

# Consolidated Financial Results for the Fiscal Year ended March 31, 2024

May 8, 2024

Name of Company: USS Co., Ltd.  
 Stock Exchanges Listing: Tokyo Stock Exchange, Nagoya Stock Exchange  
 Stock Code: 4732 URL: <https://www.ussnet.co.jp/en/>  
 Representative: Title: Chairman and Representative Director Name: Yukihiro Ando  
 Contact Person: Title: Executive Vice President and Officer of Supervisory Office Name: Masafumi Yamanaka  
 Tel: +81-52-689-1129  
 Scheduled date of annual general meeting of shareholders June 25, 2024  
 Scheduled date of commencement of dividend payment June 26, 2024  
 Scheduled date of filing of securities report June 26, 2024  
 Supplementary materials for financial results Yes  
 Information meeting for financial results Yes (For institutional investors and securities analysts)

## 1. Consolidated Financial Results for the Fiscal Year ended March 31, 2024 (April 1, 2023 – March 31, 2024)

### (1) Consolidated Operating Results

(Percentage figures represent year on year changes)

	Net sales		Operating profit		Ordinary profit	
	Million yen	%	Million yen	%	Million yen	%
Year ended March 31, 2024	97,606	9.9	48,937	11.8	49,654	11.6
Year ended March 31, 2023	88,778	9.0	43,778	5.3	44,491	5.0

	Profit attributable to owners of parent		Profit per share	Diluted profit per share
	Million yen	%	Yen	Yen
Year ended March 31, 2024	32,906	9.7	68.28	68.10
Year ended March 31, 2023	30,008	0.9	61.34	61.23

Note: 1. Comprehensive income (million yen): Year ended March 31, 2024 : 33,262 9.2%  
 Year ended March 31, 2023 : 30,458 - 2.3%

2. There was a 2-for-1 stock split on April 1, 2024. Profit per share and diluted profit per share are based on the number of shares if this stock split was instead at the beginning of previous fiscal year.

	ROE(%)	ROA(%)	Operating margin(%)
Year ended March 31, 2024	17.0	19.3	50.1
Year ended March 31, 2023	16.2	18.9	49.3

### (2) Consolidated Financial Position

	Total assets (Million yen)	Net assets (Million yen)	Equity ratio (%)	Net assets per share (Yen)
As of March 31, 2024	271,557	199,021	72.0	407.09
As of March 31, 2023	242,352	194,154	78.8	390.45

Note: 1. Equity capital (million yen): As of March 31, 2024 : 195,558  
 As of March 31, 2023 : 190,997

2. There was a 2-for-1 stock split on April 1, 2024. Net assets per share is based on the number of shares if this stock split was instead at the beginning of previous fiscal year.

### (3) Consolidated Statement of Cash Flows

	Cash flows from operating activities (Million yen)	Cash flows from investing activities (Million yen)	Cash flows from financing activities (Million yen)	Cash and cash equivalents at end of period (Million yen)
Year ended March 31, 2024	47,150	(2,646)	(28,187)	102,509
Year ended March 31, 2023	36,907	(9,074)	(17,121)	86,192

## 2. Dividends

	Dividend per share (Yen)					Total dividends (Million yen)	Dividend payout ratio (consolidated) (%)	Dividend rate for net assets (consolidated) (%)
	First quarter - end	Second quarter - end	Third quarter - end	Fiscal year - end	Total			
Year ended March 31, 2023	-	33.70	-	33.80	67.50	16,512	55.0	8.9
Year ended March 31, 2024	-	34.70	-	40.70	75.40	18,115	55.1	9.5
Year ending March 31, 2025(Forecast)	-	20.10	-	20.10	40.20		55.2	

- Notes: 1. Total dividends paid for the fiscal year ended in March 2023 and for the fiscal year ended in March 2024 include payments of 5 million yen and 24 million yen each for shares held by the USS employee stock ownership plan trust.
2. Dividend payout ratio (consolidated) is calculated by dividing total dividends paid by profit attributable to owners of parent.
3. There was a 2-for-1 stock split on April 1, 2024. The dividend for the fiscal year ending on March 31, 2025(Forecast), reflects this stock split and the dividends for the fiscal years that ended in March 2023 and 2024 are the actual dividends without reflecting this stock split.

