

USS

Used car
System
Solutions

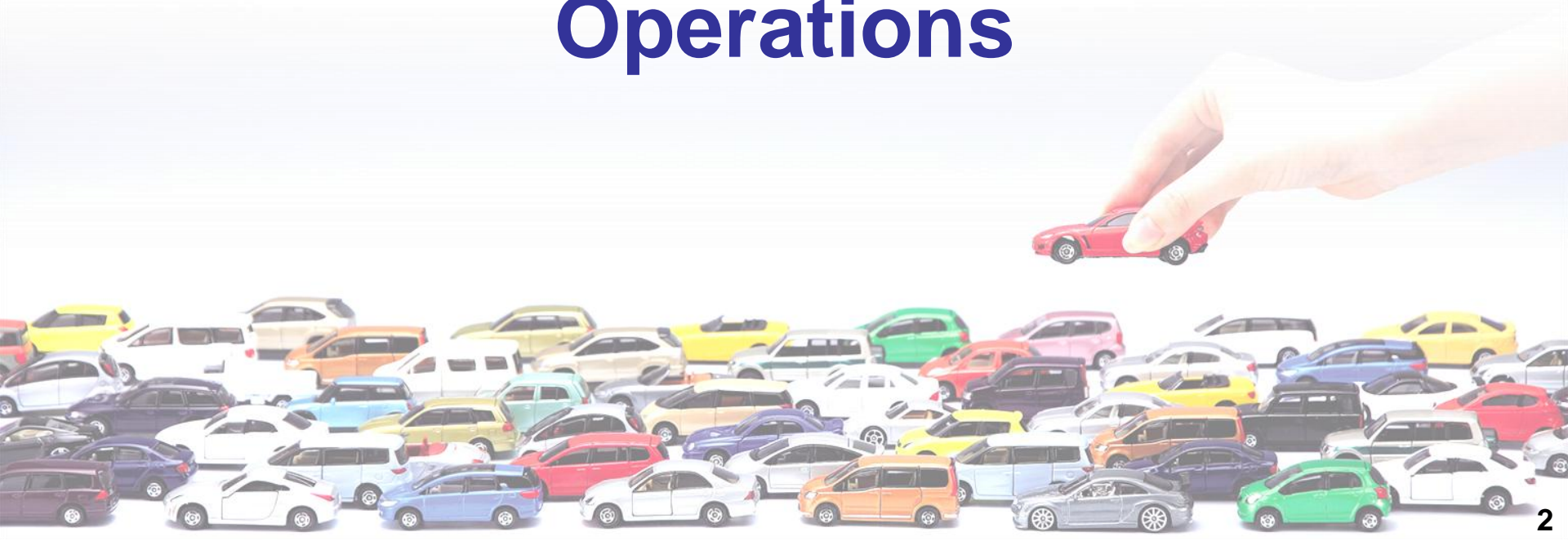
Consolidated Results of Operations

The third quarter, fiscal year ending March 31, 2012

**USS Co., Ltd.
February 2012**



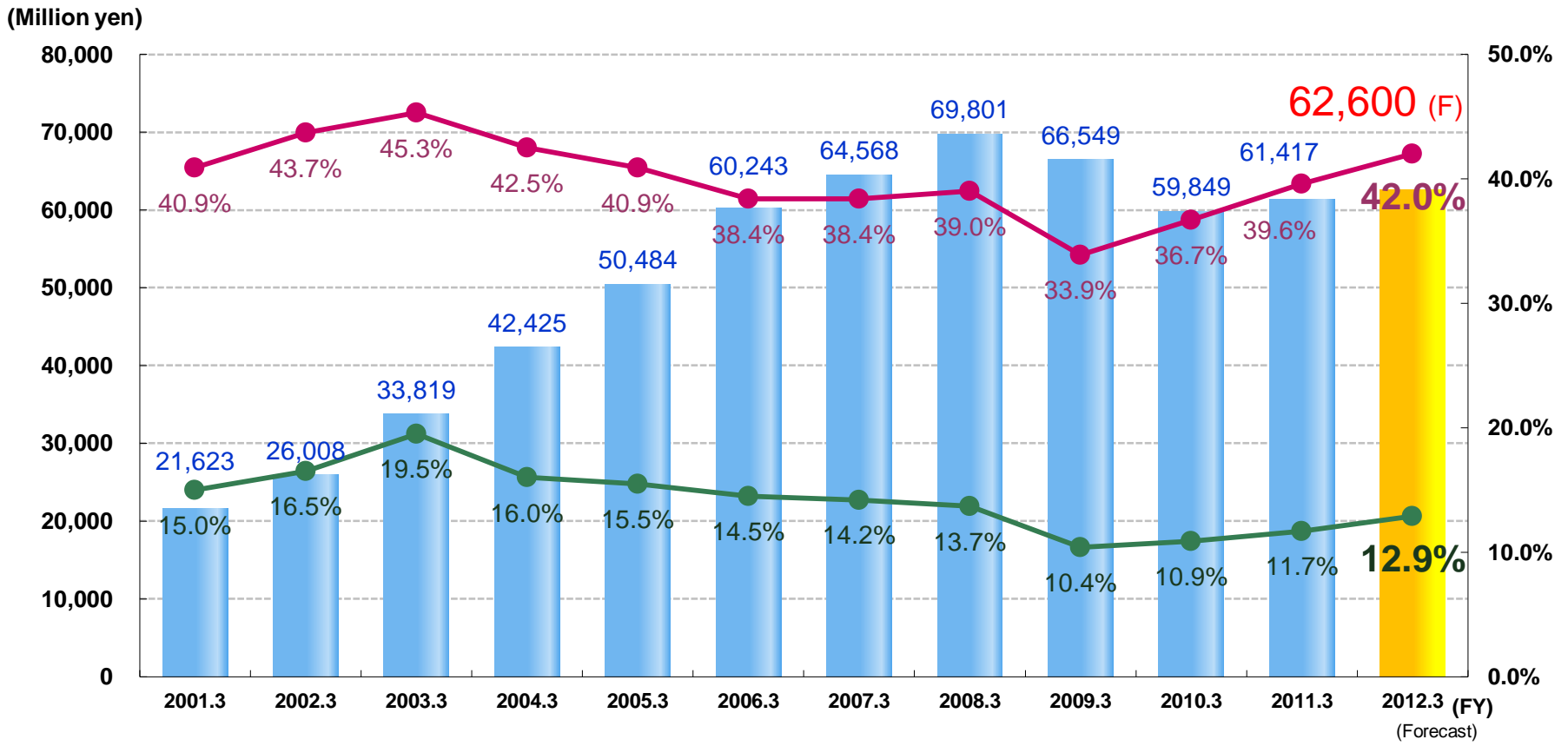
USS Profile and Results of Operations



(1) Consolidated Sales, Operating Margin and ROE

Steady medium-term growth and high profitability

■ Net sales ● Operating income ● ROE

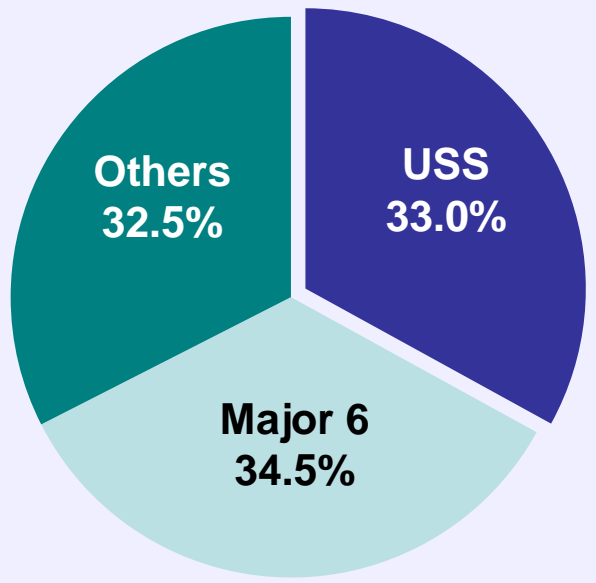


2001.3 - 2011.3

Avg. 10-year growth rate Sales **11.0%** Operating income **10.7%**
 Avg. 10-year operating margin **39.8%**
 Average 10-year ROE **14.3%**

Largest Share of the Auto Auction Market

Market share (CY2011)



*Major 6 : JAA(9.0%), TAA(8.3%), CAA(6.6%), Arai AA(4.3%), LAA(3.2%), KCAA(3.1%)

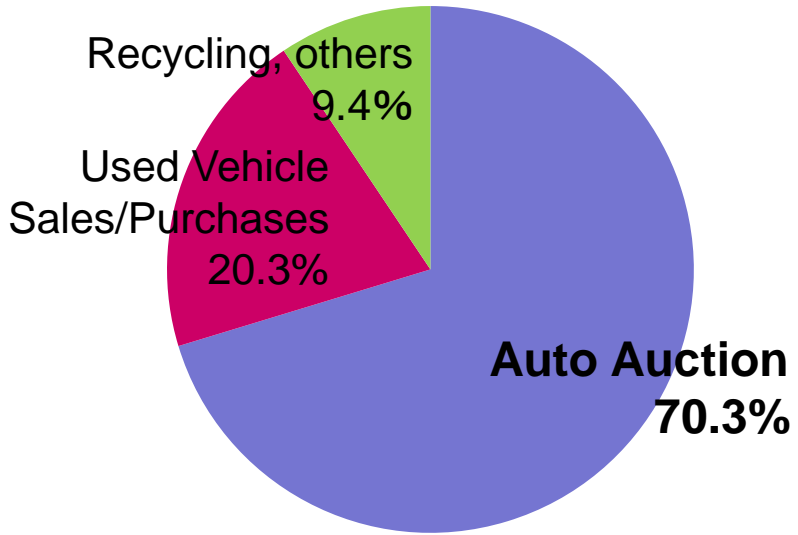
The Superiority of USS

- Overwhelming lead in the number of members: 44,000 companies
- The industry leader with 17 auction sites nationwide
- High-volume auction sites in Tokyo, Nagoya and other locations
- Off-site bidding system using satellite TV and the Internet
- USS created the industry standards for vehicle evaluations and auction systems
- A sound financial position
 - equity ratio of 87.0%

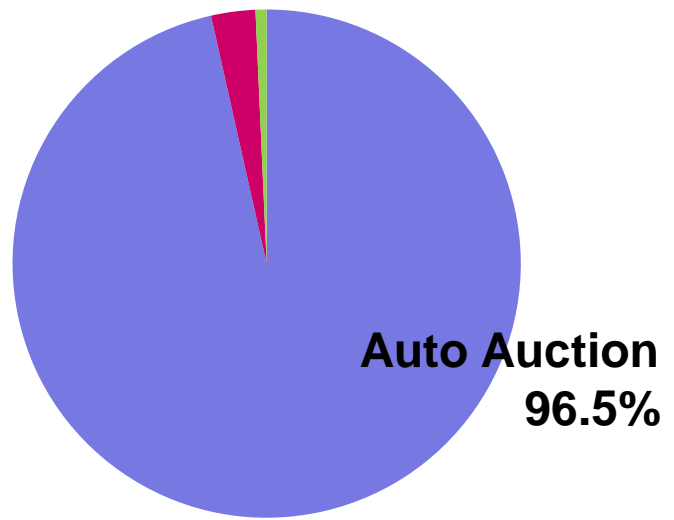
(As of end of Dec. 2011)

(3) Business Model

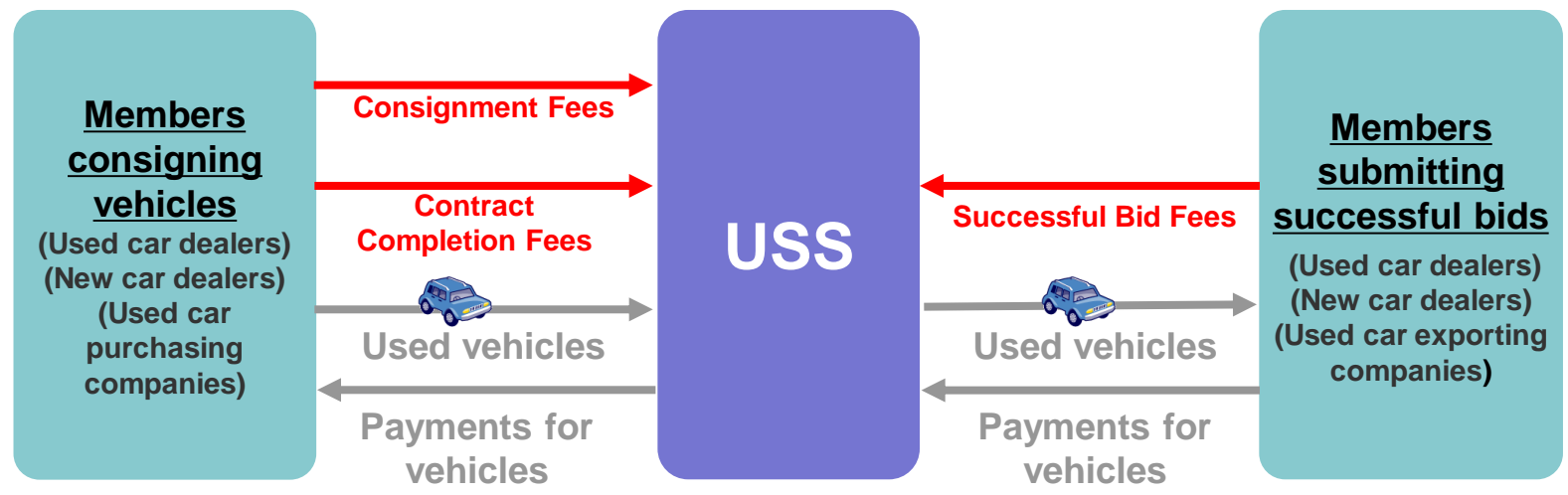
Sales breakdown (3/2011)



