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To All Stakeholders:

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Stock code: 4732
Stock exchange listings: Tokyo and Nagoya (first sections)
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Contact: Masafumi Yamanaka
Junior Managing Director, Officer, Supervisory Office

Company: IK Co., Ltd.
President and CEO: Yoshihiro Kato
Stock code: 3377
Stock exchange listing: Tokyo (second section)
Tel: +81-3-6803-8855
Contact: Takashi Yamagata
Director, Corporate Administration Division

Company: Japan Bike Auction Co., Ltd.
President: Ryu Nishimura
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Director, General Manager of Corporate Administration Department

Announcement of Agreement in Principle for Business and Equity Alliance by
USS, IK and Japan Bike Auction

USS Co., Ltd., IK Co., Ltd. and Japan Bike Auction Co., Ltd. have signed an agreement in principle to establish a business and equity alliance. USS and IK will each purchase 2,240 shares of Japan Bike Auction, giving each company a 30.01% equity stake in Japan Bike Auction. In addition, USS will purchase 7,733 shares of IK, which is 5.06% of all shares issued. Furthermore, USS will rent its auction facilities to IK and Japan Bike Auction. The three companies plan to use this business and equity alliance to build sound relationships among themselves.

1. Reason for establishing the business and equity alliance

The primary business of USS is assisting in the efficient distribution of used automobiles through the operation of auctions mainly for companies that buy and sell used vehicles. Operations are based on the central themes of “creating fair markets” and “mutual growth and prosperity with members.” USS was one of the first automobile auction companies in Japan to use a computer auction system and to build auction facilities in major cities throughout the nation.

USS currently has 18 auction facilities and 45,294 registered auction participants. In the

fiscal year that ended in March 2010, 2.32 million vehicles were consigned at USS auction sites. USS is Japan's largest used automobile auction company with a market share of 33.8% in 2010.

USS operates an off-site bidding system that includes 4,311 companies registered for satellite TV auctions and 24,544 companies registered for Internet auctions (as of December 31, 2010). Members anywhere in Japan can use this system to submit bids on a real-time basis at all USS Group auction sites as well as at 12 auction sites of alliance partners.

IK operates a nationwide network of 100 Bike-Oh ("Bike King") locations that purchase motorcycles. The company has earned a reputation for its ability to use speed and flexibility to meet the diverse needs of customers throughout Japan. "The pursuit of services that make customers happy" is one of the company's primary goals. This is why maximizing convenience for motorcycle users is the company's highest priority. For example, buyers visit customers to purchase motorcycles and the company accepts applications from sellers on a 24-hour, 365-day basis. In addition, IK has been making extensive use of information technology in its business model since the start of operations. Today, the company offers many exclusive services for customers, such as the industry's only nationwide uniform appraisal standards that use personal computer evaluations.

IK is Japan's largest buyer of motorcycles and sold 170,000 motorcycles in the fiscal year that ended in August 2010 (as of April 2010, based on 2009 used motorcycle purchase data of Yano Research Institute). Purchasing used motorcycles is the core business of IK, but the company is also a motorcycle retailer and operator of motorcycle parking facilities.

Japan Bike Auction assists in the efficient distribution of used motorcycles by operating motorcycle auctions mainly for companies that buy and sell motorcycles. Located in the city of Nishinomiya in Hyogo prefecture, Japan Bike Auction operates the largest motorcycle auction facility in western Japan. There were 1,768 member companies at the end of 2010 and 43,880 motorcycles consigned in 2010. The company uses exclusive know-how regarding inspections for motorcycles submitted from all over western Japan. Expertise includes the industry's first driving test for used motorcycles. Internet services are another illustration of how Japan Bike Auction meets the needs of members in all areas of Japan.