## 3. Forecast of Consolidated Financial Results for the Fiscal Year ending March 31, 2025 (April 1, 2024 – March 31, 2025)

(Percentage figures represent year on year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	49,750	3.4	24,900	4.7	25,250	4.6	16,900	4.6	35.18
For the year	101,900	4.4	51,500	5.2	52,200	5.1	35,000	6.4	72.85

Note: There was a 2-for-1 stock split on April 1, 2024. The consolidated profit per share forecast for the fiscal year ending on March 31, 2025, reflects this stock split.

### \* Notes

- (1) Changes in significant subsidiaries (Changes in specific subsidiaries accompanied by changes in the scope of consolidation):  
None
- (2) Changes in accounting principles, estimates and retrospective restatement
- 1) Changes due to revision of accounting standards: None
  - 2) Changes other than in 1) : None
  - 3) Changes in accounting estimates : None
  - 4) Retrospective restatement : None
- (3) Number of shares outstanding (common shares)
- 1) Shares outstanding (including treasury shares)
    - As of March 31, 2024 : 514,000,000 shares
    - As of March 31, 2023 : 514,000,000 shares
  - 2) Treasury shares
    - As of March 31, 2024 : 33,626,010 shares
    - As of March 31, 2023 : 24,828,172 shares
  - 3) Average number of shares
    - As of March 31, 2024 : 481,916,335 shares
    - As of March 31, 2023 : 489,166,904 shares

- Notes: 1. There was a 2-for-1 stock split on April 1, 2024. Shares outstanding (including treasury shares), treasury shares, and average number of shares used for per-share figures represent the number of shares that would have existed if this stock split had occurred at the beginning of the previous fiscal year.
2. Treasury shares includes 574,300 shares as of March 31, 2024 and 82,200 shares as of March 31, 2023 held by the USS employee stock ownership plan trust.

\* This financial results is not subject to the audit procedure.

\* Cautionary statement regarding forecasts of operating results and special notes

(Note regarding the forward-looking statements)

Forward-looking statements in these materials are based on information available to management at the time this report was prepared and assumptions that management believes are reasonable. These statements are not promises by the Company regarding future performance. Actual results may differ significantly from these statements for a number of reasons.

(Supplementary explanatory documents)

Supplementary explanatory documents will be posted on the Company's website on May 9, 2024.

#### 4. Consolidated Financial Statements

##### (1) Consolidated Balance Sheet

(Million yen)

	FY 2022 (As of March 31, 2023)	FY 2023 (As of March 31, 2024)
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	92,692	109,009
Receivables due from member dealers at auction	13,314	24,519
Notes and accounts receivable-trade, and contract assets	2,982	2,710
Securities	3,000	3,000
Inventories	1,843	1,651
Prepaid expenses	163	182
Other	2,096	7,422
Allowance for doubtful accounts	(35)	(124)
<b>Total current assets</b>	<b>116,057</b>	<b>148,371</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures, net	34,313	32,680
Machinery, equipment and vehicles, net	653	715
Tools, furniture and fixtures, net	1,800	1,559
Land	63,577	63,577
Leased assets, net	132	135
Construction in progress	126	327
<b>Total property, plant and equipment</b>	<b>100,604</b>	<b>98,996</b>
<b>Intangible assets</b>		
Goodwill	7,826	7,287
Other	5,718	5,499
<b>Total intangible assets</b>	<b>13,545</b>	<b>12,786</b>
<b>Investments and other assets</b>		
Investment securities	2,530	1,112
Long-term loans receivable	29	23
Long-term prepaid expenses	270	205
Deferred tax assets	1,097	1,856
Deferred tax assets for land revaluation	2,456	2,456
Investment property, net	4,225	4,204
Other	1,678	1,735
Allowance for doubtful accounts	(143)	(191)
<b>Total investments and other assets</b>	<b>12,144</b>	<b>11,402</b>
<b>Total non-current assets</b>	<b>126,295</b>	<b>123,186</b>
<b>Total assets</b>	<b>242,352</b>	<b>271,557</b>

(Million yen)