Operating income breakdown (3/2011)

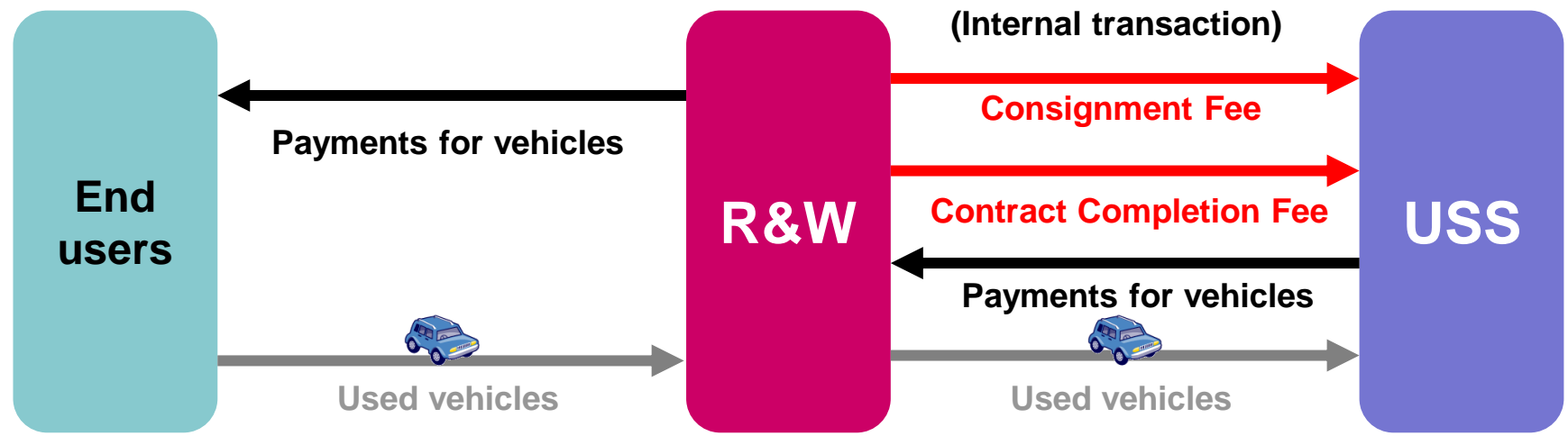


Auto Auction Business

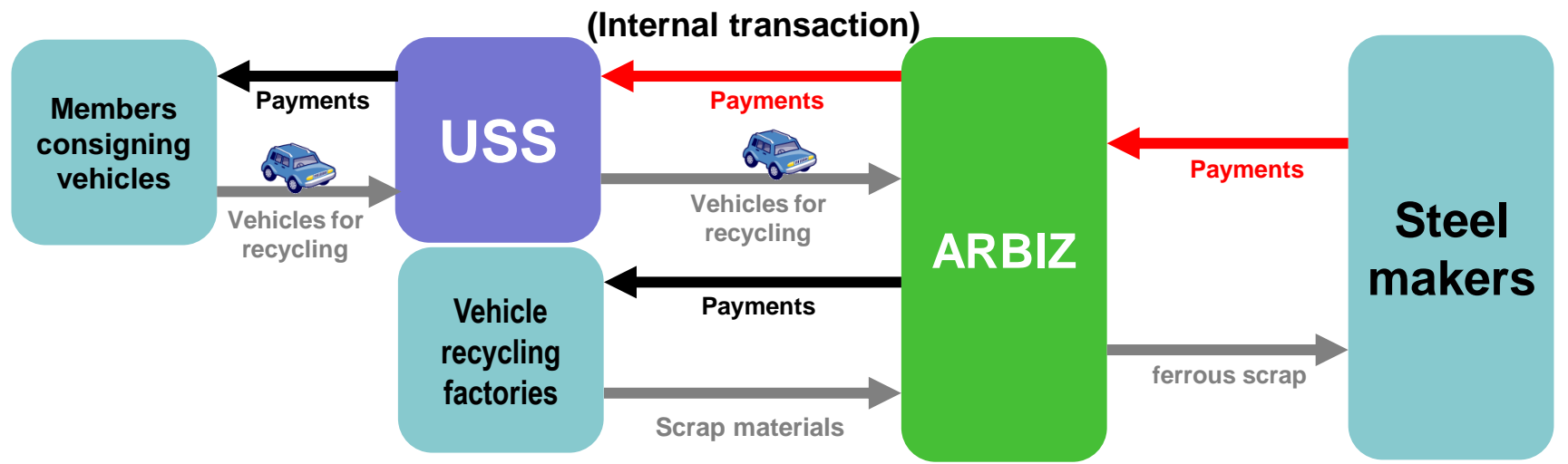


(4) Business Models

Used Vehicle Sales/Purchases Business



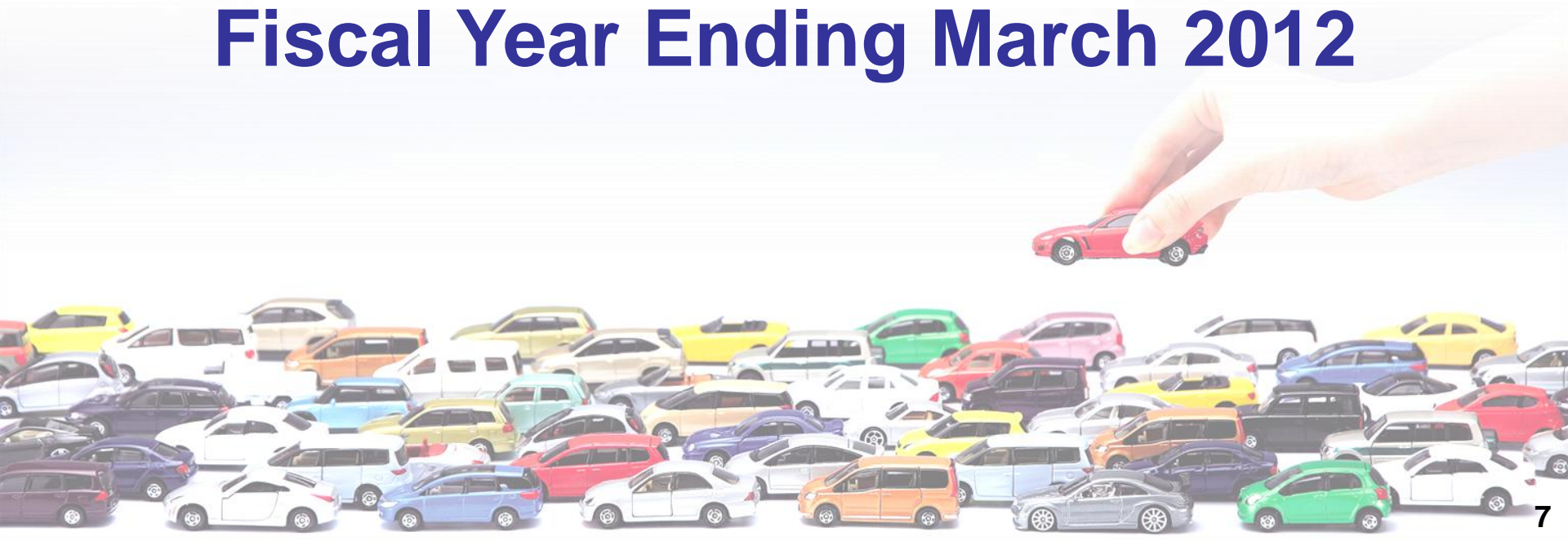
Recycling Business (ARBIZ)



Results of Operations

Third Quarter

Fiscal Year Ending March 2012



- **Sales up 3.5% (YoY) despite a challenging operating environment**
 - Vehicles consigned up 1.0% and contracted vehicles up 2.2% (YoY)
 - Contract completion rate improved from 62.8% to 63.6% (YoY)
 - Satellite TV/Internet/Off-site contract successful bid ratio increased from 48.5% to 49.5% (YoY)
- **Operating income up 11.9% and ordinary income up 12.6% (YoY)**
 - Depreciation, leasing expenses and goodwill amortization declined
 - Operating margin improved to 42.4% from 39.2% (YoY)
- **Increase in sales and earnings in the used car purchasing and selling business**
- **Operating loss in the other business**
- **Earnings per share increased 17.4% due in part to stock repurchases**
- **Maintained a high equity ratio of 87.0%**

Big increase in operating income due to higher contract completion rate and lower depreciation

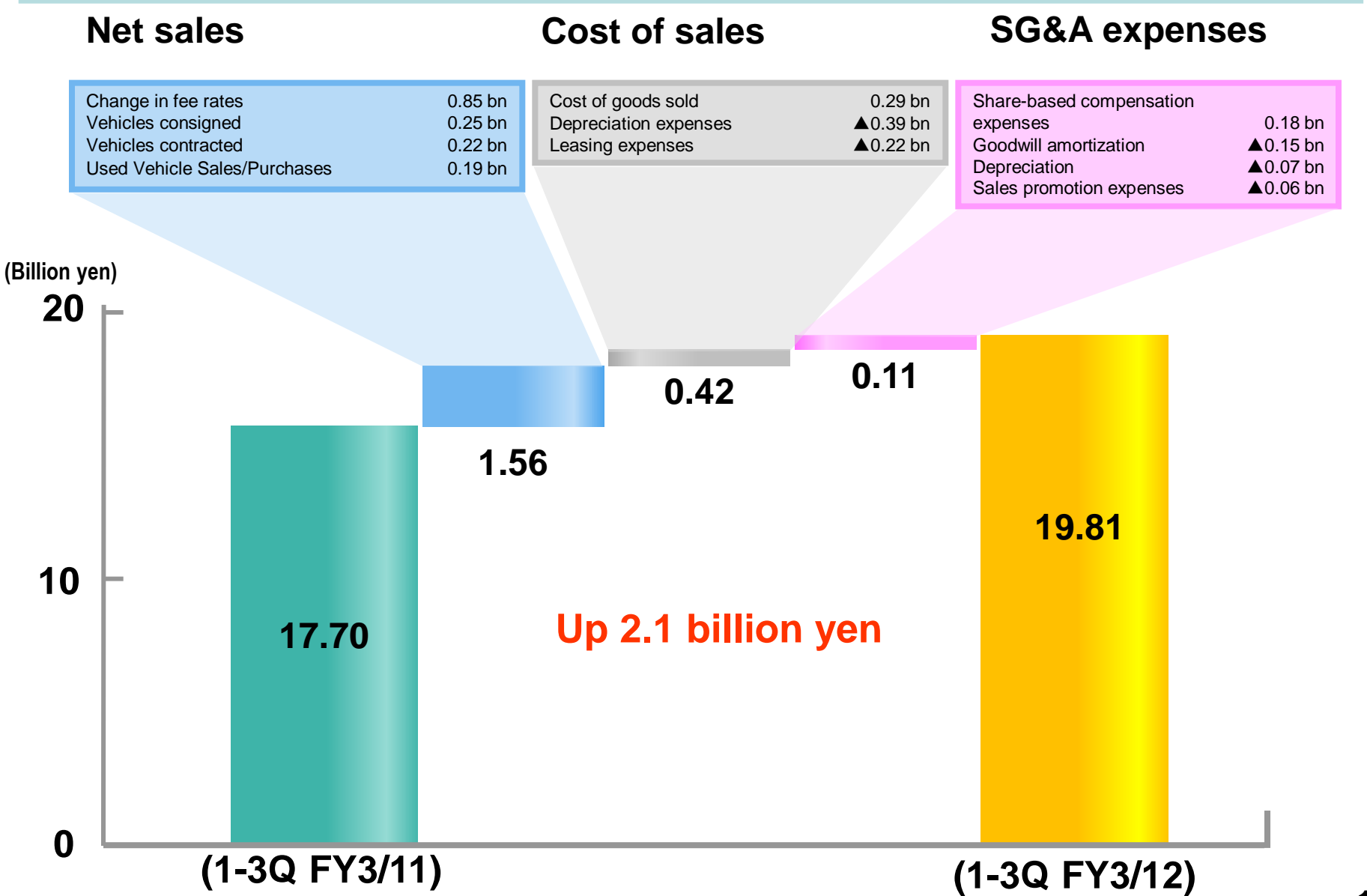
(Million yen)

