

# Consolidated Earning Results for the First Quarter ended June 30, 2009

July 28, 2009

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

Stock Exchanges Listings : Tokyo and Nagoya

Stock Code : 4732

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President : Yukihiro Ando

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Junior Managing Director & Officer of Supervisory Office

Date of Filing of Quarterly Report (Scheduled): August 7, 2009

Starting Date of Dividend Payment (Scheduled): —

## 1. Consolidated Results for the First Quarter ended June 30, 2009 (April 1, 2009 – June 30, 2009)

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

(millions of yen)

	Net sales	Operating income	Ordinary income
Three months ended Jun. 30, 2009	14,203 (24.0)%	4,895 (30.8)%	5,103 (28.5)%
Three months ended Jun. 30, 2008	18,677 —	7,078 —	7,139 —

	Net income	Net income per share (yen)	Diluted net income per share (yen)
Three months ended Jun. 30, 2009	2,972 (20.6)%	97.18	—
Three months ended Jun. 30, 2008	3,743 —	116.90	—

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, 2009	136,853	115,424	84.2	3,768.10
As of March 31, 2009	138,370	114,941	82.9	3,751.90

Reference: Shareholders' equity (millions of yen): As of June 30, 2009: 115,267 As of March 31, 2009: 114,771

## 2. Dividends

(Reference date)	Dividend per share (yen)				
	First quarter	Second quarter	Third quarter	Fiscal year	Annual total
Year ended March 31, 2009	—	82.50	—	82.50	165.00
Year ending March 31, 2010	—				
Year ending March 31, 2010 (Estimated)		72.50	—	72.50	145.00

Note: Revision of dividends forecast for this period: No

## 3. Consolidated Outlook for Fiscal 2009 (April 1, 2009 – March 31, 2010)

(millions of yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
Second Quarter (cumulative term)	28,900 (20.7)%	9,200 (31.0)%	9,300 (30.5)%	5,050 (30.4)%	165.08
For the year	60,000 (9.8)%	20,000 (11.4)%	20,070 (10.8)%	10,750 (10.4)%	351.41

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

Note: Revision of outlook for this period: No

#### **4. Other Information**

- (1) Significant change of subsidiaries during the term (changes of specified subsidiaries that affected the scope of consolidated reporting): No
- (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: No
  - ② Other changes: No
- (4) Number of shares issued (common shares):
  - ① Number of shares issued (including treasury stock):  
As of June 30, 2009: 32,695,982 shares    As of March 31, 2009: 32,695,982 shares
  - ② Number of treasury stock:  
As of June 30, 2009: 2,105,687 shares    As of March 31, 2009: 2,105,687 shares
  - ③ Average number of outstanding stock for each period (cumulative term):  
As of June 30, 2009: 30,590,295 shares    As of June 30, 2008: 32,024,178 shares

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

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.

## 5. Quarterly Consolidated Financial Statements

### (1) Consolidated Quarterly Balance Sheets

(millions of yen)

	FY2009 First Quarter (As of June 30, 2009)	FY 2008 (As of March 31, 2009)
<b>Assets</b>		
<b>Current assets:</b>		
Cash and deposits	17,688	18,445
Receivables due from member dealers at auction	6,150	6,482
Notes and accounts receivable-trade	2,402	2,804
Inventories	884	839
Other	2,727	1,949
Allowance for doubtful accounts	(95)	(92)
Total current assets	29,757	30,430
<b>Noncurrent assets:</b>		
Property, plant and equipment		
Buildings and structures, net	37,304	38,001
Land	52,864	52,863
Construction in progress	72	20
Other, net	5,919	6,140
Total property, plant and equipment	96,160	97,027
Intangible assets		
Goodwill	897	1,095
Other	1,238	1,274
Total intangible assets	2,135	2,370
Investments and other assets		
Investments and other assets	8,989	8,703
Allowance for doubtful accounts	(189)	(160)
Total investments and other assets	8,800	8,543
Total noncurrent assets	107,096	107,940
Total assets	136,853	138,370

(millions of yen)

	FY2009 First Quarter (As of June 30, 2009)	FY 2008 (As of March 31, 2009)
<b>Liabilities</b>		
<b>Current liabilities:</b>		
Payables due to member dealers at auction	5,859	6,530
Notes and accounts payable-trade	453	522
Short-term loans payable	672	787
Income taxes payable	1,089	3,102
Provision	787	515
Other	5,893	5,193
Total current liabilities	14,755	16,651
<b>Noncurrent liabilities:</b>		
Long-term loans payable	521	571
Provision	115	126
Other	6,036	6,078
Total noncurrent liabilities	6,673	6,777
Total liabilities	21,428	23,428
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	18,881	18,881
Capital surplus	27,992	27,992
Retained earnings	88,049	87,600
Treasury stock	(14,710)	(14,710)
Total shareholders' equity	120,212	119,763
<b>Valuation and translation adjustments</b>		
Valuation difference on available-for-sale securities	32	(14)
Revaluation reserve for land	(4,977)	(4,977)
Total valuation and translation adjustments	(4,945)	(4,991)
<b>Subscription rights to shares</b>	10	8
<b>Minority interests</b>	147	161
Total net assets	115,424	114,941
Total liabilities and net assets	136,853	138,370

