

Consolidated Earning Results for Fiscal 2001

May 20, 2002

1. Consolidated Results for Fiscal 2001 (April 1, 2001 – March 31, 2002)

(1) Consolidated Opening Results

(millions of yen)

\	Operating revenues	Operating income	Recurring profit
Year ended March 31, 2002	26,008	11,345	10,859
Year ended March 31, 2001	21,623	8,837	8,693

\	Net income	Net income per share (yen)	Diluted net income per share (yen)	Return on equity (%)	Recurring profit on equity (%)	Recurring profit margin (%)
Year ended March 31, 2002	5,489	205.68	188.90	16.5	15.2	41.8
Year ended March 31, 2001	4,493	168.68	-	15.0	15.3	40.2

(2) Consolidated Financial Position

(millions of yen)

\	Total assets	Shareholders' equity	Equity ratio (%)	Shareholders' equity per share (yen)
As of March 31, 2002	80,929	34,402	42.5	1,282.45
As of March 31, 2001	62,315	32,266	51.8	1,211.32

(3) Consolidated Cash Flows

(millions of yen)

\	Operating activities	Investing activities	Financing activities	Cash and cash equivalents at the end of the period
Year ended March 31, 2002	8,481	(13,226)	14,725	21,477
Year ended March 31, 2001	8,021	(14,204)	547	11,496

(4) Information Regarding Scope of Consolidation and Application of Equity Method

Consolidated subsidiaries: 8

Non-consolidated subsidiaries accounted for by the equity method: 0

Affiliates accounted for by the equity method: 1

(5) Change in Scope of Consolidation and Application of Equity Method

Consolidated subsidiaries

New: 1

Excluded: 1

Subsidiaries accounted for by the equity method

New: 0

Excluded: 0

2. Consolidated Outlook for Fiscal 2003(April 1, 2002 – March 31, 2003)

(millions of yen)

	Operating revenues	Recurring profit	Net income
Interim	13,900	6,000	3,300
For the year	28,600	12,000	6,520

Reference: Projected net income per share for the year: ¥243.05

Please note that this English-language earning report purports to be an accurate and complete translation of the original Japanese version of USS` abridged earning report. However, in the case of any discrepancy between and the Japanese original, the later shall prevail.

Consolidated Financial Statements

1. Consolidated Balance Sheets

(millions of yen)

	As of March 31, 2002		As of March 31, 2001	
Assets				
Current assets:				
Cash and cash in banks	21,477		11,595	
Receivables due from member dealers at auction	8,839		8,183	
Accounts receivable	328		305	
Inventories	216		167	
Prepaid expenses	108		217	
Deferred tax assets	381		243	
Other current assets	342		200	
Allowance for doubtful accounts	(71)		(113)	
Total current assets	31,622	39.1	20,798	33.4
Fixed Assets:				
Property and equipment				
Buildings and structures	11,986		8,699	
Vehicles and other transport equipment	96		115	
Machinery tools and other equipment	1,181		1,422	
Land	26,541		20,530	
Construction in progress	3,880		7,345	
Total property and equipment	43,687	54.0	38,112	61.1
Intangible assets:				
Excess of cost of investments in consolidated subsidiaries over the fair value of net assets	162		180	
Other intangible assets	735		807	
Total Intangible assets	897	1.1	988	1.6
Investments and other assets:				
Investment securities	1,256		1,242	
Long-term prepaid expenses	254		323	

Deferred tax assets	310		220	
Deferred tax assets for revaluation	2,228		-	
Other investments and assets	705		692	
Allowance for doubtful accounts	(34)		(63)	
Total investments and other assets	4,721	5.8	2,415	3.9
Total property and equipment	49,307	60.9	41,516	66.6
Total assets	80,929	100.0	62,315	100.0

	As of March 31, 2002		As of March 31, 2001	
Liabilities and Shareholders' Equity				
Current Liabilities:				
Payables due to member dealers at auctions	8,638		8,367	
Bonds payable within one year	568		412	
Short-term borrowings	2,080		3,158	
Income taxes payable	2,342		2,362	
Deposits recieved	1,782		1,700	
Allowance for bonus	147		135	
Other current liabilities	2,052		1,463	
Total current liabilities	17,612	21.8	17,600	28.2
Long-term Liabilities:				
Bonds	-		868	
Convertible bond	20,000		-	
Long-term borrowings	6,209		9,022	
Accrued retirements benefit	85		56	
Guarantee deposits received from member dealers	2,301		2,076	
Total long-term liabilities	28,596	35.3	12,024	19.3
Total liabilities	46,209	57.1	29,624	47.5
Minority interest:				
Minority interest	318	0.4	423	0.7
Shareholders' Equity:				
Common stock	6,348	7.8	6,320	10.2
Additional paid-in capital	10,287	12.7	10,156	16.3
Land revaluation decrement	(3,136)	(3.9)	-	-
Retained earnings	21,102	26.1	15,909	25.5
Unrealized loss on available-for sale securities, net of taxes	(199)	(0.2)	(119)	(0.2)
Treasury stock	(0)	(0)	-	-
Total shareholders' equity	34,402	42.5	32,266	51.8
Total liabilities, minority interest and shareholders' equity	80,929	100.0	62,315	100.0

2 . Consolidated Statements of Income

(millions of yen)