	1-3Q FY3/10	1-3Q FY3/11	1-3Q FY3/12	Year on year
Net Sales	43,572	45,164	46,728	103.5%
Cost of sales (Per sales)	19,911 (45.7%)	19,881 (44.0%)	19,453 (41.6%)	97.9%
Gross profit (Per sales)	23,661 (54.3%)	25,283 (56.0%)	27,275 (58.4%)	107.9%
Selling, general and administrative expenses (Per sales)	8,045 (18.5%)	7,575 (16.8%)	7,461 (16.0%)	98.5%
Operating income (Per sales)	15,615 (35.8%)	17,707 (39.2%)	19,813 (42.4%)	111.9%
Ordinary income (Per sales)	16,016 (36.8%)	17,904 (39.6%)	20,163 (43.1%)	112.6%
Net income (Per sales)	9,064 (20.8%)	10,606 (23.5%)	11,977 (25.6%)	112.9%
Net income per share (yen)	297.10	361.78	424.57	117.4%

- Net sales:** Fees income was higher because of increases in vehicles consigned and vehicles contracted as well as an increase in fee rates
- Cost of sales:** Depreciation expenses and leasing expenses decreased
- SG&A expenses:** Goodwill amortization decreased

Reasons for Change in Operating Income (Actual)

First three quarters FY3/2012



Outstanding financial soundness even as substantial earnings distributions to shareholders continue

(Million yen)

	2011.3	2011.12	Changes
Current assets	47,074	34,066	▲13,008
Cash and deposits	30,980	25,866	▲5,114
Receivables due from member dealers at auction	11,151	2,149	▲9,001
Other	4,942	6,049	1,107
Noncurrent assets	104,562	101,745	▲2,816
Property, plant and equipment	94,479	91,706	▲2,772
Intangible assets	1,114	890	▲223
Investments and other assets	8,969	9,147	178
Total assets	151,636	135,811	▲15,825
Current liabilities	22,994	10,954	▲12,040
Payables due to member dealers at auction	11,502	2,822	▲8,679
Short-term loans payable	188	233	45
Other	11,303	7,897	▲3,405
Noncurrent liabilities	6,695	6,224	▲470
Long-term loans payable	167	122	▲45
Other	6,527	6,102	▲425
Total liabilities	29,689	17,178	▲12,510
Total shareholders' equity	126,556	123,461	▲3,094
Total other comprehensive income	▲4,918	▲5,296	▲378
Subscription rights to shares	31	230	199
Minority interests	278	237	▲40
Total net assets	121,947	118,633	▲3,314

Current assets

- Receivables due from member dealers at auction down 9.0 billion yen
- Cash and deposits decreased 5.11 billion yen mainly because of purchases of treasury stock

Noncurrent assets

- Noncurrent assets down 2.77 billion yen mainly because of

Current liabilities

- Payables due to member dealers at auction decreased 8.67 billion yen
- Other decrease includes decreases of 1.70 billion yen in income taxes payable and 1.16 billion yen in deposits received

Repurchased stock and consolidated dividend payout ratio of more than 40%

(Million yen)

	2010.12	2011.12	Changes
Net Cash provided operating activities	10,312	12,254	1,941
Income before income taxes	17,365	20,150	2,784
Depreciation and other amortization	3,485	3,014	▲470
Amortization of goodwill	225	68	▲157
Loss (▲gain) on sale and retirement of property, plant and equipment	5	10	5
Net change in due from/to member dealers at auction (▲increase)	▲814	321	1,136
Income taxes paid	▲9,088	▲10,085	▲996
Other	▲865	▲1,226	▲360
Net cash provided by investing activities	▲3,464	▲4,035	▲571
Purchase of property, plant and equipment	▲2,292	▲487	1,804
Other	▲1,171	▲3,548	▲2,376
Net cash provided by financing activities	▲10,913	▲15,176	▲4,263
Net increase in loans payable	▲249	0	250
Purchases of treasury stock	▲4,950	▲9,070	▲4,119
Cash dividends paid	▲5,518	▲6,001	▲482
Other	▲193	▲104	89
Net increase (decrease) in cash and cash equivalents	▲4,064	▲6,958	▲2,893
Cash and cash equivalents at beginning of period	29,681	29,280	▲401
Cash and cash equivalents at end of period	25,616	22,322	▲3,294

Operating activities

- Income before income taxes was 20.15 billion yen
- Income taxes paid were 10.08 billion yen

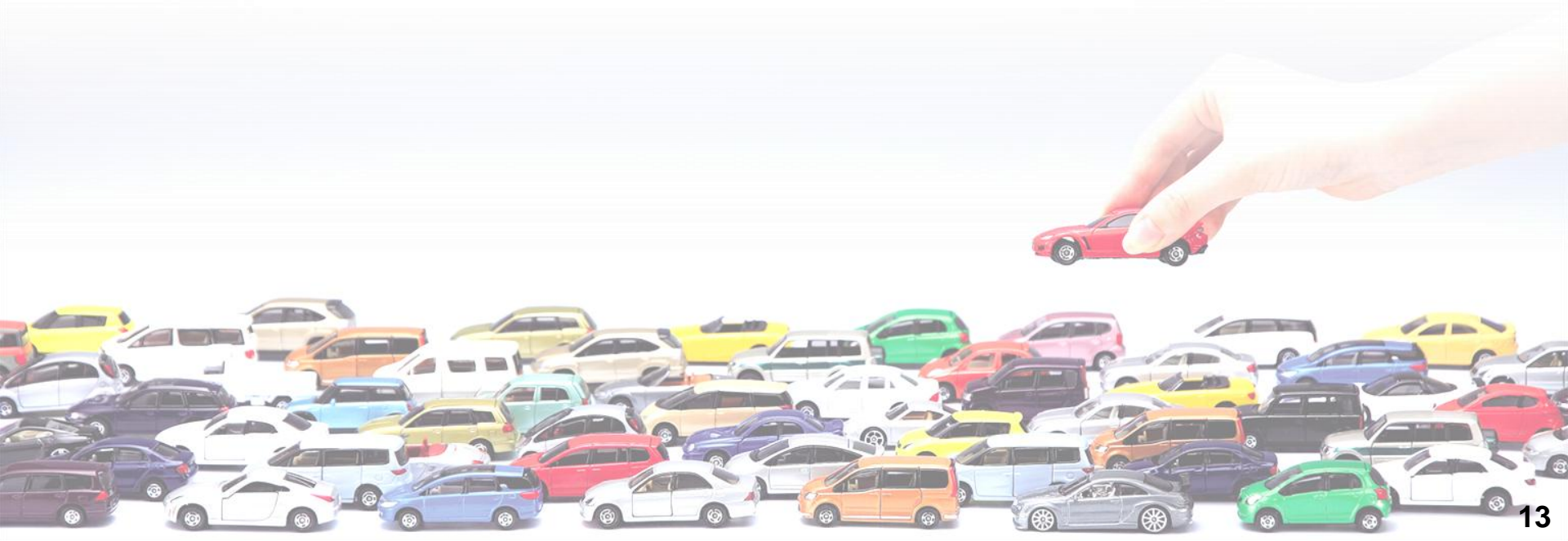
Investing activities

- Increase in time deposits 3.10billion yen

Financing activities

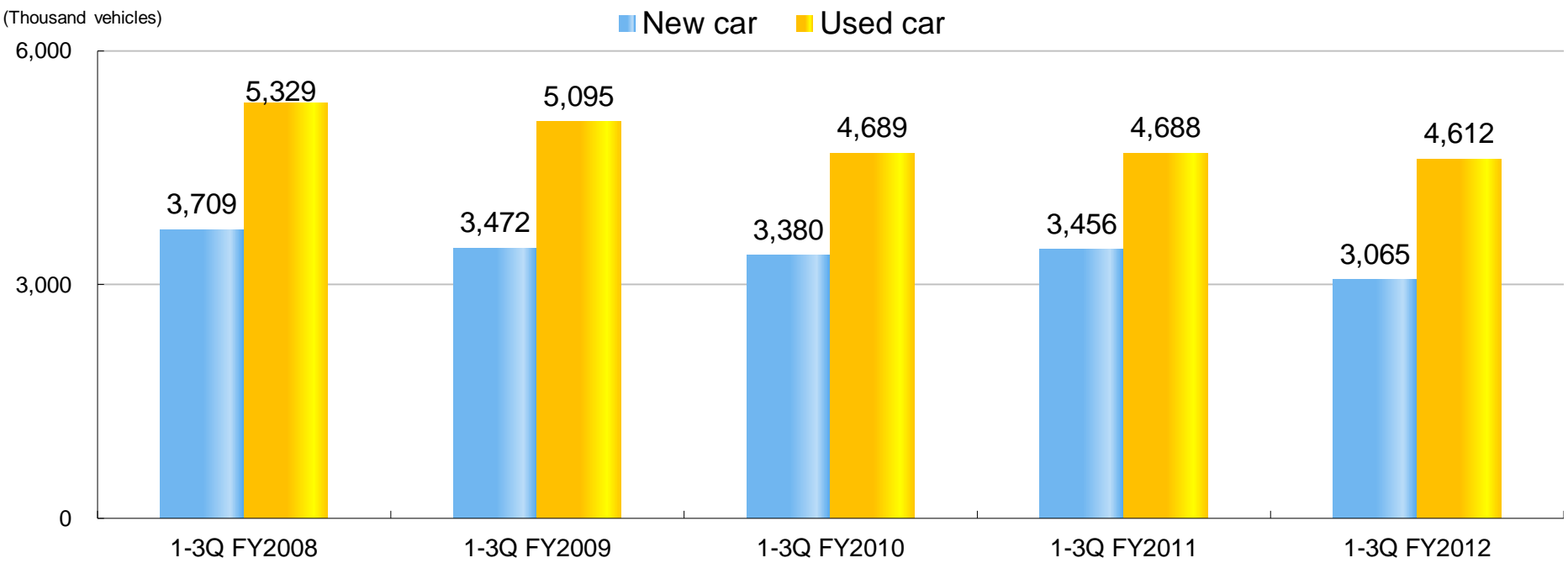
- Purchases of treasury stock 9.07 billion yen
- Cash dividends paid were 6.00 billion yen

Market Overview



(1) New/Used Car Registrations in Japan

New/Used Car Registrations (April –December)



New car registrations in the first three quarters FY12/3 decreased 11.3% to 3.06 million units.

- New car registrations from April through June declined by 33.1% YoY as automobile manufacturers, affected by the Great East Japan Earthquake, slashed production, but from October through December they improved to an increase of 22.9% as automobile production recovered.

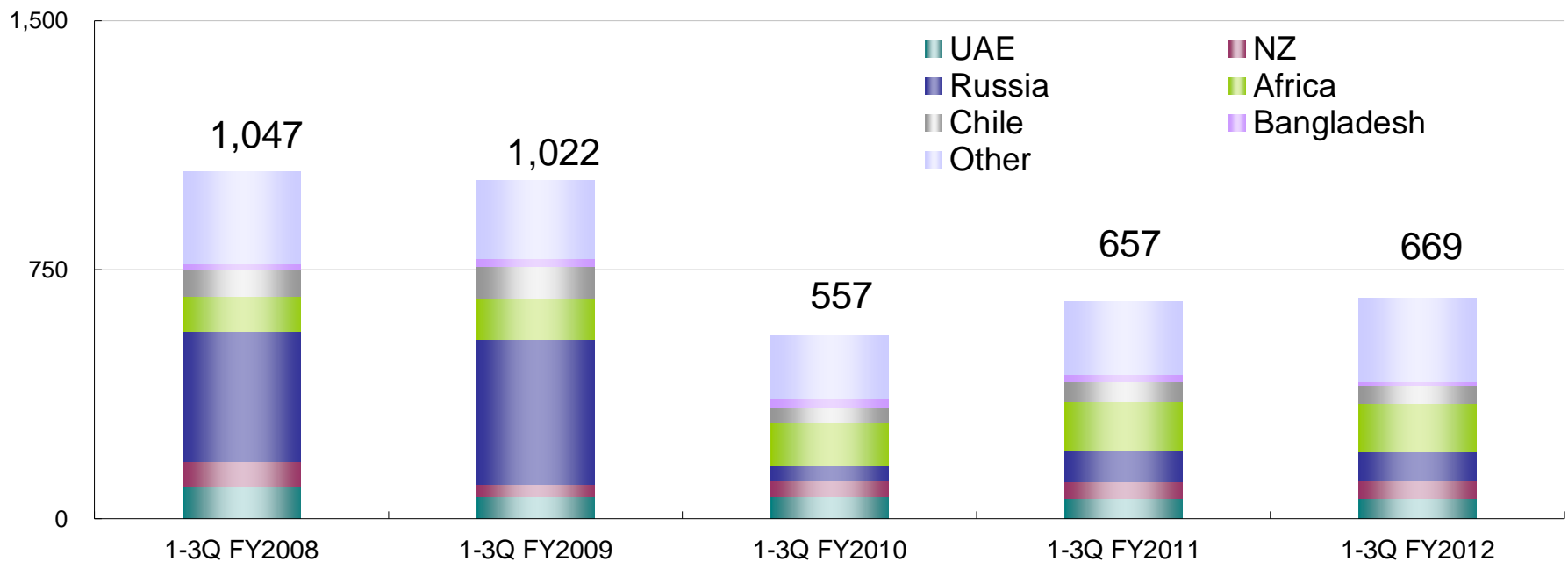
Used car registrations in the first three quarters FY12/3 were down 1.6% to 4.61 million units.

