) | 105.6% | 34,555 (56.6%) | 100.0% |
| Selling, general and administrative expenses (Per sales) | 10,788 (18.0%) | 10,220 (16.6%) | 94.7% | 10,455 (17.1%) | 97.7% |
| Operating income (Per sales) | 21,940 (36.7%) | 24,332 (39.6%) | 110.9% | 24,100 (39.5%) | 101.0% |
| Ordinary income (Per sales) | 22,511 (37.6%) | 24,643 (40.1%) | 109.5% | 24,300 (39.8%) | 101.4% |
| Net income (Per sales) | 12,717 (21.2%) | 13,971 (22.7%) | 109.9% | 14,100 (23.1%) | 99.1% |
| Net income per share (yen) | 418.85 | 478.00 | 114.1% | 482.40 | 99.1% |
| ROE | 10.9% | 11.7% | — | 11.6% | — |

Net sales: Vehicle consignment fees down but contract completion fee and off-site fee income increased because of the higher contract completion rate; sales from recycling end-of-life vehicles and other items increased

Cost of sales: Depreciation expenses down but cost of procurement for end-of-life vehicles and other items up

SG&A expenses: Goodwill amortization declined

Extraordinary gains/losses: Impairment charge of 998 million yen for buildings and equipment at the Ryutsu Auction Site following its integration with the Tokyo Auction Site; 462 million yen of asset retirement obligations for prior years

Outstanding financial soundness even as substantial earnings distributions to shareholders continue

(Million yen)

| | 2010.3 | 2011.3 | Changes |
|--|---------|---------|---------|
| Current assets | 40,222 | 47,074 | 6,851 |
| Cash and deposits | 29,681 | 30,980 | 1,298 |
| Receivables due from member dealers at auction | 5,643 | 11,151 | 5,507 |
| Other | 4,896 | 4,942 | 45 |
| Noncurrent assets | 101,941 | 104,562 | 2,621 |
| Property, plant and equipment | 92,204 | 94,479 | 2,274 |
| Intangible assets | 1,498 | 1,114 | ▲383 |
| Investments and other assets | 8,238 | 8,969 | 730 |
| Total assets | 142,164 | 151,636 | 9,472 |
| Current liabilities | 17,435 | 22,994 | 5,559 |
| Payables due to member dealers at auction | 6,454 | 11,502 | 5,048 |
| Short-term loans payable | 399 | 188 | ▲211 |
| Other | 10,581 | 11,303 | 722 |
| Noncurrent liabilities | 6,337 | 6,695 | 357 |
| Long-term loans payable | 356 | 167 | ▲188 |
| Other | 5,981 | 6,527 | 545 |
| Total liabilities | 23,773 | 29,689 | 5,916 |
| Total shareholders' equity | 123,058 | 126,556 | 3,497 |
| Total of other comprehensive income | ▲4,912 | ▲4,918 | ▲5 |
| Subscription rights to shares | 18 | 31 | 12 |
| Minority interests | 226 | 278 | 51 |
| Total net assets | 118,390 | 121,947 | 3,556 |

Current assets

- Member dealer receivables up due to timing of fiscal year end and auction dates

Noncurrent assets

- Land increased 6.28 billion yen mainly because of purchase of land adjacent to the Yokohama Auction Site
- Decrease of 4.52 billion yen due to depreciation

Current liabilities

- Member dealer payables up due to timing of fiscal year end and auction dates

Noncurrent liabilities

- Increase of 700 million yen due to asset retirement obligations
- Decrease of 300 million yen due to repayment of lease obligations

Repurchased stock and consolidated dividend payout ratio of more than 40%

(Million yen)

| | 2010.3 | 2011.3 | Changes |
|--|----------------|----------------|----------------|
| Net Cash provided operating activities | 22,300 | 20,512 | ▲1,788 |
| Income before income taxes | 22,026 | 23,156 | 1,130 |
| Depreciation and other amortization | 5,622 | 4,685 | ▲936 |
| Amortization of goodwill | 797 | 248 | ▲549 |
| Loss (▲gain) on sale and retirement of property, plant and equipment | 1 | 1 | 0 |
| Loss (▲gain) on sales and retirement of intangible assets | 8 | 11 | 2 |
| Net change in due from/to member dealers at auction (▲increase) | 761 | ▲458 | ▲1,220 |
| Income taxes paid | ▲7,949 | ▲9,026 | ▲1,077 |
| Other | 1,030 | 1,893 | 874 |
| Net cash provided by investment activities | ▲803 | ▲9,786 | ▲8,982 |
| Purchase of property, plant and equipment | ▲1,071 | ▲7,303 | ▲6,231 |
| Other | 267 | ▲2,482 | ▲2,750 |
| Net cash provided by financing activities | ▲10,260 | ▲11,127 | ▲866 |
| Net increase in loans payable | ▲602 | ▲399 | 203 |
| Purchases of treasury stock | ▲4,671 | ▲4,950 | ▲279 |
| Cash dividends paid | ▲4,741 | ▲5,518 | ▲776 |
| Other | ▲244 | ▲258 | ▲13 |
| Net increase in cash and cash equivalents | 11,235 | ▲401 | ▲11,636 |
| Cash and cash equivalents at beginning of period | 18,445 | 29,681 | 11,235 |
| Cash and cash equivalents at end of period | 29,681 | 29,280 | ▲401 |

Operating activities

- Depreciation and amortization was 4.68 billion yen
- Income taxes paid were 9.02 billion yen

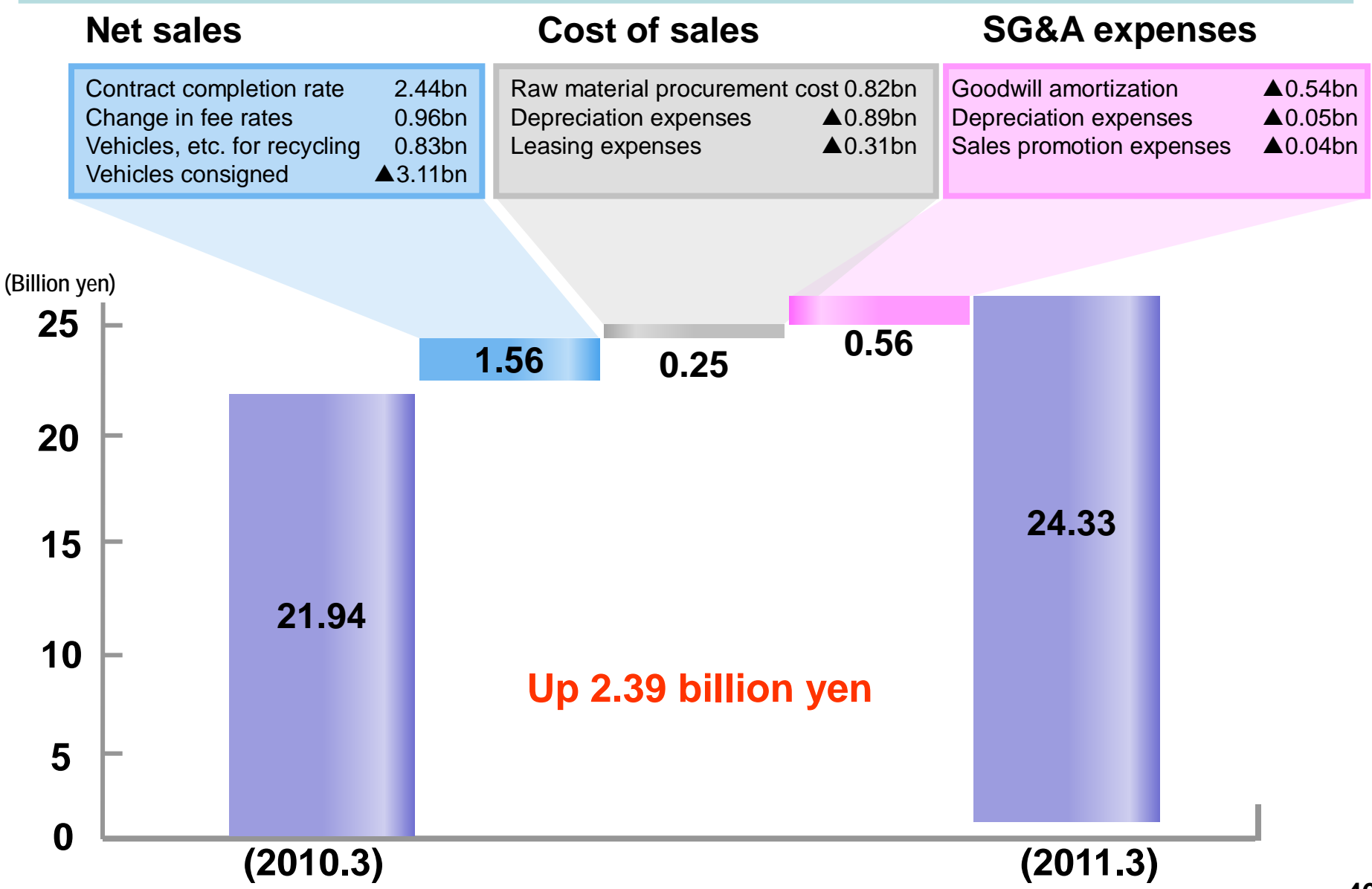
Investing activities

- Purchase of property, plant and equipment was 7.30 billion yen (for land next to the Yokohama Auction Site, etc.)