	FY 2022 (As of March 31, 2023)	FY 2023 (As of March 31, 2024)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Payables due to member dealers at auction	22,595	43,749
Notes and accounts payable-trade	855	991
Short-term borrowings	340	150
Current portion of long-term borrowings	220	220
Lease liabilities	34	55
Income taxes payable	7,864	9,128
Deposits received	2,099	2,569
Provision for bonuses	824	915
Provision for bonuses for directors (and other officers)	65	95
Other	4,374	5,253
<b>Total current liabilities</b>	<b>39,273</b>	<b>63,130</b>
<b>Non-current liabilities</b>		
Long-term borrowings	1,794	2,215
Lease liabilities	31	24
Long-term accounts payable-other	210	183
Provision for share-based payments	40	99
Retirement benefit liability	927	974
Long-term guarantee deposits	4,916	4,893
Asset retirement obligations	633	642
Other	370	370
<b>Total non-current liabilities</b>	<b>8,925</b>	<b>9,404</b>
<b>Total liabilities</b>	<b>48,198</b>	<b>72,535</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	18,881	18,881
Capital surplus	8,992	8,992
Retained earnings	180,137	196,225
Treasury shares	(12,034)	(23,298)
<b>Total shareholders' equity</b>	<b>195,976</b>	<b>200,800</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	660	370
Revaluation reserve for land	(5,636)	(5,636)
Remeasurements of defined benefit plans	(3)	23
<b>Total accumulated other comprehensive income</b>	<b>(4,979)</b>	<b>(5,242)</b>
<b>Share acquisition rights</b>	<b>457</b>	<b>442</b>
<b>Non-controlling interests</b>	<b>2,699</b>	<b>3,021</b>
<b>Total net assets</b>	<b>194,154</b>	<b>199,021</b>
<b>Total liabilities and net assets</b>	<b>242,352</b>	<b>271,557</b>

**(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income**  
**(Consolidated Statements of Income)**

(Million yen)

	FY 2022 (April 1, 2022 to March 31, 2023)	FY 2023 (April 1, 2023 to March 31, 2024)
<b>Net sales</b>	88,778	97,606
<b>Cost of sales</b>	35,135	38,571
<b>Gross profit</b>	53,642	59,034
<b>Selling, general and administrative expenses</b>	9,864	10,097
<b>Operating profit</b>	43,778	48,937
<b>Non-operating income</b>		
Interest income	8	12
Rental income from real estate	696	700
Miscellaneous income	210	209
Total non-operating income	915	922
<b>Non-operating expenses</b>		
Interest expenses	11	10
Rental costs on real estate	172	180
Miscellaneous losses	17	15
Total non-operating expenses	201	205
<b>Ordinary profit</b>	44,491	49,654
<b>Extraordinary income</b>		
Gain on sale of non-current assets	68	72
Other	3	2
Total extraordinary income	72	74
<b>Extraordinary losses</b>		
Loss on sale of non-current assets	-	0
Loss on retirement of non-current assets	22	68
Loss on valuation of investment securities	-	1,001
Loss on cancellation of rental contracts	27	1
Loss on disaster	12	-
Other	0	-
Total extraordinary losses	62	1,071
<b>Profit before income taxes</b>	44,501	48,658
<b>Income taxes-current</b>	13,924	15,777
<b>Income taxes-deferred</b>	(140)	(644)
<b>Income taxes</b>	13,784	15,133
<b>Profit</b>	30,717	33,525
<b>Profit attributable to non-controlling interests</b>	708	618
<b>Profit attributable to owners of parent</b>	30,008	32,906

**(Consolidated Statement of Comprehensive Income)****(Million yen)**

	FY 2022 (April 1, 2022 to March 31, 2023)	FY 2023 (April 1, 2023 to March 31, 2024)
<b>Profit</b>	30,717	33,525
<b>Other comprehensive income</b>		
Valuation difference on available-for-sale securities	(270)	(290)
Remeasurements of defined benefit plans, net of tax	10	27
Total other comprehensive income	(259)	(263)
<b>Comprehensive income</b>	30,458	33,262
<b>(Comprehensive income attributable to)</b>		
Comprehensive income attributable to owners of parent	29,749	32,643
Comprehensive income attributable to non-controlling interests	708	618

**(3) Consolidated Statement of Changes in Equity**

Fiscal Year ended March 31, 2023 (April 1, 2022 - March 31, 2023)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	18,881	18,915	211,843	(65,039)	184,600
Changes during period					
Dividends of surplus			(17,323)		(17,323)
Profit attributable to owners of parent			30,008		30,008
Purchase of treasury shares				(1,632)	(1,632)
Disposal of treasury shares		23		299	322
Cancellation of treasury shares		(54,337)		54,337	-
Transfer from retained earnings to capital surplus		44,391	(44,391)		-
Net changes in items other than shareholders' equity					
Total changes during period	-	(9,922)	(31,705)	53,004	11,376
Balance at end of period	18,881	8,992	180,137	(12,034)	195,976