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

(millions of yen)

	FY2008 First Quarter (April 1, 2008 through June 30, 2008)	FY2009 First Quarter (April 1, 2009 through June 30, 2009)
<b>Net sales</b>	18,677	14,203
<b>Cost of sales</b>	8,498	6,550
<b>Gross profit</b>	10,178	7,653
<b>Selling, general and administrative expenses</b>	3,100	2,757
<b>Operating income</b>	7,078	4,895
<b>Non-operating income</b>		
Interest income	0	1
Real estate rent	41	38
Gain on valuation of compound financial instruments	—	137
Miscellaneous income	42	38
Total non-operating income	84	216
<b>Non-operating expenses:</b>		
Interest expenses	10	4
Rent cost of real estate	5	3
Miscellaneous loss	7	0
Total non-operating expenses	22	9
<b>Ordinary income</b>	7,139	5,103
<b>Extraordinary income:</b>		
Gain on sales of noncurrent assets	2	1
Reversal of allowance for doubtful accounts	18	6
Other	—	0
Total extraordinary income	21	8
<b>Extraordinary losses:</b>		
Loss on sales of noncurrent assets	0	0
Loss on retirement of noncurrent assets	197	5
Directors' retirement benefits	101	—
Loss on cancellation of leasehold contracts	198	—
Other	18	—
Total extraordinary losses	516	5
<b>Income before income taxes and minority interests</b>	6,644	5,105
<b>Income taxes</b>	2,833	2,147
<b>Minority interests in income (loss)</b>	67	(14)
<b>Net income</b>	3,743	2,972

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

(millions of yen)

	FY2008 First Quarter (April 1, 2008 through June 30, 2008)	FY2009 First Quarter (April 1, 2009 through June 30, 2009)
<b>Net cash provided by (used in) operating activities:</b>		
Income before income taxes and minority interests	6,644	5,105
Depreciation and other amortization	1,383	1,392
Amortization of goodwill	196	198
Increase (decrease) in allowance for doubtful accounts	4	32
Increase (decrease) in provision for bonuses	262	272
Increase (decrease) in provision for retirement benefits	2	(11)
Increase (decrease) in provision for directors' retirement benefits	(2)	—
Interest and dividends income	(0)	(1)
Interest expenses	10	4
Loss (gain) on valuation of compound financial instruments	—	(137)
Loss (gain) on sale and retirement of property, plant and equipment	131	3
Net change in due from/to member dealers at auction	141	(339)
Increase (decrease) in notes and accounts receivable-trade	371	402
Increase (decrease) in notes and accounts payable-trade	(14)	(68)
Increase (decrease) in deposits received	1,555	1,027
Other, net	(696)	(471)
Subtotal	9,987	7,408
Interest and dividends income received	0	1
Interest expenses paid	(11)	(3)
Income taxes paid	(7,712)	(4,265)
Net cash provided by (used in) operating activities	2,263	3,141

(millions of yen)

	FY2008 First Quarter (April 1, 2008 through June 30, 2008)	FY2009 First Quarter (April 1, 2009 through June 30, 2009)
<b>Net cash provided by (used in) investment activities:</b>		
Purchase of property, plant and equipment	(2,438)	(802)
Proceeds from sales of property, plant and equipment	5	37
Purchase of intangible assets	(113)	(87)
Purchase of investment securities	—	(100)
Purchase of long-term prepaid expenses	(35)	(12)
Other, net	(6)	5
Net cash provide by (used in) investment activities	(2,588)	(959)
<b>Net cash provided by (used in) financing activities:</b>		
Net increase (decrease) in short-term loans payable	—	(130)
Repayments of long-term loans payable	(34)	(34)
Proceeds from guarantee deposits received from member dealers	64	54
Repayment of guarantee deposits received from member dealers	(26)	(25)
Purchase of treasury stock	(0)	—
The subsidiary's purchase of its own treasury stock	(84)	—
Cash dividends paid	(2,722)	(2,523)
Repayment of finance lease obligations	—	(79)
Net cash provided by (used in) financing activities	(2,803)	(2,739)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(3,128)</b>	<b>(557)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>26,280</b>	<b>18,445</b>
<b>Cash and cash equivalents at end of period</b>	<b>23,152</b>	<b>17,888</b>