Financing activities

- Purchases of treasury stock were 4.95 billion yen
- Cash dividends paid were 5.51 billion yen

Reasons for change in operating income



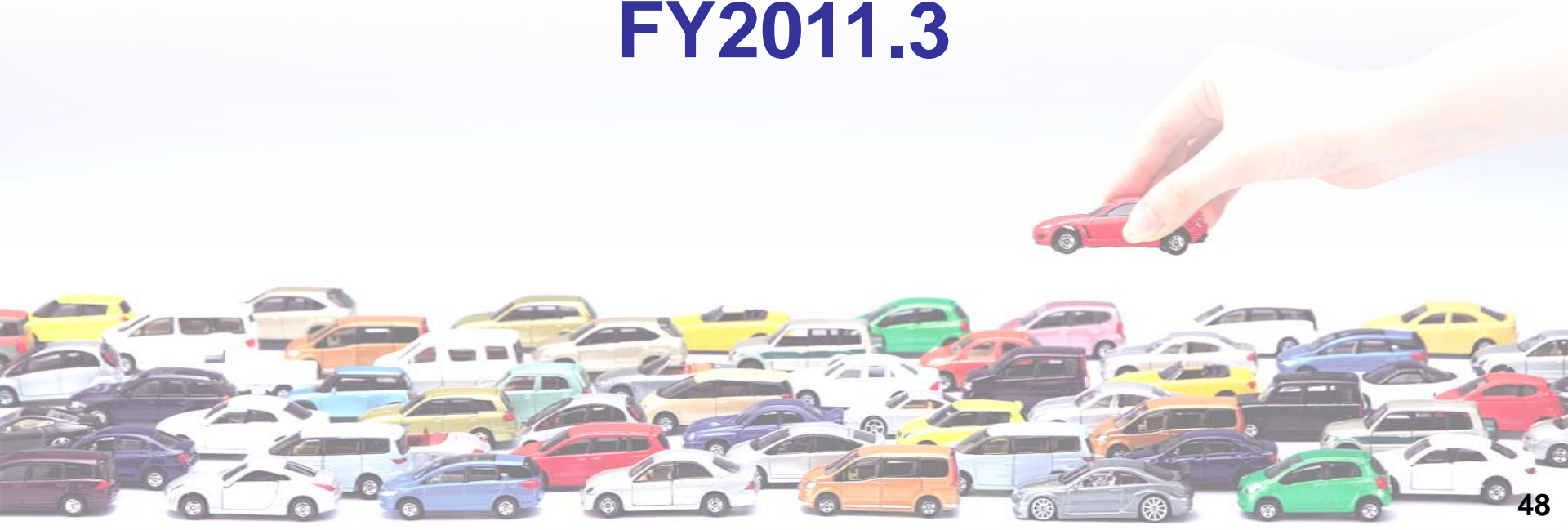
Major Financial Indicators (Fiscal year)

(Million yen)

| | 2001.3 | 2002.3 | 2003.3 | 2004.3 | 2005.3 | 2006.3 | 2007.3 | 2008.3 | 2009.3 | 2010.3 | 2011.3 | YoY | 10 years average of % changes |
|-------------------------------------|--------|--------|--------|--------|---------|---------|---------|---------|-----------|-----------|-----------|--------|-------------------------------|
| Results of Operations | | | | | | | | | | | | | |
| Net Sales | 21,623 | 26,008 | 33,819 | 42,425 | 50,484 | 60,243 | 64,568 | 69,801 | 66,549 | 59,849 | 61,417 | 2.6% | 11.0% |
| Operating Income | 8,837 | 11,345 | 15,335 | 18,017 | 20,673 | 23,103 | 24,817 | 27,200 | 22,568 | 21,940 | 24,332 | 10.9% | 10.7% |
| Ordinary Income | 8,693 | 10,859 | 15,382 | 18,207 | 21,096 | 23,544 | 25,360 | 27,490 | 22,503 | 22,511 | 24,643 | 9.5% | 11.0% |
| Net Income | 4,493 | 5,489 | 7,645 | 8,907 | 11,814 | 13,203 | 14,390 | 15,200 | 12,003 | 12,717 | 13,971 | 9.9% | 12.0% |
| Financial Position | | | | | | | | | | | | | |
| Total Assets | 62,315 | 80,929 | 88,979 | 92,538 | 115,704 | 131,908 | 146,172 | 150,737 | 138,370 | 142,164 | 151,636 | 6.7% | 9.3% |
| Cash and Deposits | 11,595 | 21,477 | 15,356 | 15,168 | 15,818 | 19,995 | 21,149 | 26,280 | 18,445 | 29,681 | 30,980 | 4.4% | 10.3% |
| Total Liabilities | 29,624 | 46,209 | 44,603 | 24,284 | 29,901 | 33,841 | 40,184 | 33,159 | 23,428 | 23,773 | 29,689 | 24.9% | 0.0% |
| Interest Bearing Debt | 13,462 | 28,858 | 25,579 | 7,331 | 7,490 | 5,200 | 5,355 | 3,064 | 2,716 | 1,806 | 1,097 | ▲39.3% | ▲22.2% |
| Net Assets | 32,690 | 34,720 | 44,376 | 68,254 | 85,803 | 98,067 | 105,988 | 117,577 | 114,941 | 118,390 | 121,947 | 3.0% | 14.1% |
| Shareholders' Equity | 32,266 | 34,402 | 43,812 | 67,497 | 84,877 | 97,391 | 104,985 | 117,130 | 114,771 | 118,146 | 121,638 | 3.0% | 14.2% |
| Per Share Information | | | | | | | | | | | | | |
| EPS (Yen) | 168.6 | 205.6 | 279.4 | 300.7 | 377.6 | 407.0 | 447.1 | 475.1 | 382.7 | 418.8 | 478.0 | 14.1% | 11.0% |
| Dividend per Share (Yen) | 20.0 | 30.0 | 40.0 | 50.0 | 65.0 | 80.0 | 100.0 | 145.0 | 165.0 | 168.0 | 192.0 | 14.3% | 25.4% |
| Others | | | | | | | | | | | | | |
| Operating Income Ratio (%) | 40.9 | 43.7 | 45.3 | 42.5 | 40.9 | 38.4 | 38.4 | 39.0 | 33.9 | 36.7 | 39.6 | — | — |
| ROE (%) | 15.0 | 16.5 | 19.5 | 16.0 | 15.5 | 14.5 | 14.2 | 13.7 | 10.4 | 10.9 | 11.7 | — | — |
| ROA (%) | 15.3 | 15.2 | 18.1 | 20.1 | 20.3 | 19.0 | 18.2 | 18.5 | 15.6 | 16.0 | 16.8 | — | — |
| Dividend Payout Ratio (%) | 11.9 | 14.6 | 14.3 | 16.6 | 17.2 | 19.7 | 22.4 | 30.5 | 43.1 | 40.1 | 40.2 | — | — |
| Shareholders' Equity Ratio (%) | 51.8 | 42.5 | 49.3 | 72.9 | 73.4 | 73.8 | 71.8 | 77.7 | 82.9 | 83.1 | 80.2 | — | — |
| Treasury Stock (shs.) | — | 50 | 1,134 | 1,495 | 1,789 | 144,006 | 671,773 | 671,801 | 2,105,687 | 2,936,474 | 2,364,781 | ▲19.5% | — |
| On-site Auction Members (Companies) | 22,329 | 25,023 | 27,622 | 30,195 | 34,420 | 37,157 | 40,959 | 42,751 | 43,307 | 44,317 | 45,563 | 2.8% | 7.4% |

