



# Consolidated Earning Results for the First Quarter ended June 30, 2008

July 29, 2008

Company Name : **USS Co., Ltd.**

Stock Exchanges Listings : Tokyo and Nagoya

Stock Code : 4732

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Junior Managing Director & Officer of Supervisory Office

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## 1. Consolidated Results for the First Quarter ended June 30, 2008 (April 1, 2008 – June 30, 2008)

### (1) Consolidated Operating Results (Accumulated)

(millions of yen)

	Net sales	Operating income	Ordinary income
Three months ended June 30, 2008	18,677 -	7,078 -	7,139 -
Three months ended June 30, 2007	16,839 7.4%	6,418 3.3%	6,496 3.5%

	Net income	Net income per share (yen)	Diluted net income per share (yen)
Three months ended June 30, 2008	3,743 -	116.90	116.90
Three months ended June 30, 2007	3,602 3.8%	112.80	112.74

Note: Percent indication shows percentage of change from corresponding figure for the same quarter of the prior fiscal year.

### (2) Consolidated Financial Position

(millions of yen)

	Total assets	Net assets	Equity ratio (%)	Equity per share (yen)
As of June 30, 2008	145,559	118,611	81.2	3,690.37
As of March 31, 2008	150,737	117,577	77.7	3,657.55

Reference: Shareholders' equity (millions of yen): As of June 30, 2008: 118,181 As of March 31, 2008: 117,130

## 2. Dividends

(Reference date)	Dividend per share (yen)				
	First quarter	Second quarter	Third quarter	Fiscal year	Annual total
Year ended March 31, 2008	-	60.00	-	85.00	145.00
Year ending March 31, 2009	-	—	—	—	—
Year ending March 31, 2009 (Estimated)	—	82.50	-	82.50	165.00

Note: Revision of dividends forecast for this period: None

## 3. Consolidated Outlook for Fiscal 2008 (April 1, 2008 – March 31, 2009)

(millions of yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
Second Quarter (cumulative term)	34,750 4.6%	13,250 4.2%	13,350 3.4%	7,300 3.8%	227.95
For the year	72,700 4.2%	28,300 4.0%	28,500 3.7%	15,750 3.6%	491.81

Percent indication shows percentage of change from corresponding figure for annual period of the prior fiscal year.

Note: Revision of outlook for this period: Non

#### 4. Other Information

- (1) Significant change of subsidiaries during the term (changes of specified subsidiaries that affected the scope of consolidated reporting): None
- (2) Use of simplified accounting method and special accounting policy for quarterly financial reporting: Yes
- (3) Changes in accounting principles, methods or reporting methods affecting the production of the consolidated financial statements (fundamental changes in main reported items for the production of the consolidated financial statements)
  - ① Changes caused by revisions to accounting standard: Yes
  - ② Other changes: None
- (4) Number of shares issued (common shares):
  - ① Number of shares issued (including treasury stock):  
As of June 30, 2008: 32,695,982 shares    As of March 31, 2008: 32,695,982 shares
  - ② Number of treasury stock:  
As of June 30, 2008:    671,806 shares    As of March 31, 2008:    671,801 shares
  - ③ Average number of outstanding stock for each period (cumulative term):  
As of June 30, 2008: 32,024,178 shares    As of June 30, 2007: 31,940,000 shares

#### \*Explanation of the appropriate use of forecasts and other related items

1. The above forecast has been prepared based on information available at the time of this writing. Actual performance is subject to various factors and is therefore to change.

2. Effective from the current fiscal year, the "Accounting Standard for Quarterly Financial Reporting" (ASBJ Statement No. 12) and the "Guidance on Accounting Standard for Quarterly Financial Reporting" (ASBJ Guidance No. 14) have been applied. Quarterly consolidated financial statements have been prepared in accordance with "Regulation for Quarterly Consolidated Financial Reporting".