- The number of used vehicles traded-in and purchased declined as new car registrations slowed. Although this resulted in a shortage of vehicles in the used-car market, domestic sales and exports of used cars remained strong.

(2) Used Car Exports

(Thousand vehicles)

Used car exports (April - December)



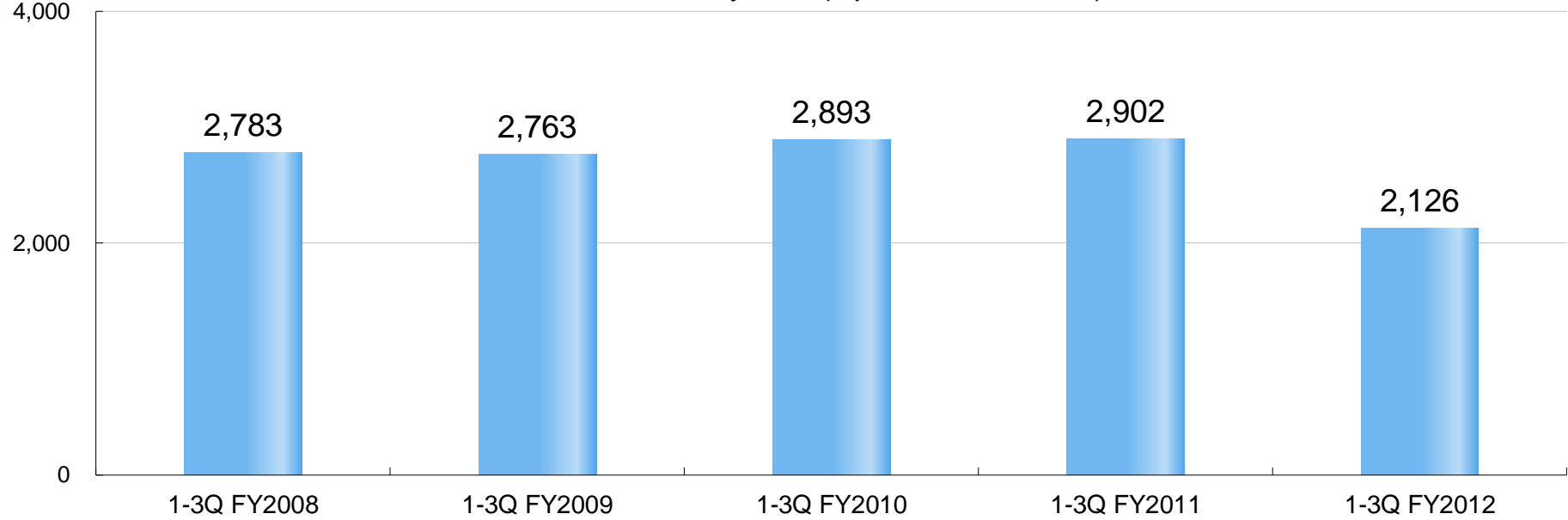
Used car exports in the first three quarters FY12/3 increased 1.8% to 660,000 units.

- Exports to Russia: 87,000 (down 3.9% YoY), UAE: 61,000 (down 0.2%), Chile: 54,000 (down 11.9%), NZ: 53,000 (up 5.2%), Bangladesh 12,000 (down 47.7%), Africa 145,000 (down 1.7%)
- Major increased countries: Pakistan 34,000 (up 368.6% YoY), Mongolia 28,000 (up 67.0%), Myanmar 18,000 (up 177.0%), Kirgыз 19,000 (up 134.3%)

(3) Automobiles Recycled

(Thousand vehicles)

Automobiles Recycled (April – December)



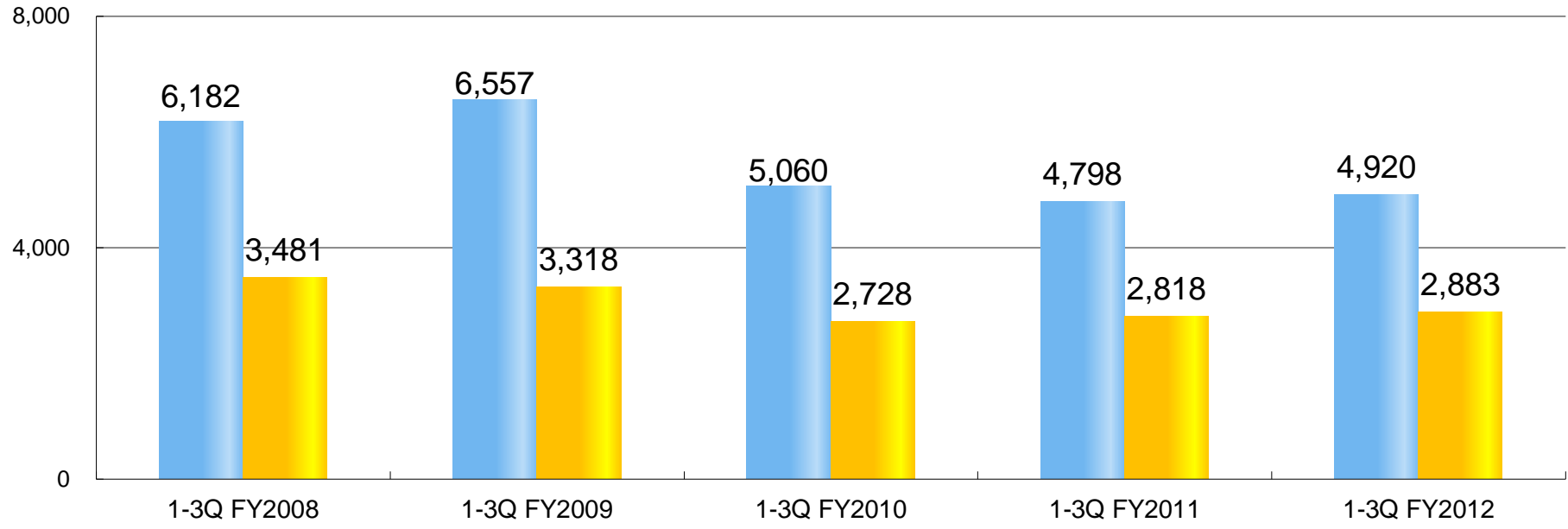
Vehicles scrapped: 2.12 million (down 26.7% YoY)

- Supply of used cars declined reflecting lower new car registrations
- Due to the effects of the Great East Japan Earthquake, older models and high-mileage vehicles, which would normally be scrapped, were put on the used car market

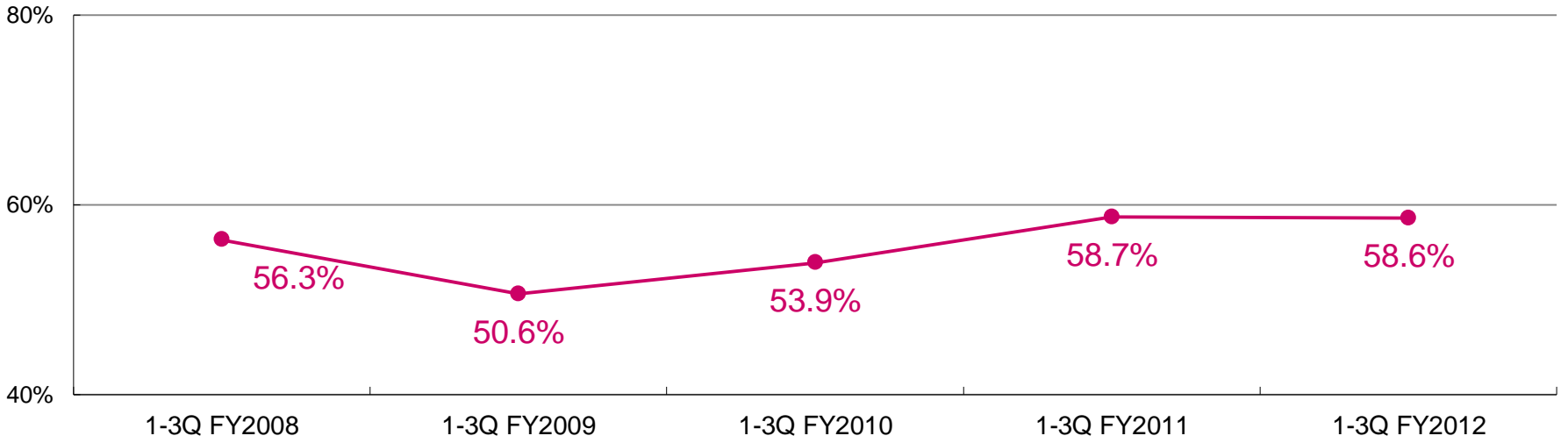
(4) Auto Auction Market

(Thousand vehicles)

■ Vehicles consigned ■ Vehicles contracted

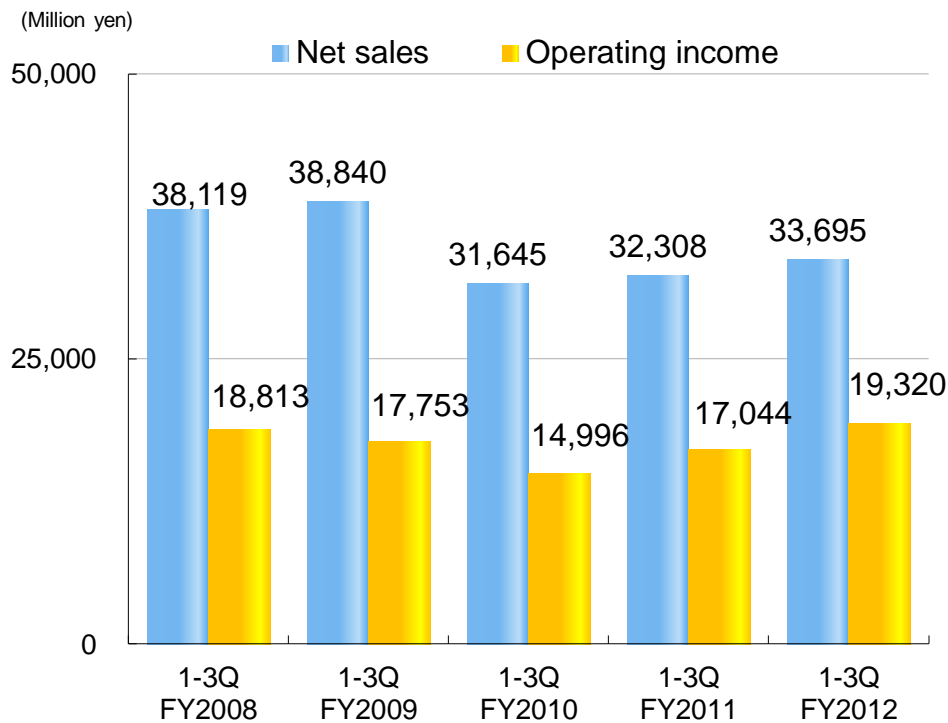


—●— Contract completion rate



Results of Operations First Three Quarters Fiscal Year Ending March 2012 (Segment Information)





(Million yen)