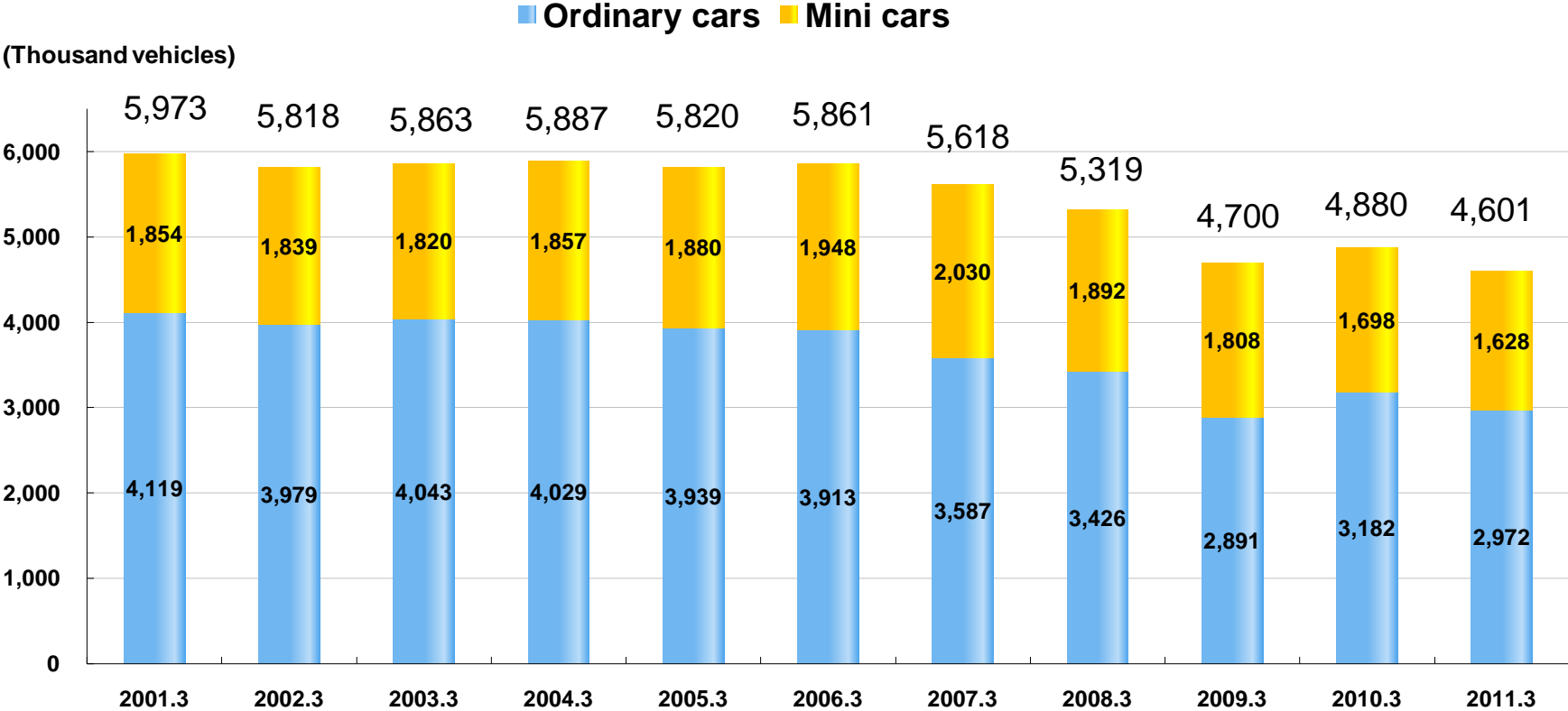
Market Overview

FY2011.3



(1) New Car Registrations in Japan (April to March)

Big drop starting in October following the end of eco-car subsidies

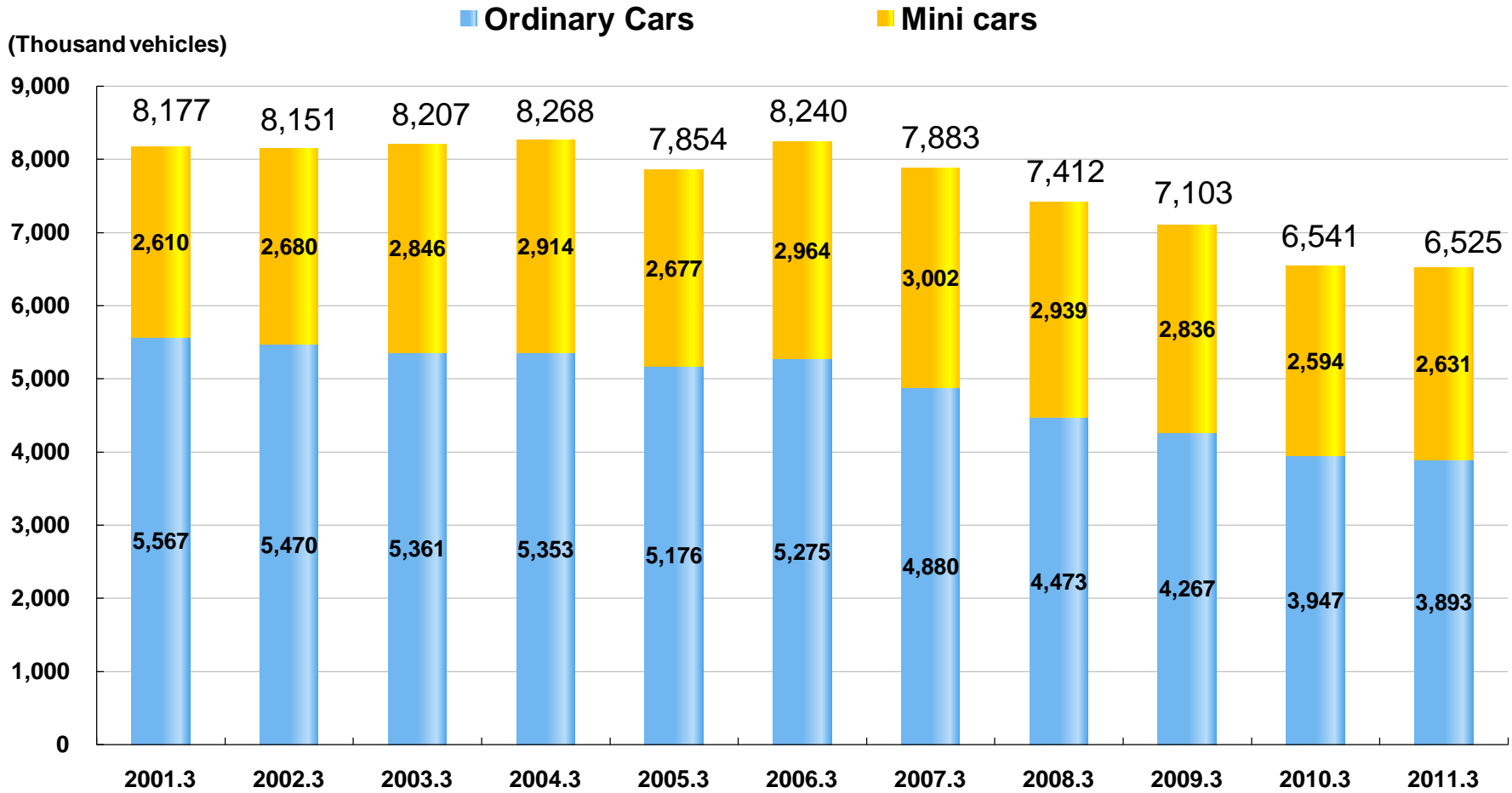


New car registrations in FY2011.3 decreased 5.7% to 4.6 million units.

- Registrations fell sharply starting in October after eco-car subsidies ended.
- New car registrations were down 35.1% to the 430,000 level in March because of the Great East Japan Earthquake.

(2) Used Car Registrations in Japan (April to March)

Used car registrations were flat despite the drop in new car registrations.



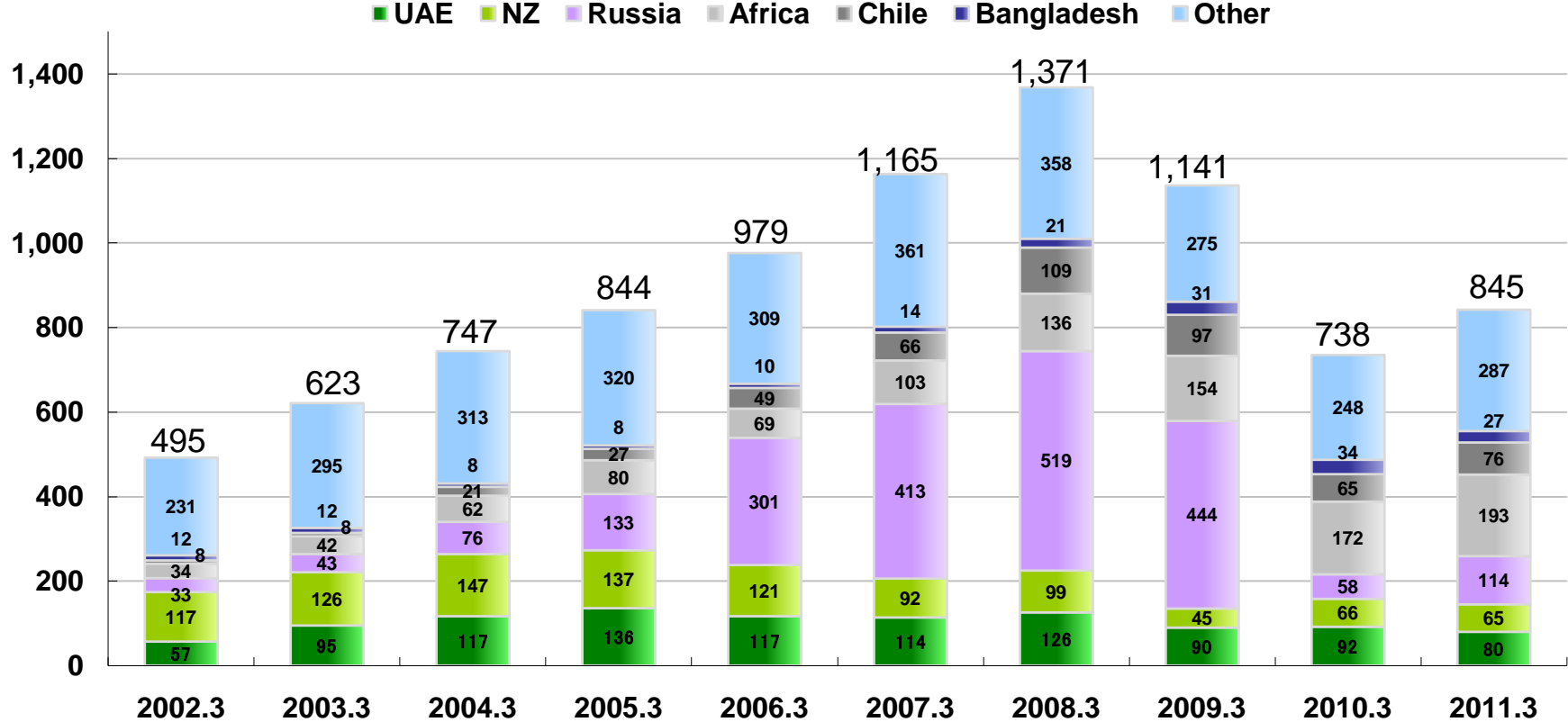
Used car registrations in FY2011.3 were down 0.2% to 6.52 million units.

- Although lower new car registrations reduced the supply of used cars, there was a tight supply of used cars due to steady demand for used vehicles and exported used vehicles.