## 5. Quarterly Consolidated Financial Statements

### (1) Consolidated Quarterly Balance Sheets

(millions of yen)

	FY2008 First Quarter (As of June 30, 2008)	FY 2007 (As of March 31, 2008)
<b>Assets</b>		
<b>Current assets:</b>		
Cash and deposits	23,152	26,280
Receivables due from member dealers at auction	8,767	11,879
Notes and accounts receivable-trade	3,155	3,527
Inventories	1,204	1,365
Other	2,385	1,677
Allowance for doubtful accounts	(75)	(75)
Total current assets	38,589	44,655
<b>Noncurrent assets:</b>		
Property, plant and equipment		
Buildings and structures, net	35,901	36,087
Land	52,221	52,184
Construction in progress	1,333	285
Other, net	5,974	5,724
Total property, plant and equipment	95,431	94,282
Intangible assets		
Goodwill	1,683	1,879
Other	1,394	1,390
Total intangible assets	3,077	3,269
Investments and other assets		
Investments and other assets	8,602	8,666
Allowance for doubtful accounts	(141)	(137)
Total investments and other assets	8,461	8,529
Total noncurrent assets	106,970	106,081
Total assets	145,559	150,737

(millions of yen)

	FY2008 First Quarter (As of June 30, 2008)	FY 2007 (As of March 31, 2008)
<b>Liabilities</b>		
<b>Current liabilities:</b>		
Payables due to member dealers at auction	8,989	11,959
Notes and accounts payable-trade	628	643
Short-term loans payable	2,305	2,305
Income taxes payable	1,175	5,919
Provision	768	506
Other	7,267	6,106
Total current liabilities	21,136	27,442
<b>Noncurrent liabilities:</b>		
Long-term loans payable	724	759
Provision	144	145
Other	4,942	4,813
Total noncurrent liabilities	5,811	5,717
Total liabilities	26,947	33,159
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	18,881	18,881
Capital surplus	27,992	27,992
Retained earnings	81,943	80,921
Treasury stock	(5,770)	(5,770)
Total shareholders' equity	123,046	122,024
<b>Valuation and translation adjustments</b>		
Valuation difference on available-for-sale securities	112	83
Revaluation reserve for land	(4,977)	(4,977)
Total valuation and translation adjustments	(4,865)	(4,894)
<b>Subscription rights to shares</b>	3	2
<b>Minority interests</b>	427	444
Total net assets	118,611	117,577
Total liabilities and net assets	145,559	150,737

**(2) Consolidated Quarterly Statements of Income**

(millions of yen)

FY2008 First Quarter  
(April 1, 2008 through  
June 30, 2008)

<b>Net sales</b>	18,677
<b>Cost of sales</b>	8,498
<b>Gross profit</b>	10,178
<b>Selling, general and administrative expenses</b>	3,100
<b>Operating income</b>	7,078
<b>Non-operating income</b>	
Interest income	0
Real estate rent	41
Miscellaneous income	42
Total non-operating income	84
<b>Non-operating expenses:</b>	
Interest expenses	10
Rent cost of real estate	5
Miscellaneous loss	7
Total non-operating expenses	22
<b>Ordinary income</b>	7,139
<b>Extraordinary income:</b>	
Gain on sales of noncurrent assets	2
Reversal of allowance for doubtful accounts	18
Total extraordinary income	21
<b>Extraordinary losses:</b>	
Loss on sales of noncurrent assets	0
Loss on retirement of noncurrent assets	197
Directors' retirement benefits	101
Loss on cancellation of leasehold contracts	198
Other	18
Total extraordinary losses	516
<b>Income before income taxes and minority interests</b>	6,644
<b>Income taxes-current</b>	2,833
<b>Total income taxes</b>	2,833
<b>Minority interests in income</b>	67
<b>Net income</b>	3,743

**(3) Consolidated Quarterly Statements of Cash Flows**

(millions of yen)

FY2008 First Quarter  
(April 1, 2008 through  
June 30, 2008)

<b>Net Cash provided by (used in) operating activities:</b>	
Income before income taxes and minority interests	6,644
Depreciation and other amortization	1,383
Amortization of goodwill	196
Increase (decrease) in allowance for doubtful accounts	4
Increase (decrease) in provision for bonus	262
Increase (decrease) in provision for retirement benefits	2
Increase (decrease) in provision for directors' retirement benefits	(2)
Interest and dividends income	(0)
Interest expenses	10
Loss (gain) on sale and retirement of property, plant and equipment	131
Net change in due from/to member dealers at auction	141
Increase (decrease) in notes and accounts receivable-trade	371
Increase (decrease) in notes and accounts payable-trade	(14)
Increase (decrease) in deposits received	1,555
Other, net	(696)
Subtotal	9,987
Interest and dividends income received	0
Interest expenses paid	(11)
Income taxes paid	(7,712)
Net cash provided by (used in) operating activities	2,263