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	930	(5,636)	(14)	(4,719)	457	2,136	182,473
Changes during period							
Dividends of surplus							(17,323)
Profit attributable to owners of parent							30,008
Purchase of treasury shares							(1,632)
Disposal of treasury shares							322
Cancellation of treasury shares							-
Transfer from retained earnings to capital surplus							-
Net changes in items other than shareholders' equity	(270)	-	10	(259)	-	563	303
Total changes during period	(270)	-	10	(259)	-	563	11,680
Balance at end of period	660	(5,636)	(3)	(4,979)	457	2,699	194,154



Fiscal Year ended March 31, 2024 (April 1, 2023 - March 31, 2024)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	18,881	8,992	180,137	(12,034)	195,976
Changes during period					
Dividends of surplus			(16,596)		(16,596)
Profit attributable to owners of parent			32,906		32,906
Purchase of treasury shares				(12,698)	(12,698)
Disposal of treasury shares		(221)		1,434	1,212
Cancellation of treasury shares					-
Transfer from retained earnings to capital surplus		221	(221)		-
Net changes in items other than shareholders' equity					
Total changes during period	-	-	16,087	(11,263)	4,824
Balance at end of period	18,881	8,992	196,225	(23,298)	200,800

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	660	(5,636)	(3)	(4,979)	457	2,699	194,154
Changes during period							
Dividends of surplus							(16,596)
Profit attributable to owners of parent							32,906
Purchase of treasury shares							(12,698)
Disposal of treasury shares							1,212
Cancellation of treasury shares							-
Transfer from retained earnings to capital surplus							-
Net changes in items other than shareholders' equity	(290)	-	27	(263)	(14)	321	43
Total changes during period	(290)	-	27	(263)	(14)	321	4,867
Balance at end of period	370	(5,636)	23	(5,242)	442	3,021	199,021

**(4) Consolidated Statement of Cash Flows**

(Million yen)

	FY 2022 (April 1, 2022 to March 31, 2023)	FY 2023 (April 1, 2023 to March 31, 2024)
<b>Cash flows from operating activities</b>		
Profit before income taxes	44,501	48,658
Depreciation and amortization	4,754	4,706
Amortization of goodwill	539	539
Increase (decrease) in allowance for doubtful accounts	53	136
Increase (decrease) in provision for bonuses	41	90
Increase (decrease) in provision for bonuses for directors (and other officers)	65	30
Increase (decrease) in retirement benefit liability	71	85
Decrease (increase) in retirement benefit asset	43	-
Increase (decrease) in provision for share-based payments	40	58
Interest and dividend income	(48)	(47)
Interest expenses	11	10
Loss (gain) on valuation of investment securities	-	1,001
Loss (gain) on sale and retirement of property, plant and equipment	(46)	(13)
Loss (gain) on sale and retirement of intangible assets	0	9
Net change in due from/to member dealers at auction	2,639	9,949
Decrease (increase) in trade receivables	(557)	271
Increase (decrease) in trade payables	156	136
Increase (decrease) in deposits received	45	470
Other, net	(1,635)	(4,628)
Subtotal	50,678	61,465
Interest and dividends received	57	58
Interest paid	(12)	(11)
Income taxes paid	(13,816)	(14,362)
Net cash provided by (used in) operating activities	36,907	47,150
<b>Cash flows from investing activities</b>		
Net decrease (increase) in time deposits	(3,600)	-
Purchase of property, plant and equipment	(4,100)	(2,096)
Proceeds from sale of property, plant and equipment	79	87
Purchase of intangible assets	(466)	(569)
Purchase of investment securities	(1,001)	-
Other, net	14	(66)
Net cash provided by (used in) investing activities	(9,074)	(2,646)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	153	(190)
Proceeds from long-term borrowings	-	880
Repayments of long-term borrowings	(562)	(459)
Guarantee deposits received from member dealers	207	201
Refund of guarantee deposits received from member dealers	(126)	(179)
Purchase of treasury shares	(1,632)	(12,697)
Proceeds from sale of treasury shares	333	1,194
Decrease (increase) in money trust to acquire treasury stock	2,026	-
Dividends paid	(17,323)	(16,596)
Dividends paid to non-controlling interests	(111)	(297)
Repayments of finance lease liabilities	(51)	(42)
Other, net	(33)	0
Net cash provided by (used in) financing activities	(17,121)	(28,187)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>10,711</b>	<b>16,317</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>75,480</b>	<b>86,192</b>
<b>Cash and cash equivalents at end of period</b>	<b>86,192</b>	<b>102,509</b>