(3) Used Car Exports from Japan (April to March)

Exports to Africa, the Middle East and other regions are strong and exports to Russia rebounded

(Thousand vehicles)

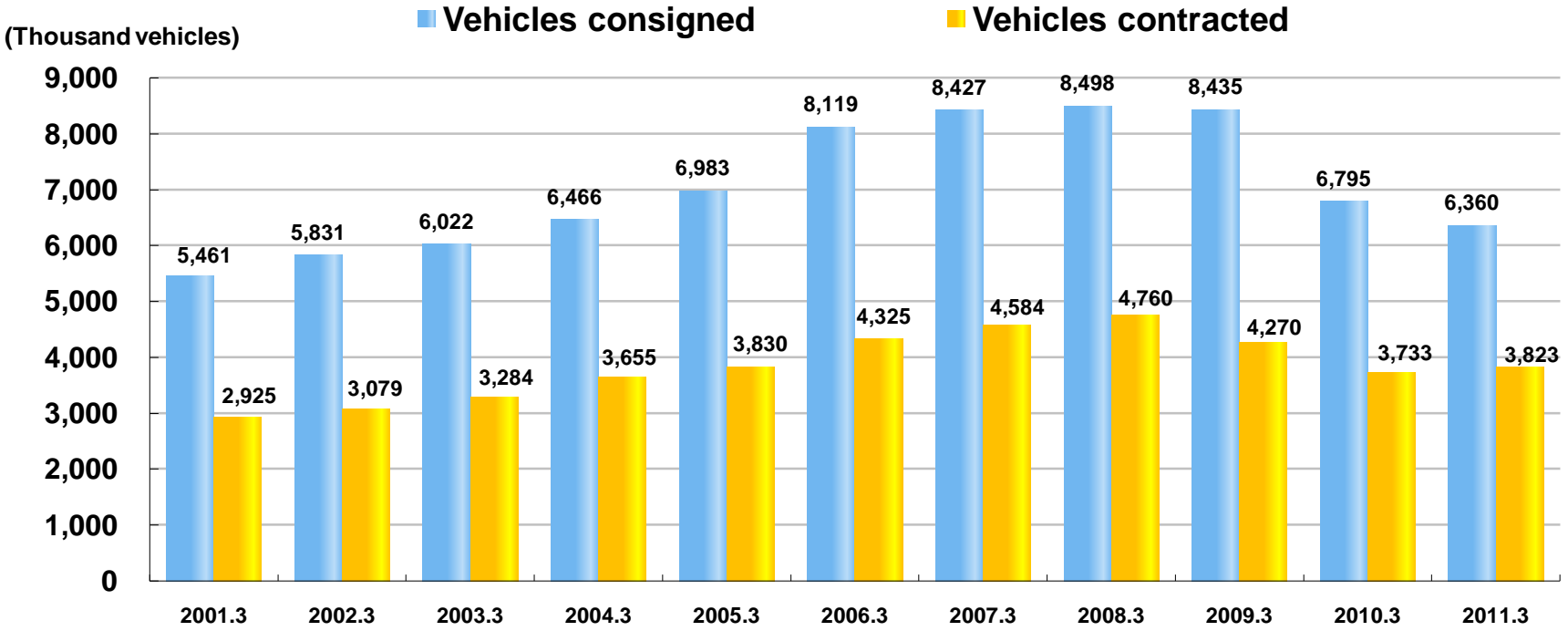


Used car exports in FY2011.3 increased 14.6% to 840,000 units.

- Exports to Russia are recovering
- Strong demand in South Africa, Kenya and other African countries, in Chile and in other regions

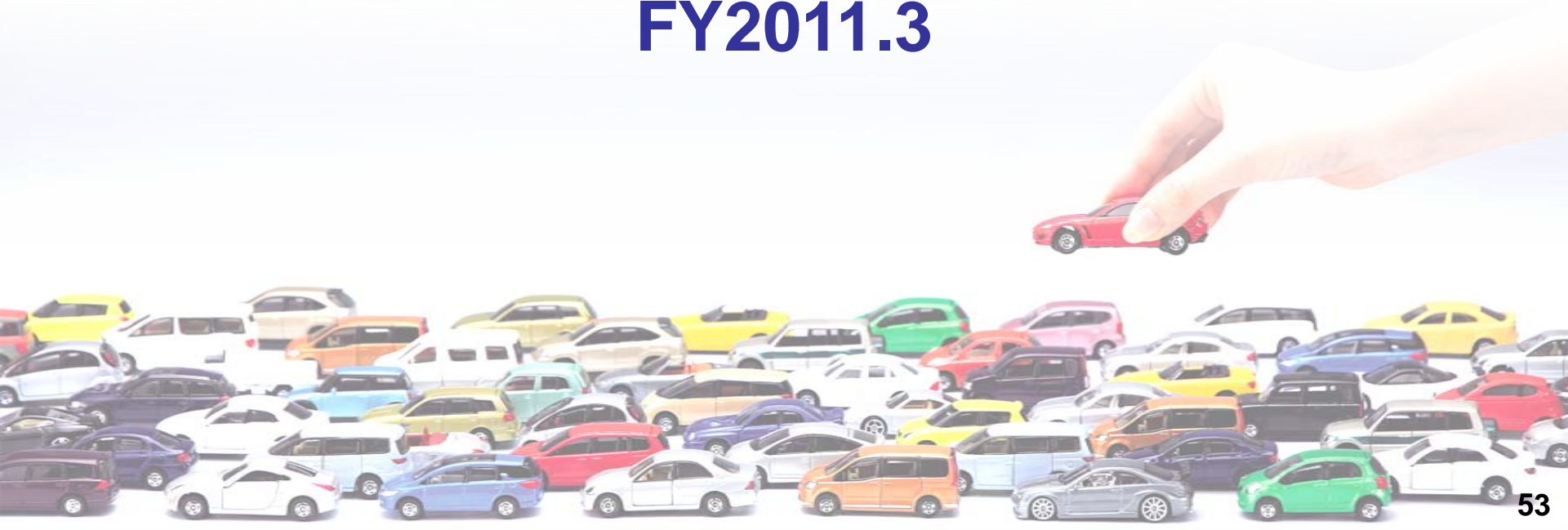
(4) The Auto Auction Market (April to March)

Vehicles consigned were down but vehicles contracted increased

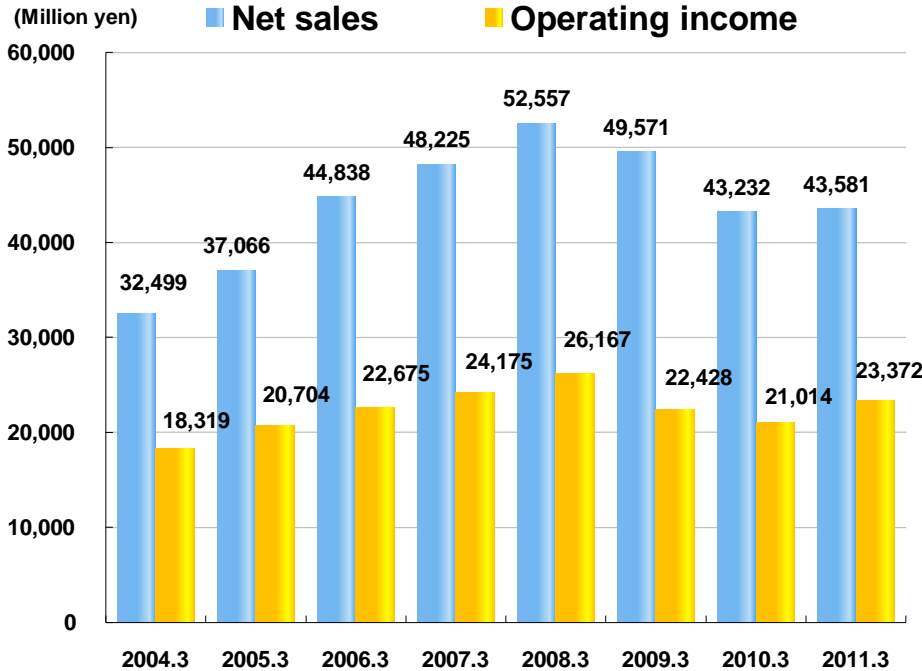


Business Segment Information

FY2011.3



Earnings were much higher as depreciation and goodwill amortization decreased and the operating margin improved, too



| | (Million yen) | | |
|------------------------------|----------------|----------------|--------|
| | 2010.3 | 2011.3 | YoY |
| Net sales | 43,232 | 43,581 | 100.8% |
| Operating income (Per sales) | 21,014 (48.6%) | 23,372 (53.6%) | 111.2% |