(millions of yen)

FY2008 First Quarter  
(April 1, 2008 through  
June 30, 2008)

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<b>Net cash provided by (used in) investment activities:</b>	
Purchase of property, plant and equipment	(2,438)
Proceeds from sales of property, plant and equipment	5
Purchase of intangible assets	(113)
Purchase of long-term prepaid expenses	(35)
Other, net	(6)
Net cash provide by (used in) investment activities	(2,588)
<b>Net cash provided by (used in) financing activities:</b>	
Repayments of long-term loans payable	(34)
Proceeds from guarantee deposits received from member dealers	64
Repayment of guarantee deposits received from member dealers	(26)
Purchases of treasury stock	(0)
The subsidiary's purchase of its own treasury stock	(84)
Cash dividends paid	(2,722)
Net cash provided by (used in) financing activities	(2,803)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(3,128)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>26,280</b>
<b>Cash and cash equivalents at end of period</b>	<b>23,152</b>

**Reference:****FY2007 First Quarter Consolidated Financial Statements****(1) Consolidated Quarterly Statement of Income (Summary)** (millions of yen)

Item	FY2007 First Quarter (April 1, 2007 through June 30, 2007)
	Amount
<b>Net sales</b>	16,839
<b>Cost of sales</b>	7,263
<b>Gross profit</b>	9,575
<b>Selling, general and administrative expenses</b>	3,157
<b>Operating income</b>	6,418
<b>Non-operating income</b>	113
Interest income	2
Real estate rent	46
Miscellaneous income	65
<b>Non-operating expenses:</b>	35
Interest expenses	17
Miscellaneous loss	18
<b>Ordinary income</b>	6,496
<b>Extraordinary income:</b>	7
Gain on sales of noncurrent assets	0
Reversal of allowance for doubtful accounts	5
Other extraordinary income	0
<b>Extraordinary losses:</b>	1
Loss on sales of noncurrent assets	0
Loss on retirement of noncurrent assets	0
<b>Income before income taxes and minority interests</b>	6,502
<b>Income taxes-current</b>	2,794
<b>Minority interests in income</b>	104
<b>Net income</b>	3,602



(2) Consolidated Quarterly Statement of Cash Flows (Summary) (millions of yen)

	FY2007 First Quarter (April 1, 2007 through June 30, 2007)
Item	Amount
<b>Net Cash provided by (used in) operating activities:</b>	
Income before income taxes and minority interests	6,502
Depreciation and other amortization	1,298
Amortization of goodwill	218
Increase in allowance for doubtful accounts	1
Increase in provision for bonus	212
Increase in provision for retirement benefits	3
Increase in provision for directors' retirement benefits	(419)
Interest and dividends income	(2)
Interest expenses	17
Loss (gain) on sale and retirement of property, plant and equipment	0
Net change in due from/to member dealers at auction	(204)
Increase in notes and accounts receivable-trade	(80)
Decrease in notes and accounts payable-trade	(103)
Decrease in deposits received	(36)
Other, net	(423)
Subtotal	6,984
Interest and dividends income received	1
Interest expenses paid	(4)
Income taxes paid	(6,450)
Net cash provided by (used in) operating activities	531

(millions of yen)

	FY2007 First Quarter (April 1, 2007 through June 30, 2007)
Item	Amount
<b>Net cash provided by (used in) investment activities:</b>	
Purchase of property, plant and equipment	(932)
Proceeds from sales of property, plant and equipment	5
Purchase of intangible assets	(155)
Purchase of investment securities	(0)
Proceeds from sale of investment securities	100
Purchase of long-term prepaid expenses	(37)
Proceeds from purchase of investments in subsidiary resulted in change in scope of consolidation	50
Other, net	3
Net cash provide by (used in) investment activities	(966)
<b>Net cash provided by (used in) financing activities:</b>	
Repayments of long-term loans payable	(593)
Proceeds from guarantee deposits received from member dealers	85
Repayment of guarantee deposits received from member dealers	(40)
Proceeds from issuance of common stock	83
Purchases of treasury stock	(0)
Cash dividends paid	(1,596)
Net cash provided by (used in) financing activities	(2,062)
<b>Net decrease in cash and cash equivalents</b>	<b>(2,497)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>21,149</b>
<b>Cash and cash equivalents at end of period</b>	<b>18,652</b>