	Year Ended March 31, 2002		Year Ended March 31, 2001	
Operating revenues	26,008	% 100.0	21,623	% 100.0
Costs of revenues	9,011	34.6	8,257	38.2
Gross profit	16,996	65.4	13,365	61.8
Selling, general and administrative expenses:	5,651	21.7	4,528	20.9
Advertising	1,010		-	
Sales promotion expenses	910		825	
Provision for doubtful accounts	34		97	
Remuneration for directors and statutory auditors	314		406	
Employees' salaries and bonuses	982		814	
Provision for bonuses	69		55	
Depreciation	249		255	
Taxation	720		-	
Amortization of excess of cost of investments in consolidated subsidiaries over the fair value of net assets	82		74	
Others	1,277		1,999	
Operating income	11,345	43.7	8,837	40.9
Non-operating Income:	246	0.9	244	1.1
Interest income	8		13	
Lease of real estate	40		28	
Cancellation of insurance contract	-		42	
Compensation received	31		36	
Other income	164		124	
Non-operating Expenses:	732	2.8	388	1.8
Interest expenses	196		231	

Fees on syndicated loans	17		66	
Convertible bond-issuing expenses	423		-	
Equity in loss of affiliated companies	9		23	
Other expenses	84		66	
Recurring profit	10,859	41.8	8,693	40.2
Extraordinary gains	109	0.4	30	0.2
Gain on sales of property and equipment	1		3	
Gain from equity share fluctuation in consolidated subsidiary	39		-	
Gain on forfeiture of warrants	18		-	
Reversal of allowance for doubtful accounts	38		26	
Gain on prior year adjustments	11		-	
Other extraordinary gains	-		0	
Extraordinary losses	907	3.5	421	2.0
Loss on sales of property and equipment	525		48	
Loss on disposal of property and equipment	8		201	
Directors' retirement benefits	205		82	
Write-off of pension fund shortfall	-		45	
Evaluation loss on investment securities	168		-	
Other extraordinary losses	-		44	
Income before income taxes	10,061	38.7	8,302	38.4
Income taxes	4,455	17.1	3,732	17.2
Deferred tax	(153)	(0.6)	(160)	(0.7)
Minority interest in net income of consolidated subsidiaries	269	1.1	237	1.1
Net income	5,489	21.1	4,493	20.8

3. Statements of Consolidated Retained Earnings

(millions of yen)

	Year Ended March 31, 2002		Year Ended March 31, 2001	
Balance at beginning of period		15,909		11,807
Increase in retained earnings through merger of consolidated subsidiary into a parent company		417		-
Appropriations				
Cash dividends	666		332	
Bonuses to directors and statutory auditors	48	714	58	391
Net income		5,489		4,493
Balance at end of period		21,102		15,909

4. Consolidated Statement of Cash Flows

(millions of yen)

	Year Ended March 31, 2002	Year Ended March 31, 2001
Cash flows from operating activities:		
Income before income taxes	10,061	8,302
Adjustments for:		
Depreciation and amortization	1,806	1,825
Amortization of excess of cost of investments in consolidated subsidiaries over the fair value of net assets	82	74
Equity in loss of affiliated companies	9	23
Gain from equity share fluctuation in consolidated subsidiary	(39)	-
Gain on forfeiture of warrants	(18)	-
Increase (decrease)in allowance for doubtful accounts	(72)	28
Increase in allowance for bonus	11	15
Increase in allowance for retirement benefits	29	54
Interest and dividend income	(8)	(13)
Interest expense	196	232
Convertible bond-issuing expenses	423	-
Evaluation loss on investment securities	168	-
Loss on sale and disposal of property and equipment	532	246
Net change in due from/to member dealers at auction	(385)	(18)
(Increase)decrease in trade accounts receivable	88	(90)
Increase in deposits received	79	200
Bonuses paid to directors and statutory auditors	(48)	(58)
Other, net	335	93
Sub-total	13,251	10,915
Interest and dividend received	8	13
Interest paid	(198)	(229)
Income taxes paid	(4,579)	(2,678)
Net cash provided by operating activities	8,481	8,021

	Year Ended March 31, 2002	Year Ended March 31, 2001
Cash flows from investing activities		
Net (increase) in time deposits	98	90
Acquisition of property and equipment	(12,965)	(14,047)
Proceeds from sale of property and equipment	7	10
Purchase of intangible assets	(131)	(200)
Proceeds from sale of intangible assents	1	-
Payments for purchase of investment securities	(225)	(149)
Increase in long-term prepaid expenses	(128)	(265)
Purchase of shares of newly consolidated subsidiary	(59)	-
Other, net	176	357
Net cash used in investing activities	(13,226)	(14,204)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(1,401)	97
Proceeds from long-term debt	1,450	8,500
Repayments of long-term debt	(3,941)	(8,439)
Proceeds from guarantee deposits received from member dealers	242	214
Repayment of guarantee deposits received from member dealers	(55)	(52)
Issuance of bonds	19,576	559
Redemption of bonds	(712)	-
Issuance of new shares	39	-
Proceeds from issuance of shares of consolidated subsidiary	193	-
Proceeds from sales of treasury stock	-	0
Payments for the purchases of treasury stock	(0)	-
Dividends paid	(666)	(332)
Net cash provided by financing activities	14,725	547
Increase (decrease) in cash and cash equivalents	9,981	(5,635)
Cash and cash equivalents at beginning of period	11,496	16,729
Increase in cash and cash equivalents upon inclusion of additional subsidiaries on consolidation	-	403
Cash and cash equivalents at end of period	21,477	11,496