Net sales increased 0.8% to 43,581 million yen

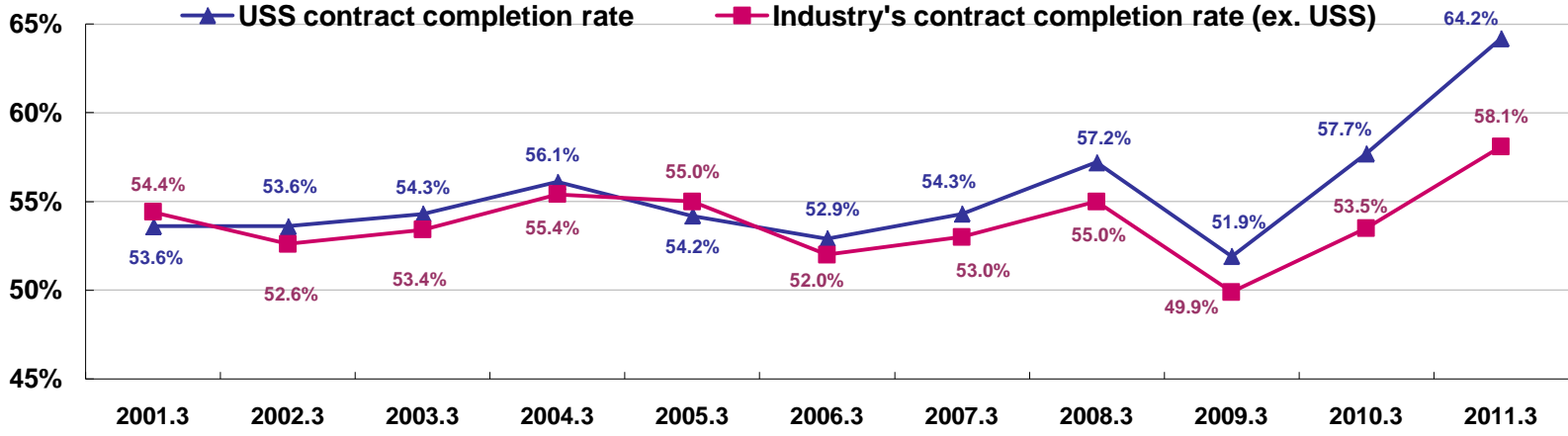
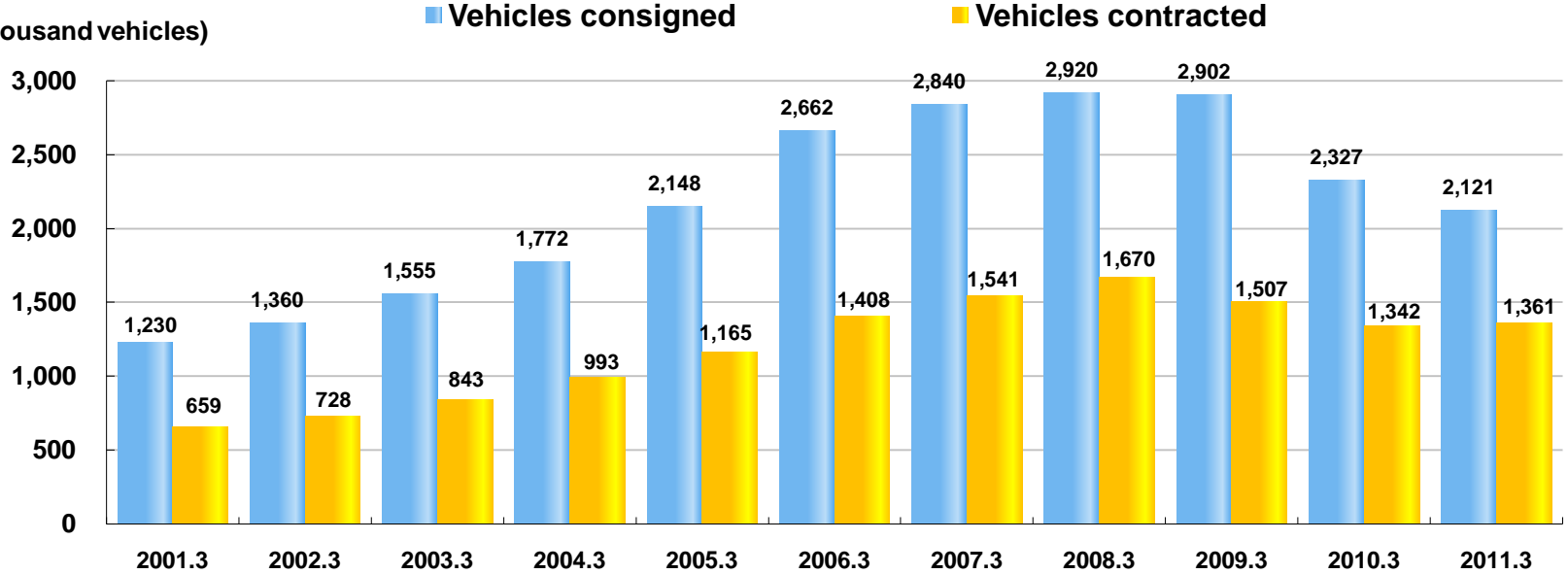
- A small increase in sales as consignment fee income declined along with the decrease in the number of vehicles consigned but there were increases in contract completion fees and successful bid fees because of the higher contract completion rate

Operating income increased 11.2% to 23,372 million yen

- Depreciation decreased 870 million yen and goodwill amortization decreased 740 million yen

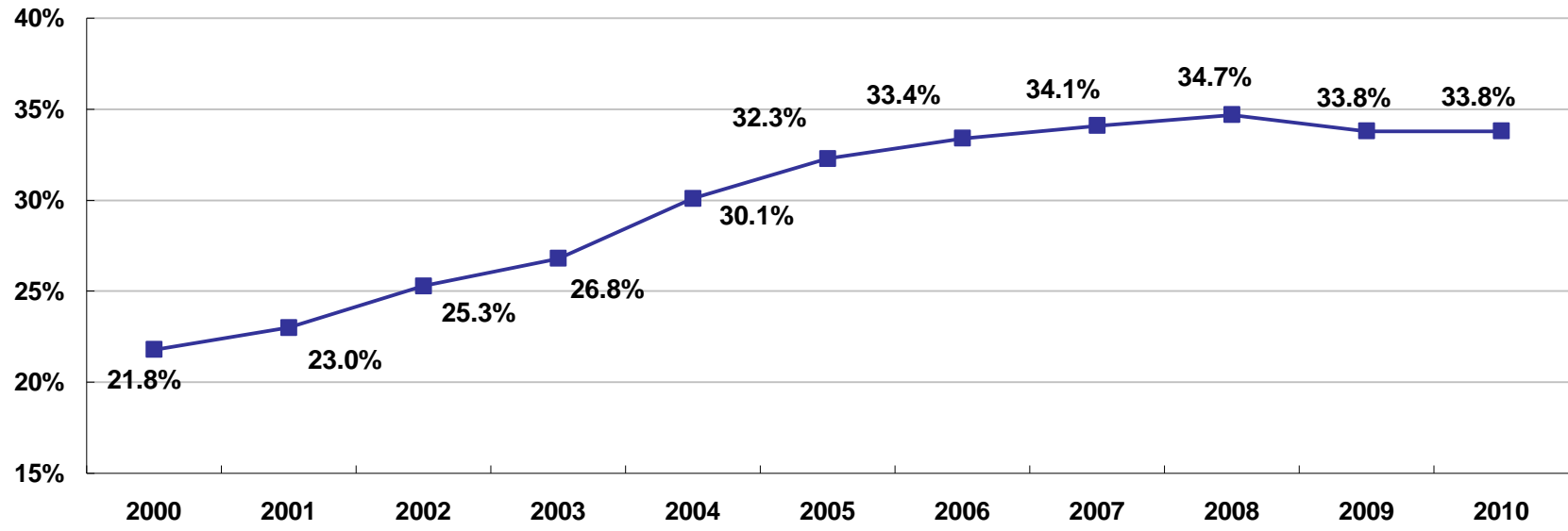
Vehicles consigned down 8.8% but vehicles contracted up 1.4% because of higher contract completion rate

(Thousand vehicles)



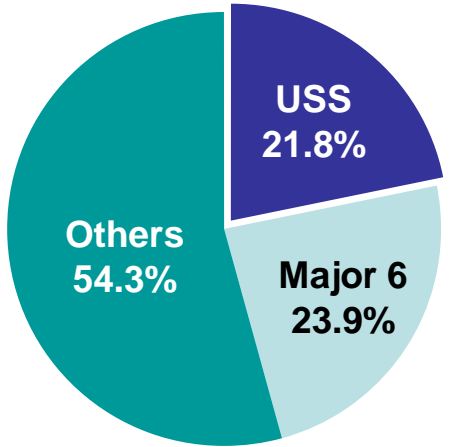
Medium-term growth in market share

USS Market Share



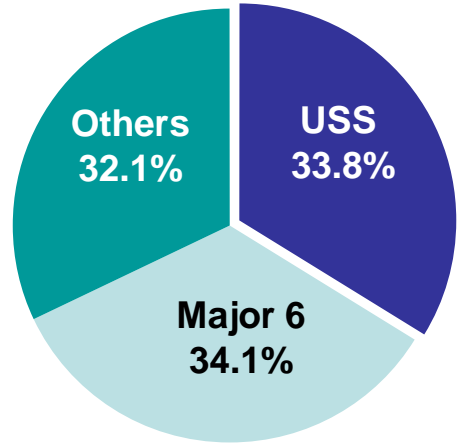
2000 (CY) Market Share

- *Major 6
- JAA (6.0%)
- TAA (4.1%)
- CAA (4.1%)
- Arai AA(5.6%)
- KCAA (2.9%)
- LAA (1.2%)