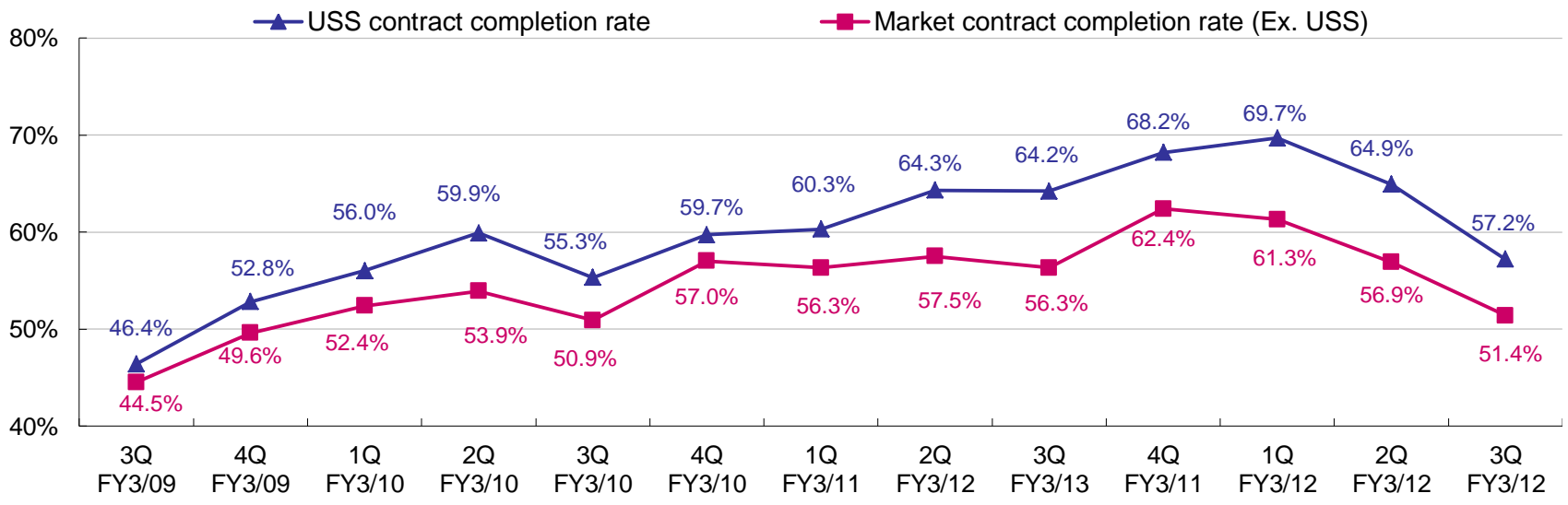
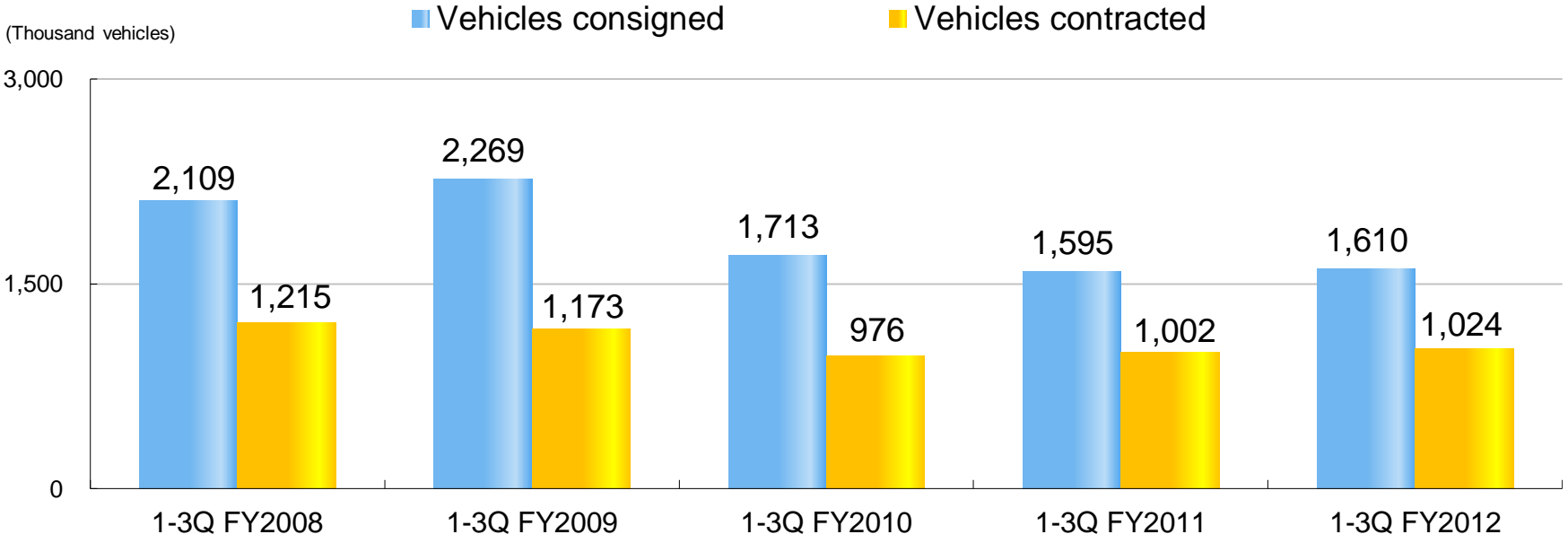
	1-3Q FY11/3	1-3Q FY12/3	YoY
Net sales	32,308	33,695	104.3%
Operating income (Per sales)	17,044 (52.8%)	19,320 (57.3%)	113.4%

Net sales increased 4.3% (YoY) to 33,695 million yen

- The number of vehicles consigned up 1.0% to 1.61 million units, contract completion rate up 0.8 point to 63.6%
- Sales were up reflecting higher consignment fee per vehicle and rising contract completion rates

Operating income increased 13.4% (YoY) to 19,320 million yen

- Depreciation decreased 420 million yen
- Lease expenses decreased 220 million yen
- Goodwill amortization decreased 150 million yen



From April 1, 2011 to December 31, 2011

(Vehicles, Number of auctions held)

	Number of auctions		Number of consigned vehicles			Number of contract completions			Contract completion rate	
	1-3Q 2011	1-3Q 2010	1-3Q 2011	1-3Q 2010	Changes	1-3Q 2011	1-3Q 2010	Changes	1-3Q 2011	1-3Q 2010
Tokyo	37	37	440,609	422,794	4.2%	306,542	295,449	3.8%	69.6%	69.9%
Nagoya	37	37	261,560	246,560	6.1%	164,321	162,729	1.0%	62.8%	66.0%
Kyushu	37	38	133,613	121,386	10.1%	77,646	69,692	11.4%	58.1%	57.4%
Yokohama	37	38	129,452	138,808	▲6.7%	81,552	82,846	▲1.6%	63.0%	59.7%
Sapporo	37	37	101,070	96,169	5.1%	63,263	57,126	10.7%	62.6%	59.4%
Osaka	37	38	74,072	73,936	0.2%	46,022	47,253	▲2.6%	62.1%	63.9%
R-Nagoya	37	37	72,004	67,778	6.2%	57,941	53,274	8.8%	80.5%	78.6%
Shizuoka	37	37	63,057	61,323	2.8%	36,066	35,495	1.6%	57.2%	57.9%
Tohoku	37	38	58,422	54,148	7.9%	42,143	37,781	11.5%	72.1%	69.8%
Gunma	37	37	54,606	55,872	▲2.3%	34,440	36,942	▲6.8%	63.1%	66.1%
Okayama	37	38	51,540	48,815	5.6%	29,033	24,973	16.3%	56.3%	51.2%
Fukuoka	37	38	45,622	47,482	▲3.9%	15,142	16,299	▲7.1%	33.2%	34.3%
Saitama	39	37	32,339	35,734	▲9.5%	19,213	20,823	▲7.7%	59.4%	58.3%
Niigata	38	38	30,638	23,523	30.2%	14,689	11,815	24.3%	47.9%	50.2%
Kobe	36	37	28,949	29,445	▲1.7%	16,786	16,384	2.5%	58.0%	55.6%
Hokuriku	38	37	21,408	19,534	9.6%	13,589	12,142	11.9%	63.5%	62.2%
Ryutsu	12	38	11,856	52,131	▲77.3%	6,460	21,468	69.9%	54.5%	41.2%
Total	607	637	1,610,817	1,595,438	1.0%	1,024,848	1,002,491	2.2%	63.6%	62.8%

* Ryutsu Auction Site and Tokyo Auction Site have been integrated in July 2011.

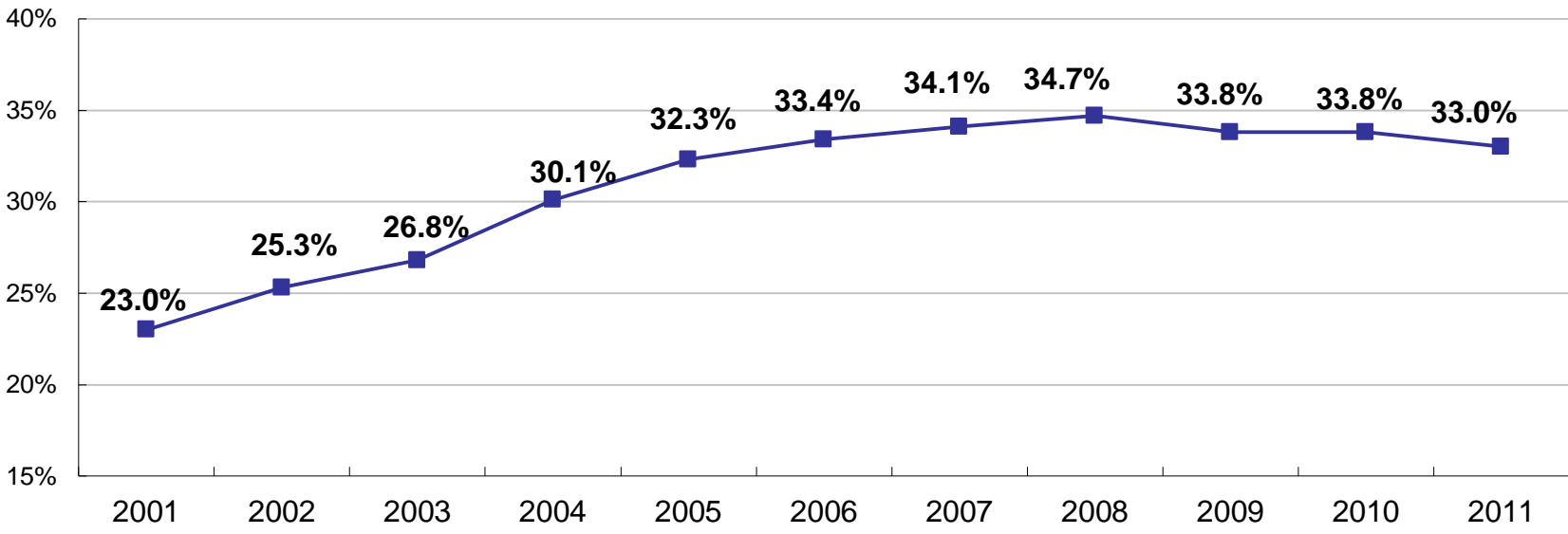
Auto Auction Business (4) – Results by Sites



(Vehicles, %)

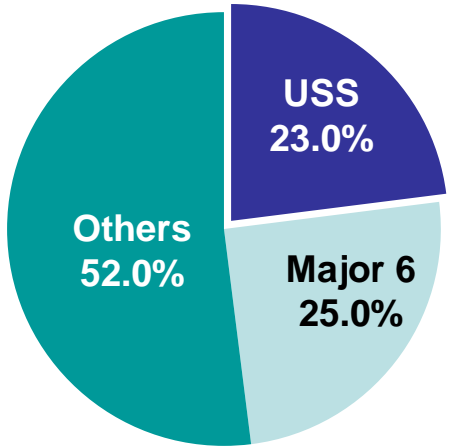
		Apr.	May.	Jun.	Jul.	Aug.	Sep.	First Half	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Second Half	Fiscal Year
No. of Consigned Vehicles	FY 2010.3	230,469	168,335	177,611	195,339	158,138	182,241	1,112,133	217,763	201,513	182,285	175,235	193,991	244,595	1,215,382	2,327,515
	YoY Change	▲22.7	▲31.9	▲27.2	▲23.5	▲26.7	▲29.2	▲26.7	▲24.4	▲20.8	▲12.9	▲6.3	▲2.6	▲1.0	▲12.2	▲19.8
	FY 2011.3	228,978	158,658	187,286	191,512	138,354	189,850	1,094,638	189,668	165,854	145,278	137,038	167,041	222,431	1,027,310	2,121,948
	YoY Change	▲0.6	▲5.7	5.4	▲2.0	▲12.5	4.2	▲1.6	▲12.9	▲17.7	▲20.3	▲21.8	▲13.9	▲9.1	▲15.5	▲8.8
	FY 2012.3	202,821	131,696	174,749	172,495	145,743	198,856	1,026,360	208,079	206,132	170,246	161,093	-	-	745,550	1,771,910
	YoY Change	▲11.4	▲17.0	▲6.7	▲9.9	5.3	4.7	▲6.2	9.7	24.3	17.2	17.6	-	-	-	-
No. of Contracted Vehicles	FY 2010.3	121,077	94,693	106,849	117,816	93,367	109,827	643,629	126,930	110,332	95,640	101,938	117,784	146,705	699,329	1,342,958
	YoY Change	▲23.2	▲29.2	▲21.7	▲17.2	▲18.7	▲21.4	▲22.0	▲11.2	▲4.1	5.5	11.6	7.1	10.3	2.4	▲10.9
	FY 2011.3	131,914	98,901	115,880	121,537	90,021	122,798	681,051	119,997	106,639	94,804	95,384	119,259	144,465	680,548	1,361,599
	YoY Change	9.0	4.4	8.5	3.2	▲3.6	11.8	5.8	▲5.5	▲3.3	▲0.9	▲6.4	1.3	▲1.5	▲2.7	1.4
	FY 2012.3	133,721	96,492	124,557	117,640	94,381	123,637	690,428	121,895	115,079	97,446	99,509	-	-	433,929	1,124,357
	YoY Change	1.4	▲2.4	7.5	▲3.2	4.8	0.7	1.4	1.6	7.9	2.8	4.3	-	-	-	-
Contract Completion Rate	FY 2010.3	52.5	56.3	60.2	60.3	59.0	60.3	57.9	58.3	54.8	52.5	58.2	60.7	60.0	57.5	57.7
	FY 2011.3	57.6	62.3	61.9	63.5	65.1	64.7	62.2	63.3	64.3	65.3	69.6	71.4	64.9	66.2	64.2
	FY 2012.3	65.9	73.3	71.3	68.2	64.8	62.2	67.3	58.6	55.8	57.2	61.8	-	-	-	-