The three companies believe that forming an alliance for the effective utilization of their respective resources will strengthen and enlarge their business operations, thereby further increasing corporate value. Based on this position, the companies reached the decision to sign this agreement in principle for a business and equity alliance. Establishing this alliance will make it possible to seamlessly combine the outstanding USS auction site network and auction system, the industry-leading motorcycle procurement skills of IK and the considerable expertise of Japan Bike Auction involving the operation of motorcycle auctions. The goal is to use these collective resources to achieve more growth in the motorcycle auction business. Furthermore, USS will use this alliance to help upgrade the distribution infrastructure for the motorcycle auction business.

2. Description of business and equity alliance

(1) Business alliance

USS will rent its USS Yokohama and USS Kobe auction sites to Japan Bike Auction so that this company can conduct auctions by using the latest advances in technology. In addition, IK will provide cooperation and other support to Japan Bike Auction regarding motorcycles consigned at auctions in order to expand the motorcycle auction market.

USS will also rent to IK space at its vehicle stock yards at USS Yokohama and USS Kobe. Providing this space will enable IK to centralize its distribution bases, thereby supplying motorcycles faster and cutting its logistics expenses.

The three companies plan to hold discussions to determine specific items involving the business alliance.

(2) Purchase of stock and percentage of shares issued (Equity alliance)

a. USS and IK each plans to purchase 2,240 shares of Japan Bike Auction stock (30.01% of all shares issued, total of 60.02%) in early April 2011 from JBA's current shareholders, including its largest shareholder Auto Business Renovation No.2 Investment Limited Partnership, a fund managed jointly by Ant Capital Partners Co., Ltd. and SC Automotive Investment Co., Ltd. Discussions will be held to determine the sellers, purchase price, purchase methods and other items.

b. USS plans to purchase 7,733 shares of IK stock (5.06% of all shares issued) from current IK shareholders in early April 2011. At present, USS plans to purchase the aforementioned shares through ToSTNeT or over-the-counter market. Discussions will be held to determine the sellers, purchase price, purchase methods and other items.

3. Profiles of the three business and equity alliance partners

(1) USS Co., Ltd.

①	Company Name	USS Co., Ltd.		
②	Location of head office	507-20, Shipo-machi, Tokai, Aichi		
③	Representative	President Yukihiro Ando		
④	Business activities	Operation of used car auctions		
⑤	Capital	18,881 million yen (as of December 31, 2010)		
⑥	Date of establishment	October 29, 1980		
⑦	Major share holders and pct. of stock held (as of September 30, 2010)	Futoshi Hattori		8.39%
		BBH for Fidelity Low-Priced Stock Fund		6.38%
		USS Co., Ltd		6.11%
		JP Morgan Chase Bank 380055		4.89%
		State Street Bank and Trust Company		4.75%
⑧	Relationships with other alliance partners	Capital Relationship	Not applicable	
		Personnel Relationship	Not applicable	
		Business Relationship	Not applicable	
		Related party information	Not applicable	
⑨ Three-year consolidated financial highlights				
Fiscal year end		March 2008	March 2009	March 2010
Net assets		117,577 million yen	114,941 million yen	118,390 million yen
Total assets		150,737 million yen	138,370 million yen	142,164 million yen

Net assets per share	3,657.55 yen	3,751.90 yen	3,970.03 yen
Sales	69,801 million yen	66,549 million yen	59,849 million yen
Operating income	27,200 million yen	22,568 million yen	21,940 million yen
Ordinary income	27,490 million yen	22,503 million yen	22,511 million yen
Net income	15,200 million yen	12,003 million yen	12,717 million yen
Net income per share	475.14 yen	382.72 yen	418.85 yen
Dividend per share	145.00 yen	165.00 yen	168.00 yen

(2) IK Co., Ltd.

② IK Co., Ltd.