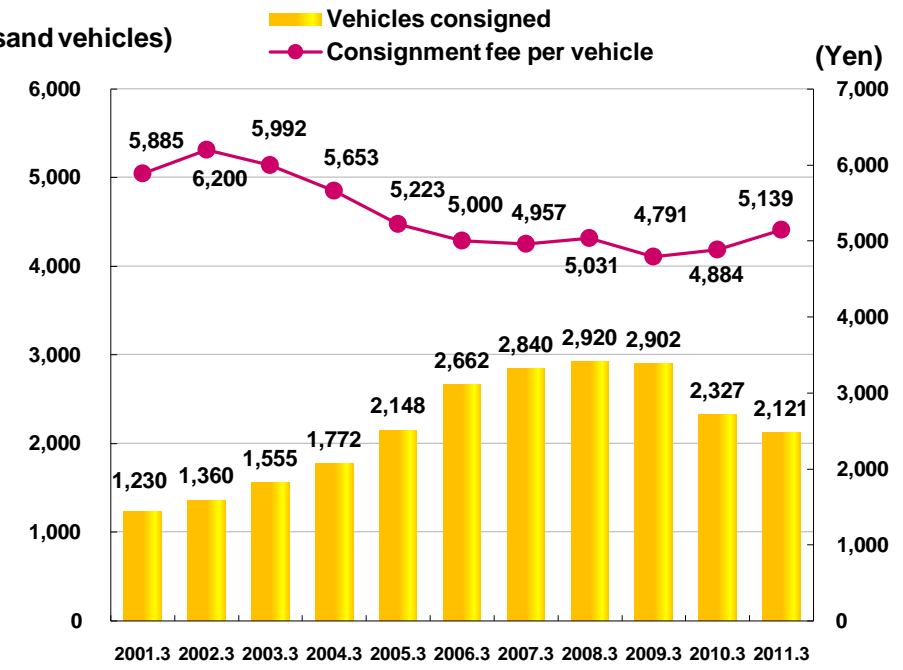
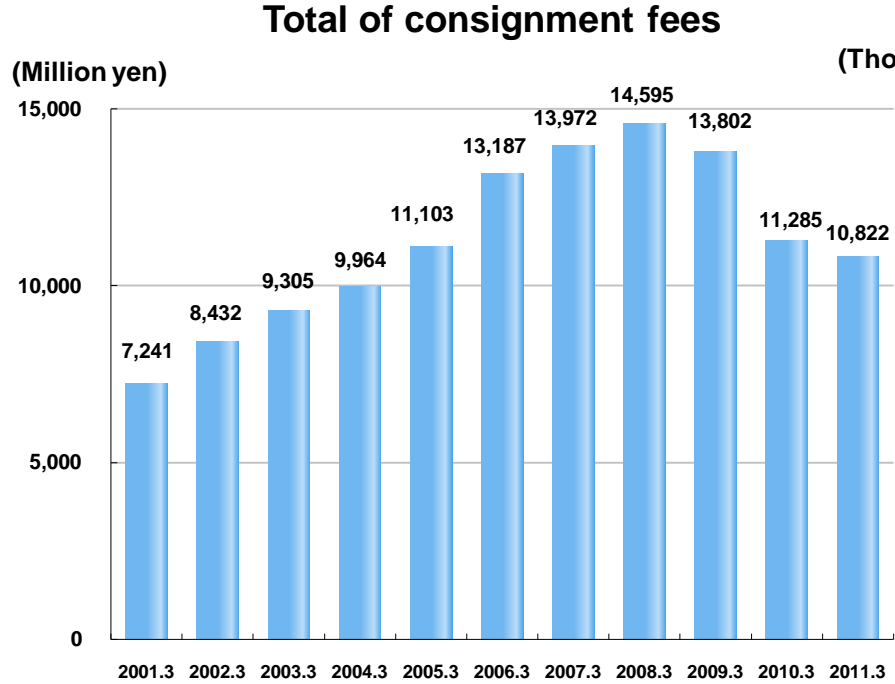
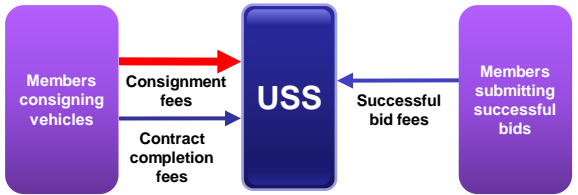


2010 (CY) Market Share

- *Major 6
- JAA(8.8%)
- TAA(8.3%)
- CAA(6.1%)
- Arai AA(4.5%)
- KCAA(3.2%)
- LAA(3.1%)



Consignment fee per vehicle increased despite the decline in vehicles consigned

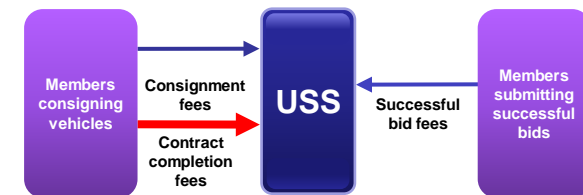


*Consignment fee per vehicle is calculated before eliminations for consolidation.

Consignment fee per vehicle increased despite the decline in vehicles consigned

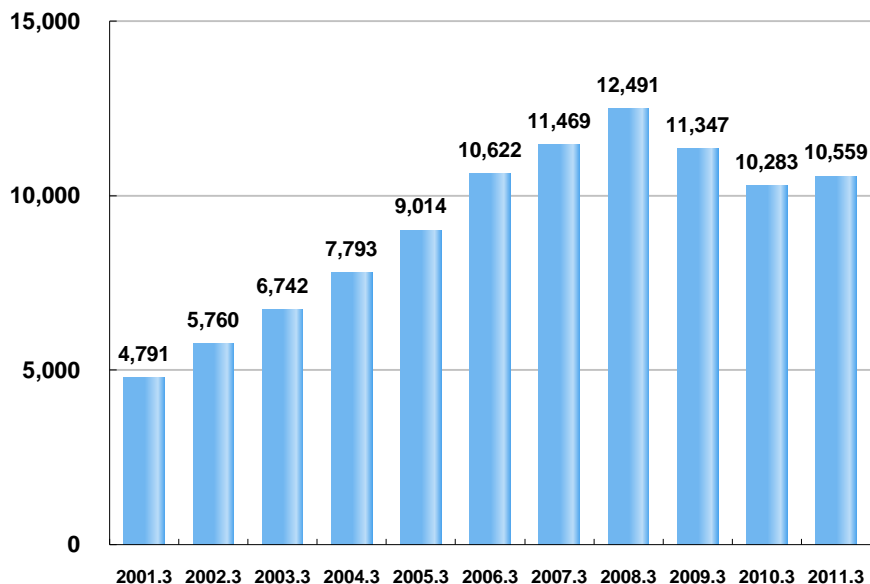
- Consignment fee per vehicle increased by 255 yen from 4,884 yen to 5,139 yen
- Reexamined the consignment fee discount offered during a special marketing campaign
- Consignment fee per vehicle improved because of the higher share of vehicles consigned at large auction sites (Tokyo, Nagoya and others) where consignment fees are higher.

Higher share of contracted vehicles at large auction sites where fees are higher

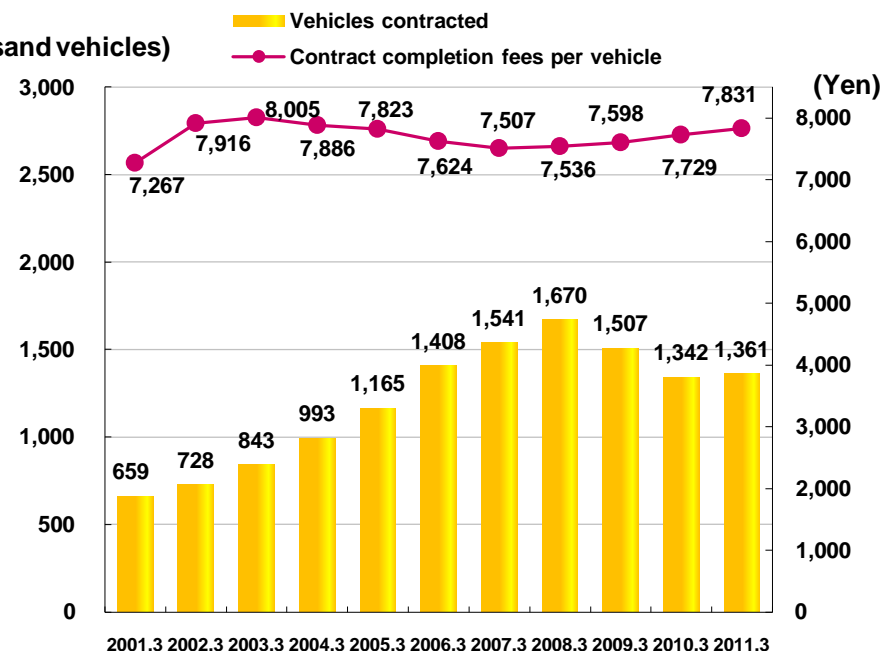


Total of Contract Completion Fees

(Million yen)



(Thousand vehicles)