USS Market Share



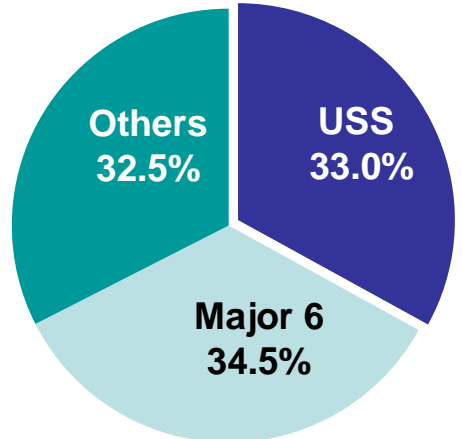
2001 Market Share

- *Major 6
- JAA(6.1%)
- TAA(5.3%)
- CAA(4.5%)
- Arai AA(5.2%)
- KCAA(2.7%)
- LAA(1.2%)



2011 Market Share

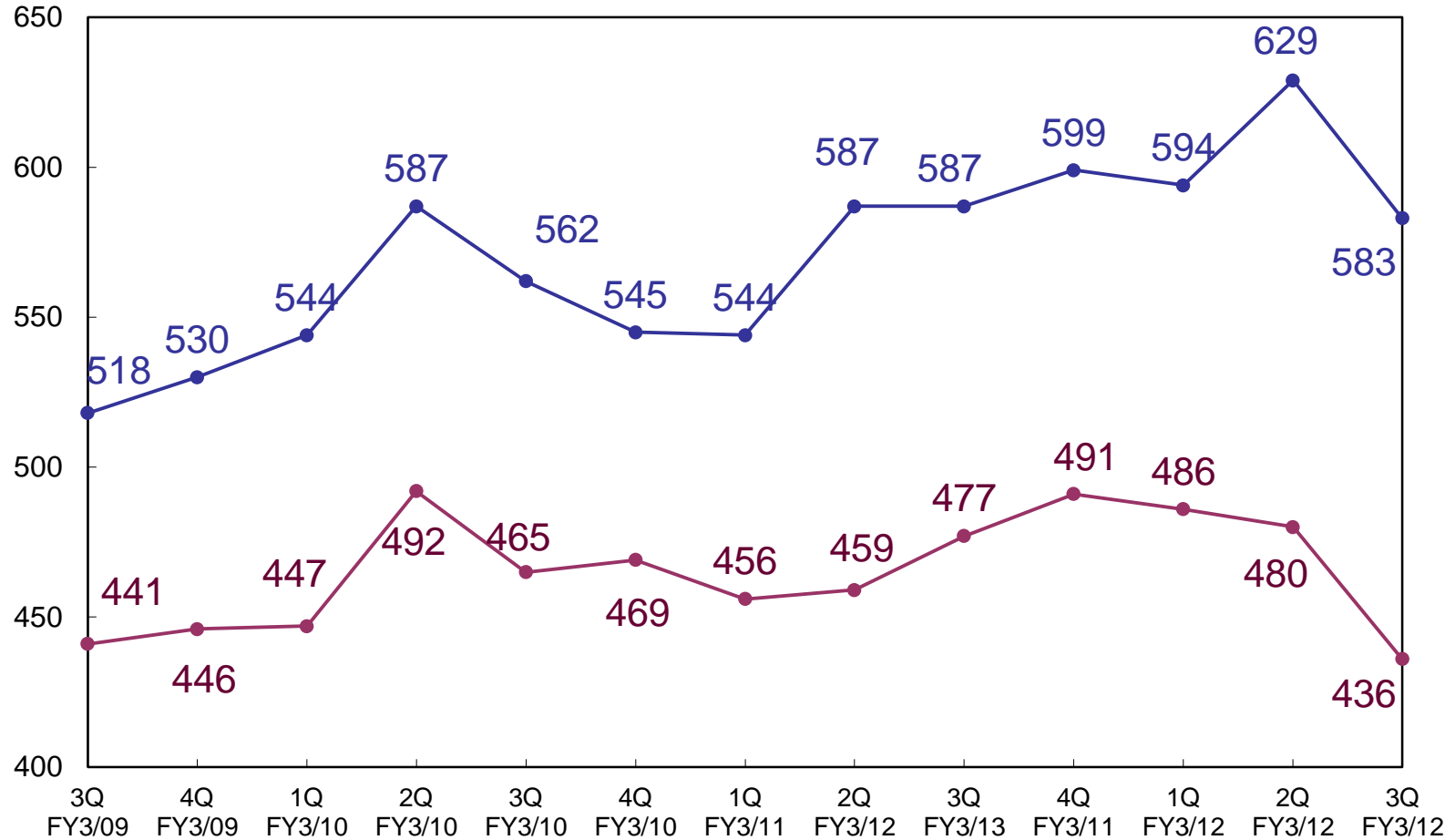
- *Major 6
- JAA(9.0%)
- TAA(8.3%)
- CAA(6.6%)
- Arai AA(4.3%)
- KCAA(3.2%)
- LAA(3.1%)

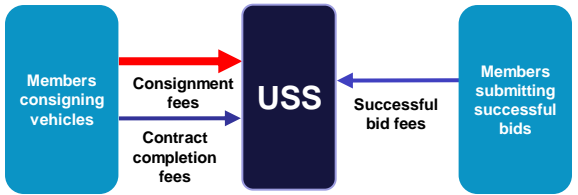


Average Price of Vehicles Contracted

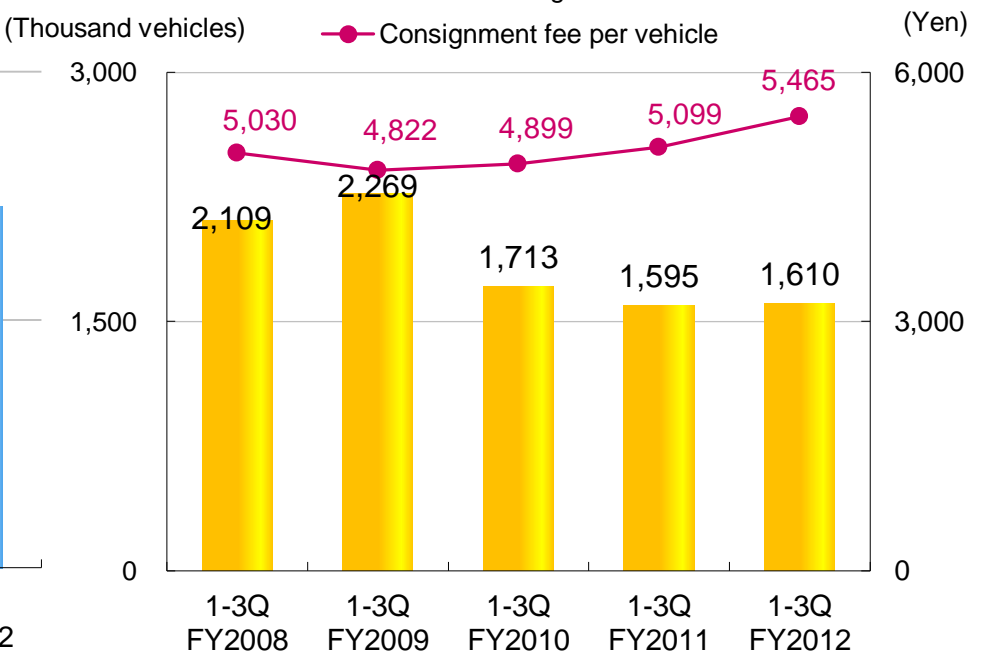
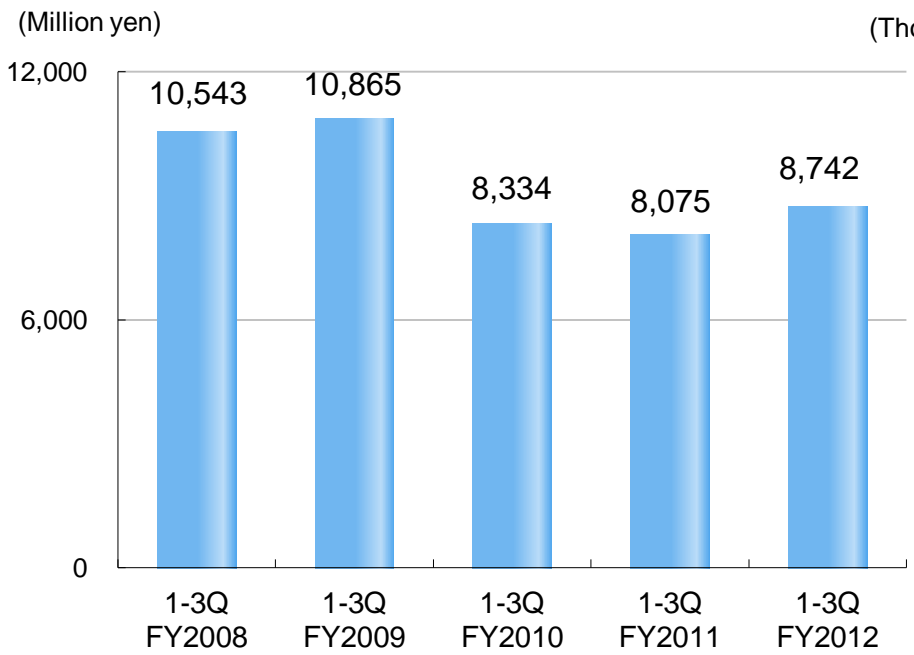
(Thousand yen)

—●— USS —●— Industry's average (Ex.USS)