① Company name	IK Co., Ltd.		
② Location of head office	1-1-39, Hiroo, Shibuya-ku, Tokyo		
③ Representative	President Yoshihiro Kato		
④ Business activities	Operation of stores specializing in motorcycle purchases that provide a new type of distribution system for motorcycles		
⑤ Capital	585 million yen (as of November 30, 2010)		
⑥ Date of establishment	September 1, 1998		
⑦ Major share holders and pct. of stock held (as of November 30, 2010)	Akihiko Ishikawa 25.66% Yoshihiro Kato 23.08% Kei Co., Ltd. 5.89% Yukari Ishikawa 5.22% The Master Trust Bank of Japan, Ltd. (Trust account) 3.94%		
⑧ Relationships with other alliance partners	Capital Relationship	Not applicable	
	Personnel Relationship	Not applicable	
	Business Relationship	IK consigns used motorcycles for the auctions of Japan Bike Auction	
	Related party information	Not applicable	
⑨ Three-year consolidated financial highlights			
Fiscal year end	August 2009	August 2010	November 2010
Net assets	4,728 million yen	4,647 million yen	4,162 million yen
Total assets	6,350 million yen	6,402 million yen	5,932 million yen
Net assets per share	30,460.54 yen	31,386.03 yen	29,288.34 yen
Sales	23,502 million yen	24,176 million yen	5,412 million yen
Operating income	646 million yen	708 million yen	△299 million yen
Ordinary income	671 million yen	732 million yen	△297 million yen
Net income	251 million yen	312 million yen	△244 million yen
Net income per share	1,643.75 yen	2,123.24 yen	△1,686.89 yen
Dividend per share	1,200 yen	1,200 yen	300 yen

Note: The fiscal period that ended in November 2010 is a transitional three-month period due to the change in the fiscal year end from August 31 to November 30.

(3) Japan Bike Auction Co., Ltd.

① Company name	Japan Bike Auction Co., Ltd.
② Location of head office	3-17-6 Naruohama, Nishinomiya, Hyogo
③ Representative	President Ryu Nishimura

④	Business activities	Operation of motorcycle auctions		
⑤	Capital	176 million yen (as of March 10, 2011)		
⑥	Date of establishment	April 24, 2006		
⑦	Major share holders and pct. of stock held (as of December 31, 2010)	Auto Business Renovation No. 2 Investment Limited Partnership		38.79%
		JAFCO V2 Joint Investment Limited Partnership		14.61%
		Ryu Nishimura		6.76%
⑧	Relationships with other alliance partners	Capital Relationship	Not applicable	
		Personnel Relationship	Not applicable	
		Business Relationship	Japan Bike Auction receives consigned used motorcycles from IK	
		Related party information	Not applicable	
⑨ Three-year financial highlights				
	Fiscal year end	December 2008	December 2009	December 2010
	Net assets	244 million yen	148 million yen	205 million yen
	Total assets	315 million yen	433 million yen	485 million yen
	Net assets per share	40,524.04 yen	24,638.99 yen	34,077.04 yen
	Sales	548 million yen	579 million yen	967 million yen
	Operating income	△7 million yen	△5 million yen	57 million yen
	Ordinary income	△3 million yen	△4 million yen	56 million yen
	Net income	△7 million yen	△95 million yen	56 million yen
	Net income per share	△1,202.58 yen	△15,885.04 yen	9,438.04 yen
	Dividend per share	— yen	— yen	— yen

4. Timetable

(1)	March 10, 2011	Signing of agreement in principle for business and equity alliance
(2)	Early April 2011 (tentative)	Approval of business and equity alliance by respective boards of directors and signing of final contracts
(3)	Early April 2011 (tentative)	Purchase of Japan Bike Auction stock by USS and IK (same day as (2))
(4)	Early April 2011 (tentative)	Purchase of IK stock by USS (same day as (2))
(5)	Late June 2011 (tentative)	Signing of agreement by IK and Japan Bike Auction to rent facilities of USS

We plan to issue a news release when a decision concerning the conclusion of the agreement is finalized.

5. Outlook

This business and equity alliance will not have a significant effect on the results of operations (consolidated and non-consolidated) of USS or IK.