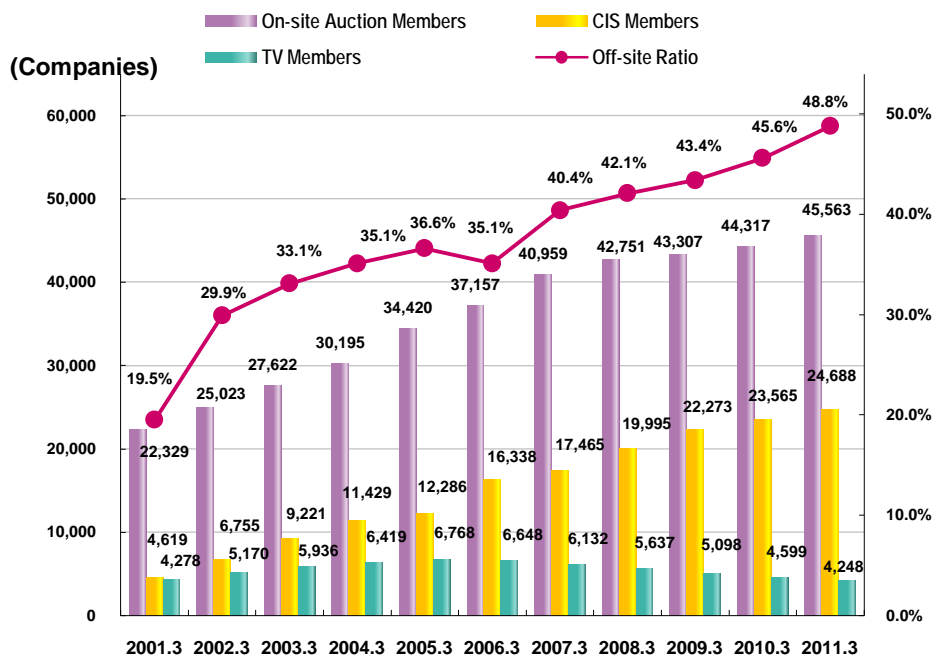
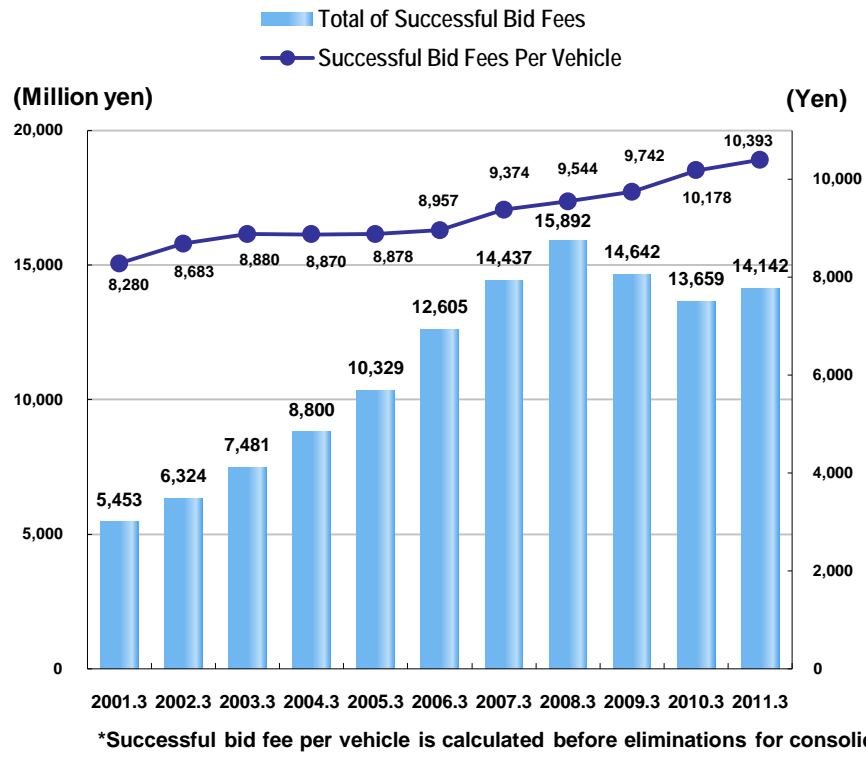
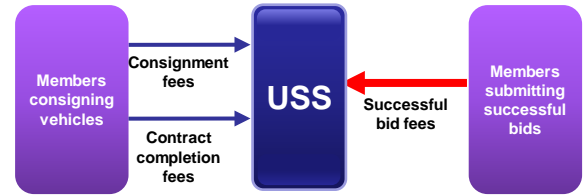


* Contract completion fee per vehicle is calculated before eliminations for consolidation.

Contract completion fee per vehicle increased by 102 yen from 7,729 yen to 7,831 yen

- Contract completion fee per vehicle improved because of the higher share of vehicles contracted at large auction sites (Tokyo, Nagoya and others) where contract completion fees are higher.
- Raised the contract completion fee at the Tohoku Auction Site in April 2010 due to a revision in fees at this location

Higher share of successful off-site bids, which have a higher contract completion fee rate



Successful bid fee per vehicle increased by 215 yen from 10,178 yen to 10,393 yen

- The successful bid fee per vehicle increased as the off-site successful bid ratio rose from 45.6% to 48.8%.
- The number of CIS members increased because new auction members are urged to sign up for the Internet service at the same time.

USS Group Auto Auction Results by Sites (FY2011.3)

FY2011.3 (From April 1, 2010 to March 31, 2011)

(Vehicles, Number of auctions held)

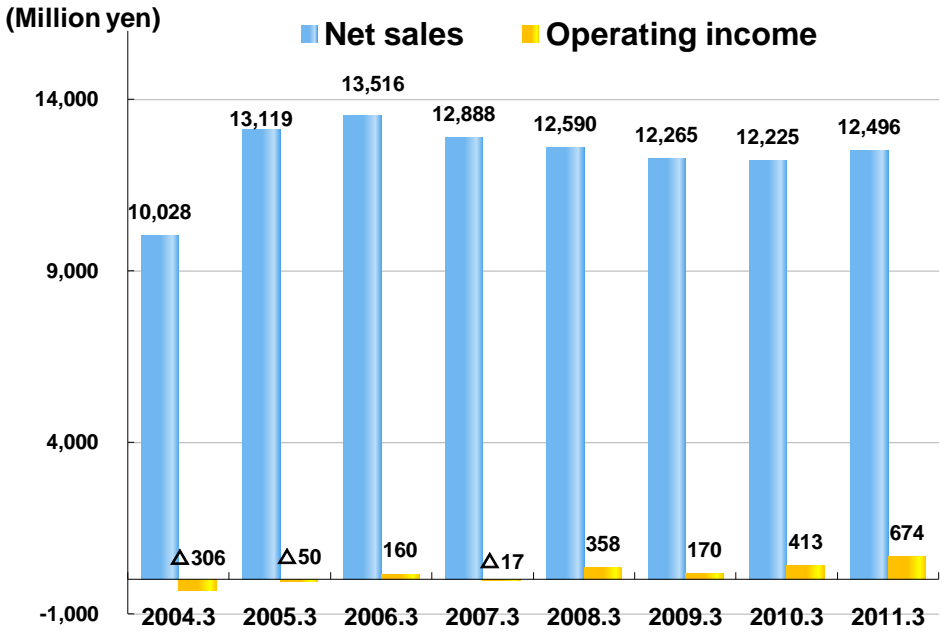
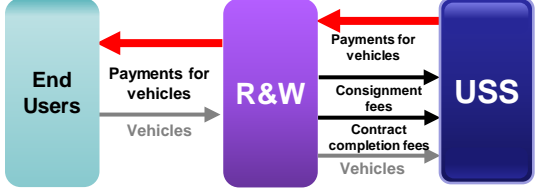
| | Number of auctions | | Number of consigned vehicles | | | Number of contract completions | | | Contract completion rate | |
|-----------------|--------------------|--------|------------------------------|-----------|---------|--------------------------------|-----------|---------|--------------------------|--------|
| | 2011.3 | 2010.3 | 2011.3 | 2010.3 | Changes | 2011.3 | 2010.3 | Changes | 2011.3 | 2010.3 |
| Tokyo | 48 | 50 | 570,237 | 612,787 | ▲6.9% | 404,013 | 395,911 | 2.0% | 70.9% | 64.6% |
| Nagoya | 49 | 49 | 332,952 | 331,018 | 0.6% | 220,930 | 206,740 | 6.9% | 66.4% | 62.5% |
| Yokohama | 49 | 49 | 181,532 | 206,125 | ▲11.9% | 111,289 | 110,228 | 1.0% | 61.3% | 53.5% |
| Kyushu | 50 | 50 | 163,441 | 170,756 | ▲4.3% | 97,264 | 89,703 | 8.4% | 59.5% | 52.5% |
| Sapporo | 49 | 50 | 128,220 | 122,751 | 4.5% | 77,223 | 72,069 | 7.2% | 60.2% | 58.7% |
| Osaka | 50 | 50 | 96,777 | 107,720 | ▲10.2% | 62,828 | 65,254 | ▲3.7% | 64.9% | 60.6% |
| R-Nagoya | 49 | 49 | 90,875 | 93,081 | ▲2.4% | 72,935 | 73,947 | ▲1.4% | 80.3% | 79.4% |
| Shizuoka | 49 | 49 | 83,116 | 86,550 | ▲4.0% | 49,456 | 45,686 | 8.3% | 59.5% | 52.8% |
| Gunma | 49 | 49 | 74,522 | 81,624 | ▲8.7% | 50,225 | 48,001 | 4.6% | 67.4% | 58.8% |
| Tohoku | 48 | 51 | 69,540 | 89,809 | ▲22.6% | 49,831 | 59,850 | ▲16.7% | 71.7% | 66.6% |
| Fukuoka | 50 | 50 | 64,778 | 77,235 | ▲16.1% | 22,935 | 25,959 | ▲11.6% | 35.4% | 33.6% |
| Okayama | 50 | 50 | 64,773 | 68,676 | ▲5.7% | 35,182 | 31,956 | 10.1% | 54.3% | 46.5% |
| Ryutsu | 49 | 51 | 62,015 | 104,861 | ▲40.9% | 26,849 | 33,891 | ▲20.8% | 43.3% | 32.3% |
| Saitama | 49 | 50 | 44,777 | 58,856 | ▲23.9% | 27,121 | 26,457 | 2.5% | 60.6% | 45.0% |
| Kobe | 49 | 49 | 38,426 | 41,880 | ▲8.2% | 21,738 | 22,577 | ▲3.7% | 56.6% | 53.9% |
| Niigata | 50 | 51 | 30,784 | 27,513 | 11.9% | 15,737 | 13,859 | 13.6% | 51.1% | 50.4% |
| Hokuriku | 49 | 49 | 25,183 | 27,075 | ▲7.0% | 16,043 | 15,677 | 2.3% | 63.7% | 57.9% |
| Fujioka | - | 38 | - | 19,198 | - | - | 5,193 | - | - | 27.0% |
| Total | 836 | 884 | 2,121,948 | 2,327,515 | ▲8.8% | 1,361,599 | 1,342,958 | 1.4% | 64.2% | 57.7% |

* Auction data for Shikoku, opened in September 2010, is included in the data for Okayama.