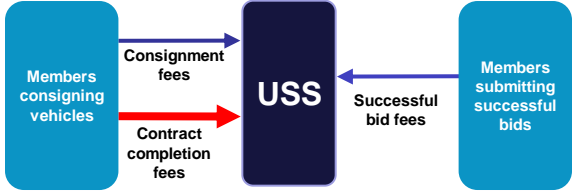
Total of Consignment Fees



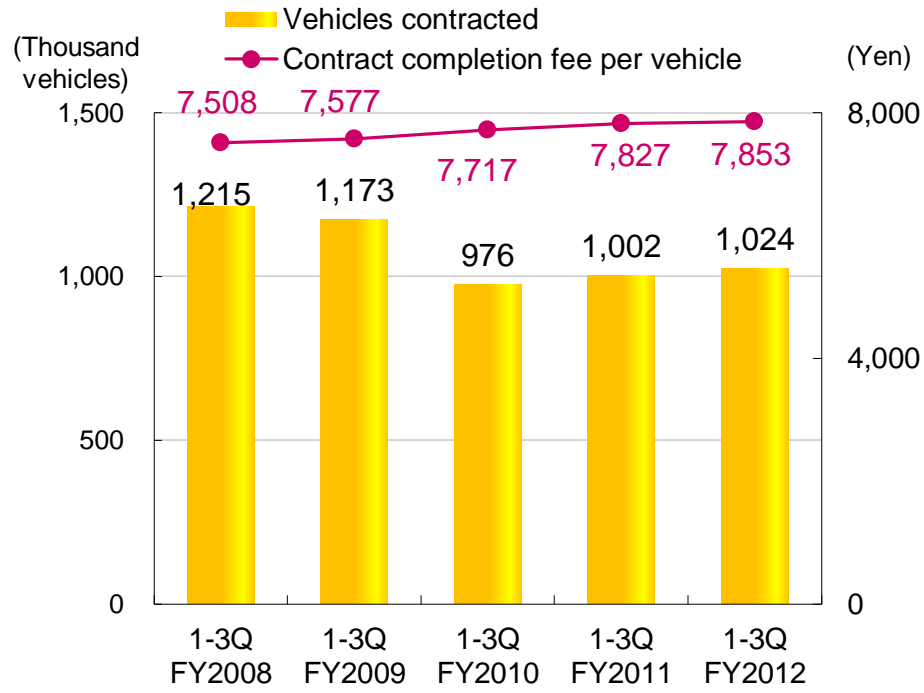
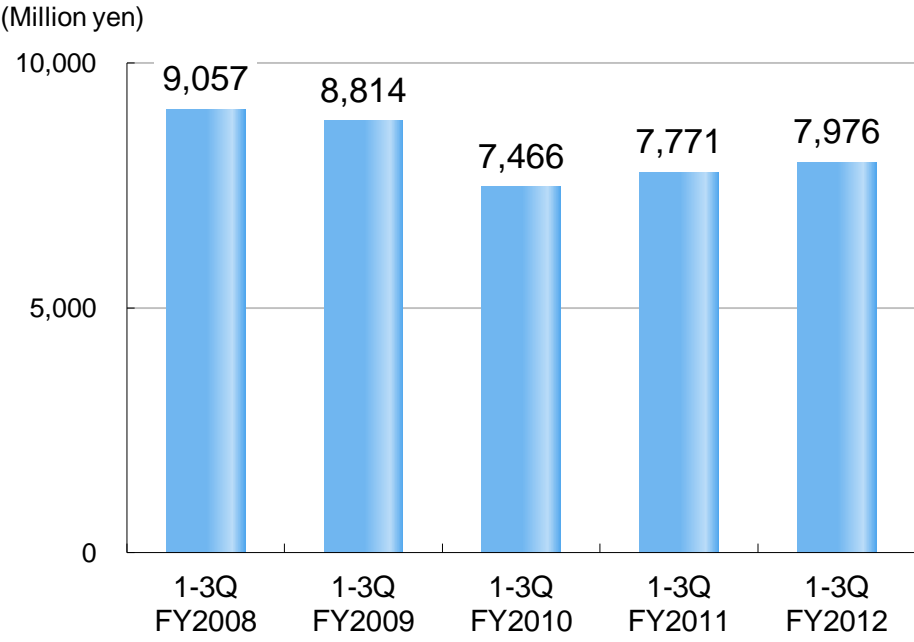
*Consignment fee per vehicle is calculated before eliminations for consolidation.

Consignment fee per vehicle increased by 366 yen from 5,099 yen to 5,465 yen (YoY)

- Ended Tokyo Auction Site sales of vehicles for recycling, which have low consignment fees, in January 2011
- Started using a revised fee structure at the Tohoku Auction Site in April 2011
- Decline in marketing campaigns at the Yokohama Auction Site and other locations



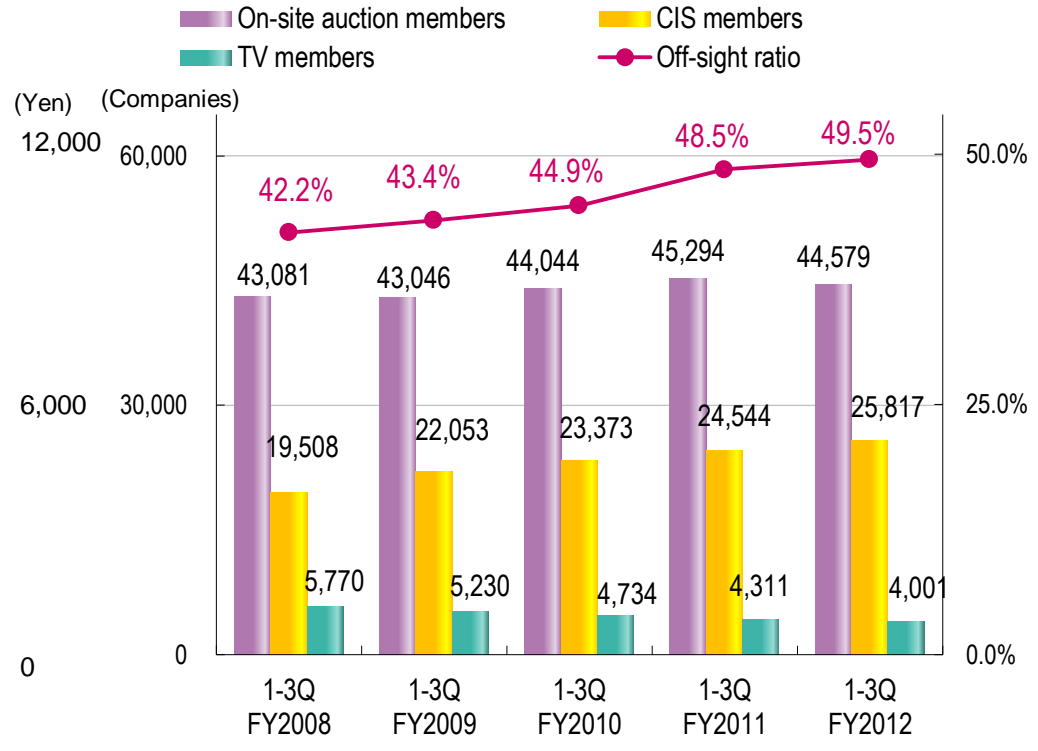
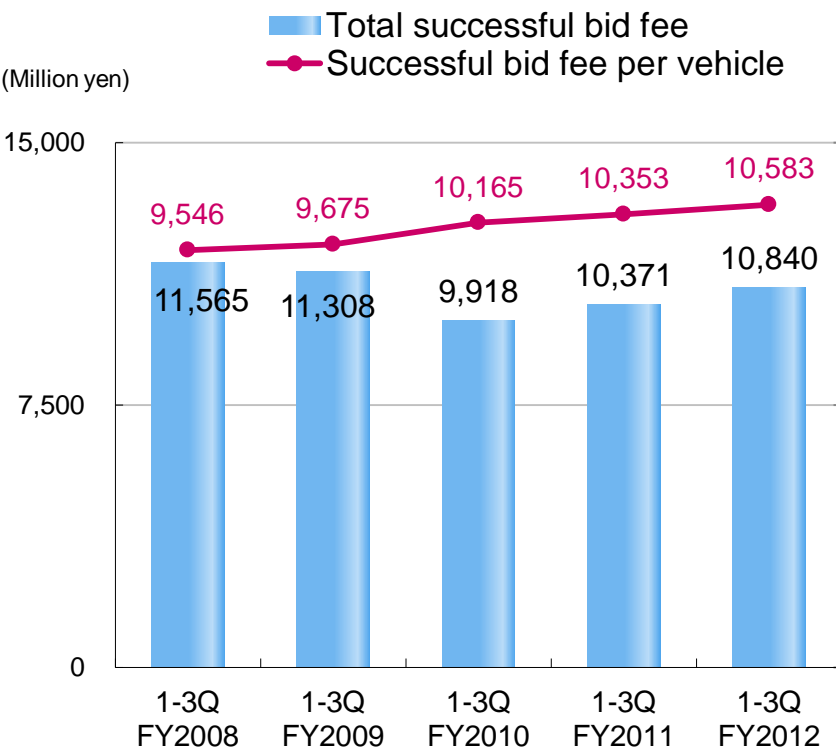
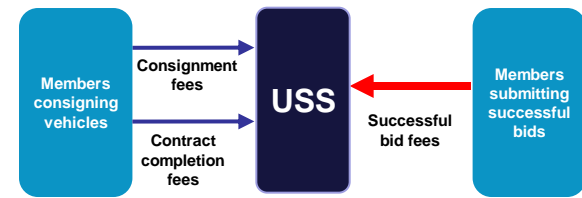
Total of Contract Completion Fees



*Contract Completion fee per vehicle is calculated before eliminations for consolidation.

Contract completion fee per vehicle increased by 26 yen from 7,827 yen to 7,853 yen (YoY)

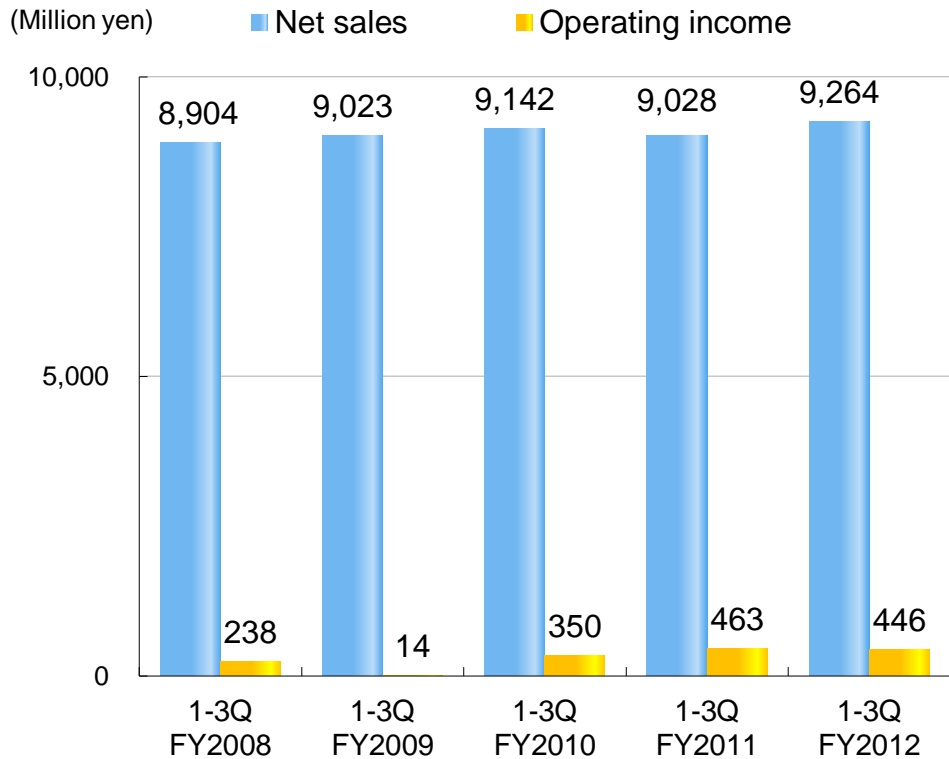
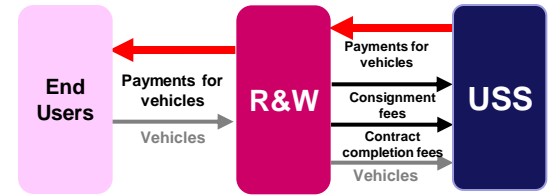
- Small increase from one year earlier as there was no significant change in the contract completion fee rates



* Successful bid fee per vehicle is calculated before eliminations for consolidation.

Successful bid fee per vehicle increased by 230 yen from 10,353 yen to 10,583 yen (YoY)

- The off-site successful bid ratio rose from 48.5% to 49.5%.