* The USS Fujioka auction site and the USS Gunma auction site were merged in Jan. 2010

Used Car Purchasing and Selling Business – Results of Operations

Sales and earnings higher along with growth in vehicles purchased and gross profit per vehicle



| | (Million yen) | | |
|-------------------------------------|-------------------|-------------------|---------------|
| | 2010.3 | 2011.3 | YoY |
| Net Sales | 12,225 | 12,496 | 102.2% |
| Operating Income (Per sales) | 413 (3.4%) | 674 (5.4%) | 163.1% |

Rabbit (used car purchasing and selling shops) sales increased 2.0% to 8,456 million yen and operating income was up 137.4% to 377 million yen.

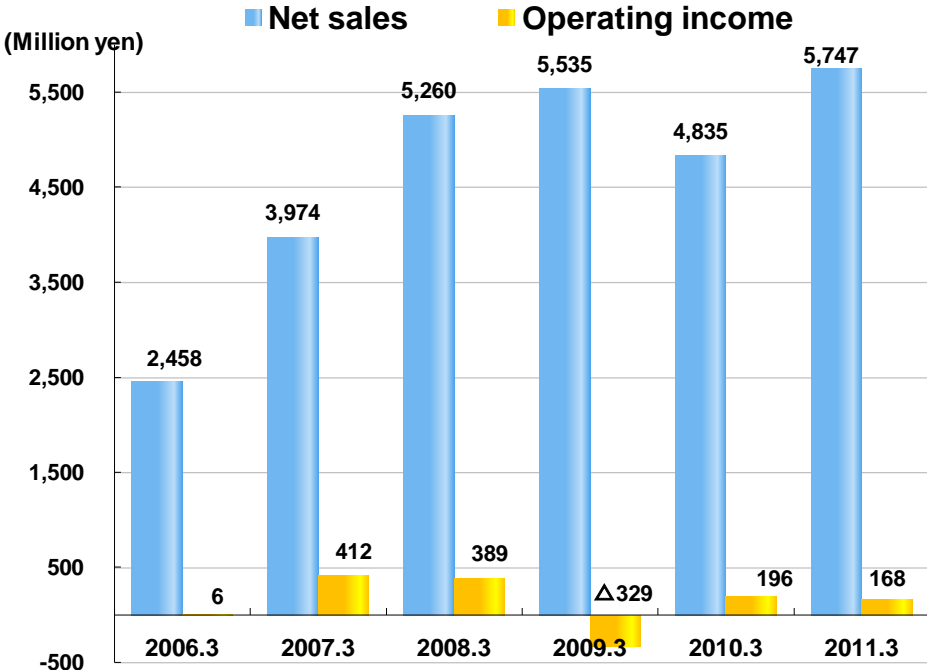
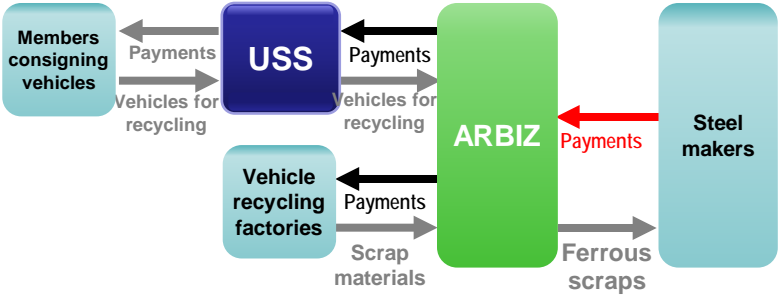
- Sales and earnings were up due to increases in vehicles purchases and gross profit per vehicle as well as a reexamination of operating expenses.

Sales of accident-damaged vehicles increased 2.7% to 4,040 million yen and operating income was up 16.6% to 296 million yen.

- Sales and earnings were up due to increases in vehicles purchased and gross profit per vehicle.

Recycling Business – Results of Operations

Sales up but earnings down despite a higher volume of materials handled because of an increase in operating expenses



| | (Million yen) | | |
|------------------------------|---------------|------------|--------|
| | 2010.3 | 2011.3 | YoY |
| Net Sales | 4,835 | 5,747 | 118.9% |
| Operating Income (Per sales) | 196 (4.1%) | 168 (2.9%) | 85.8% |

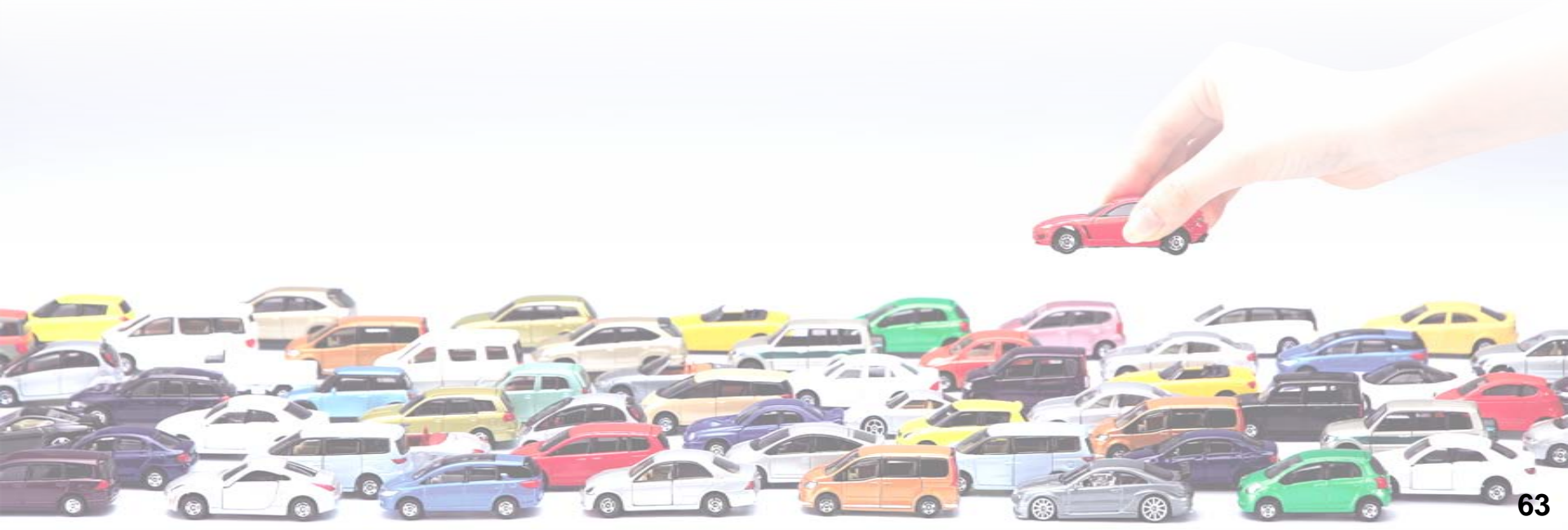
ARBIZ sales increased 22.3% to 4,569 million yen but operating income fell 44.2% to 68 million yen.

- Higher handling volume of ferrous scrap and used parts but personnel and other expense categories caused operating expenses to increase; the result was higher sales but lower earnings.

USS Toyo sales increased 7.3% to 1,178 million yen and operating income increased 38.4% to 101 million yen.

- Sales and earnings were higher along with growth in the handling volume of rubber products used in elastic pavement.

USS Auction



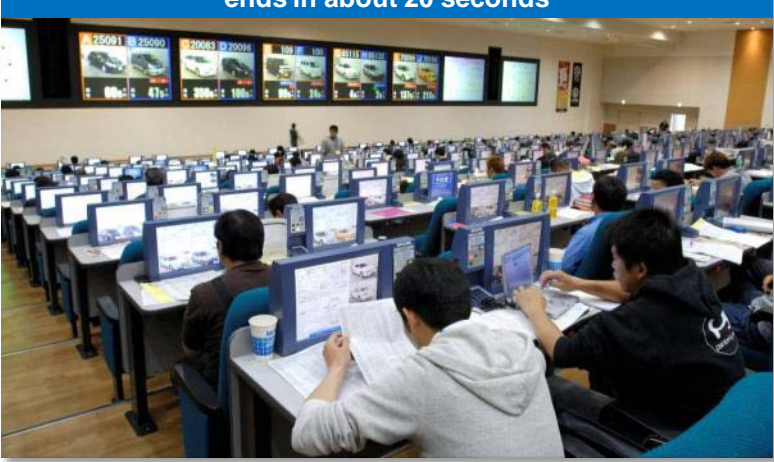
The first USS used car auction was held in August 1982. There were no computers; participants bid by raising their hands. The event attracted 380 buyers from Hokkaido to Okinawa, which was more than expected. Furthermore, the contract completion rate was high as 75.9% of the vehicles consigned were sold.



Stockyard



10 lanes of vehicles are auctioned at once; each auction ends in about 20 seconds



Prospective buyers inspect vehicles



The price adjustment room



Breakfast and lunch are free on auction days



USS inspectors perform an evaluation



A prayer room for foreign buyers



USS has its own certification test for vehicle inspectors