(Million yen)

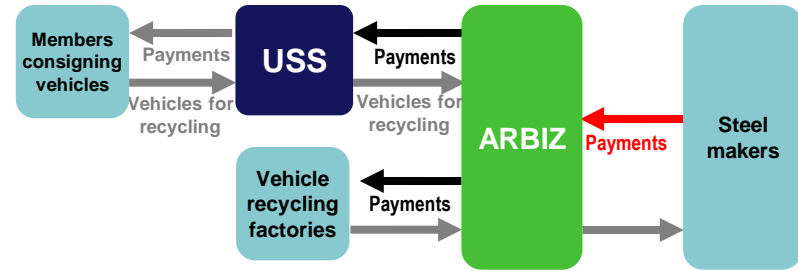
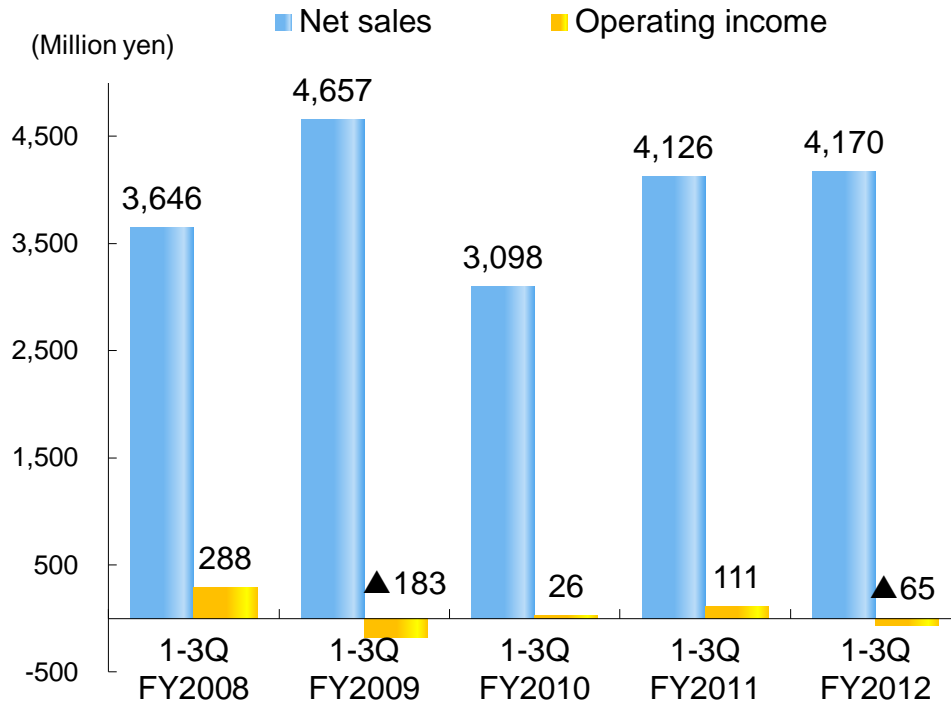
	1-3Q FY11	1-3Q FY12	YoY
Net Sales	9,028	9,264	102.6%
Operating Income (Per sales)	463 (5.1%)	446 (4.8%)	96.5%

Rabbit sales increased 3.2% to 6,246 million yen and operating income was down 5.2% to 253 million yen (YoY)

- Gross profit per vehicle and number of vehicles handled were both down in the third quarter because of a downturn in the auction market

Sales of accident-damaged vehicles increased 1.4% to 3,018 million yen and operating income was down 1.3% to 193 million yen

- Gross profit per vehicle and number of vehicles handled were both down in the third quarter because of a downturn in the auction market



	(Million yen)		
	1-3Q FY11	1-3Q FY12	YoY
Net Sales	4,126	4,170	101.1%
Operating Income (Per sales)	111 (2.7%)	▲65 (▲1.6%)	—

ARBIZ sales decreased 3.5% to 3,259 million yen and operating loss was 48 million yen (60 million yen profit previous year)

- Handling volume of vehicles for recycling and industrial scrap materials decreased
- Higher prices for materials purchased

USS Toyo sales increased 12.9% to 843 million yen and operating income up 2.3% to 52 million yen (YoY)

- Sales and earnings increased because of growth in the handling volume of rubber products used in elastic pavement

USS Logistics: Sales: 67 million yen; Operating loss: 69 million yen

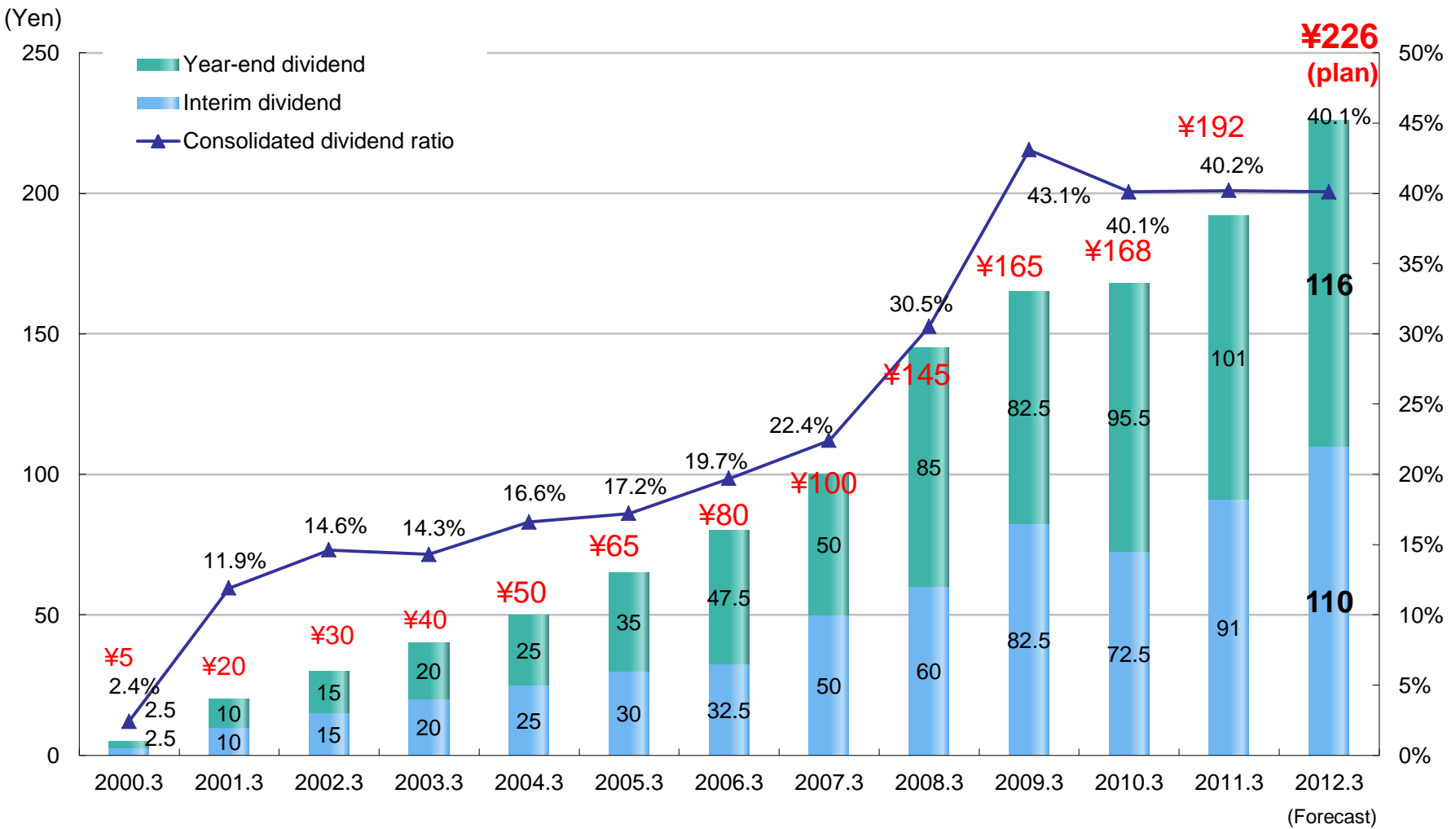
- Commenced Export clearing service at Tokyo and Yokohama auction sites on July 2011

Forecast for FY2012.3 Earnings Distributions Medium-term Value Creation Model



Earnings Distributions (1) – Dividend Policy

- FY2012.3 dividend per share **¥220** ➔ **Revised to ¥226**
- Fundamental dividend policy is **to maintain a consolidated payout ratio of at least 40%**



USS consistently distributes earnings to shareholders

(Million yen)

	2001.3	2002.3	2003.3	2004.3	2005.3	2006.3	2007.3	2008.3	2009.3	2010.3	2011.3
Net Income	4,493	5,489	7,645	8,907	11,814	13,203	14,390	15,200	12,003	12,717	13,971
Dividend Paid	532	802	1,095	1,529	2,049	2,589	3,204	4,641	5,126	5,059	5,601
Stock Repurchased	-	0	5	2	2	1,757	4,525	0	8,940	4,671	4,950
Total Earnings Distribution Ratio	11.9%	14.6%	14.4%	16.7%	17.2%	33.0%	53.8%	30.5%	117.6%	76.8%	75.6%

Dividends

- USS has increased its dividend every year since the September 1999 IPO (11 consecutive increases)

Stock repurchases

- Repurchased 500,000 shares at a cost of 3,078 million yen between May 11 and June 7, 2011
- Repurchased approx. 500,000 shares at a cost of 3,250 million yen between August 3 and September 22, 2011
- Plan to repurchase 1,000,000 shares (upper limit) at a cost of 6.8 billion yen (upper limit) from November 9, 2011 to March 23, 2012 (As of end of January 2012, 560,000 shares have been repurchased at 3.9 billion yen)

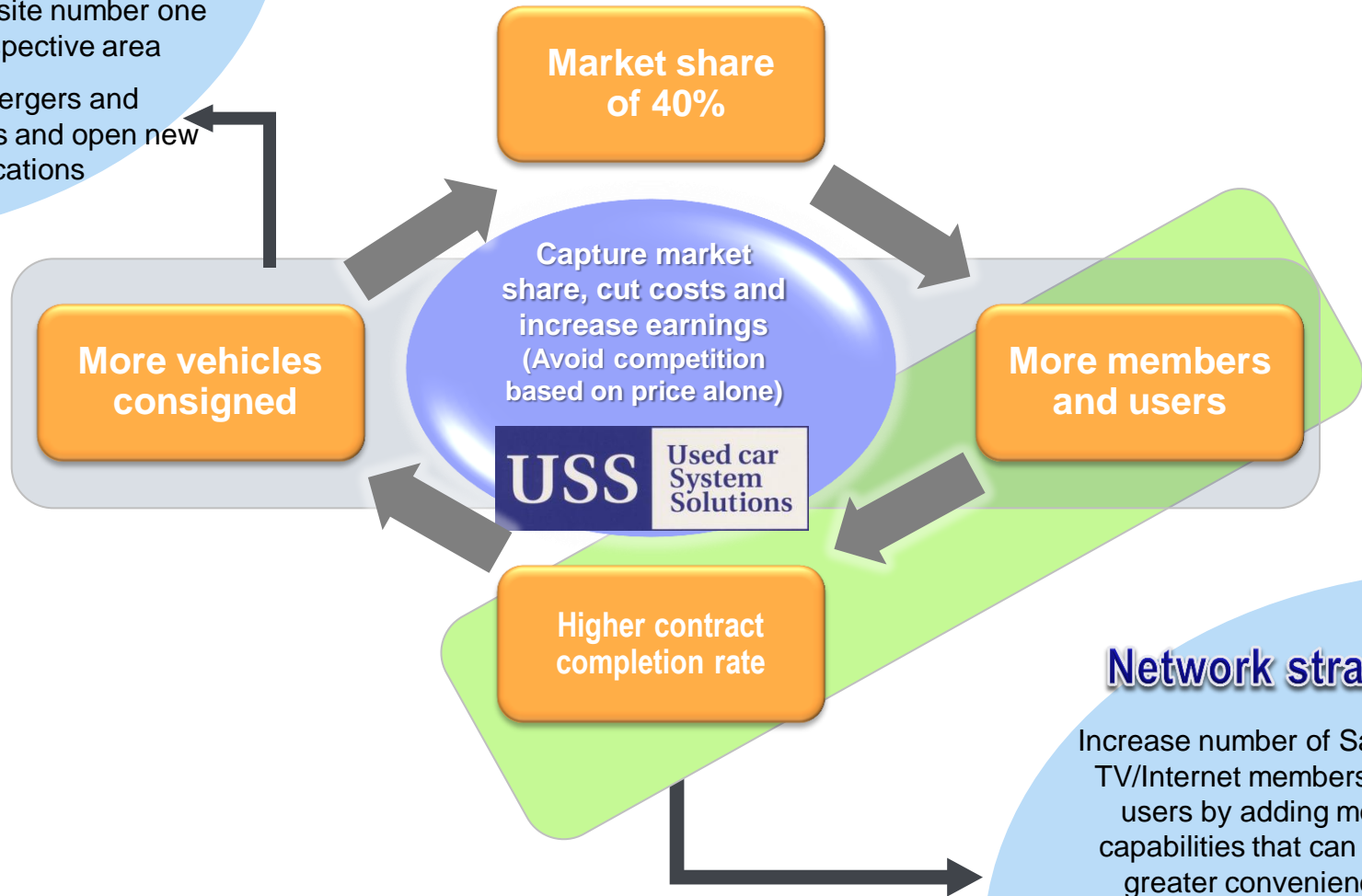
Future policy for earnings distributions

- A consolidated dividend payout ratio of 40% has been the fundamental policy since FY3/2009
- USS may consider another stock repurchases in FY3/2012 based on cash flows, capital expenditures plans and other items.

USS is aiming for an overwhelming share of Japan's mature auto auction market by offering its members even greater convenience.

Auction site strategy

Make each site number one in its respective area
Use mergers and acquisitions and open new locations



Network strategy

Increase number of Satellite TV/Internet members and users by adding more capabilities that can offer greater convenience.

■ Auction sites

- **June 2011: Combined operations of the Tokyo and Ryutsu auction sites at the Tokyo Auction Site located in Noda, Chiba prefecture**
- **July 2011: Expanded the Yokohama Auction Site stockyard, by 16,500 square meters**

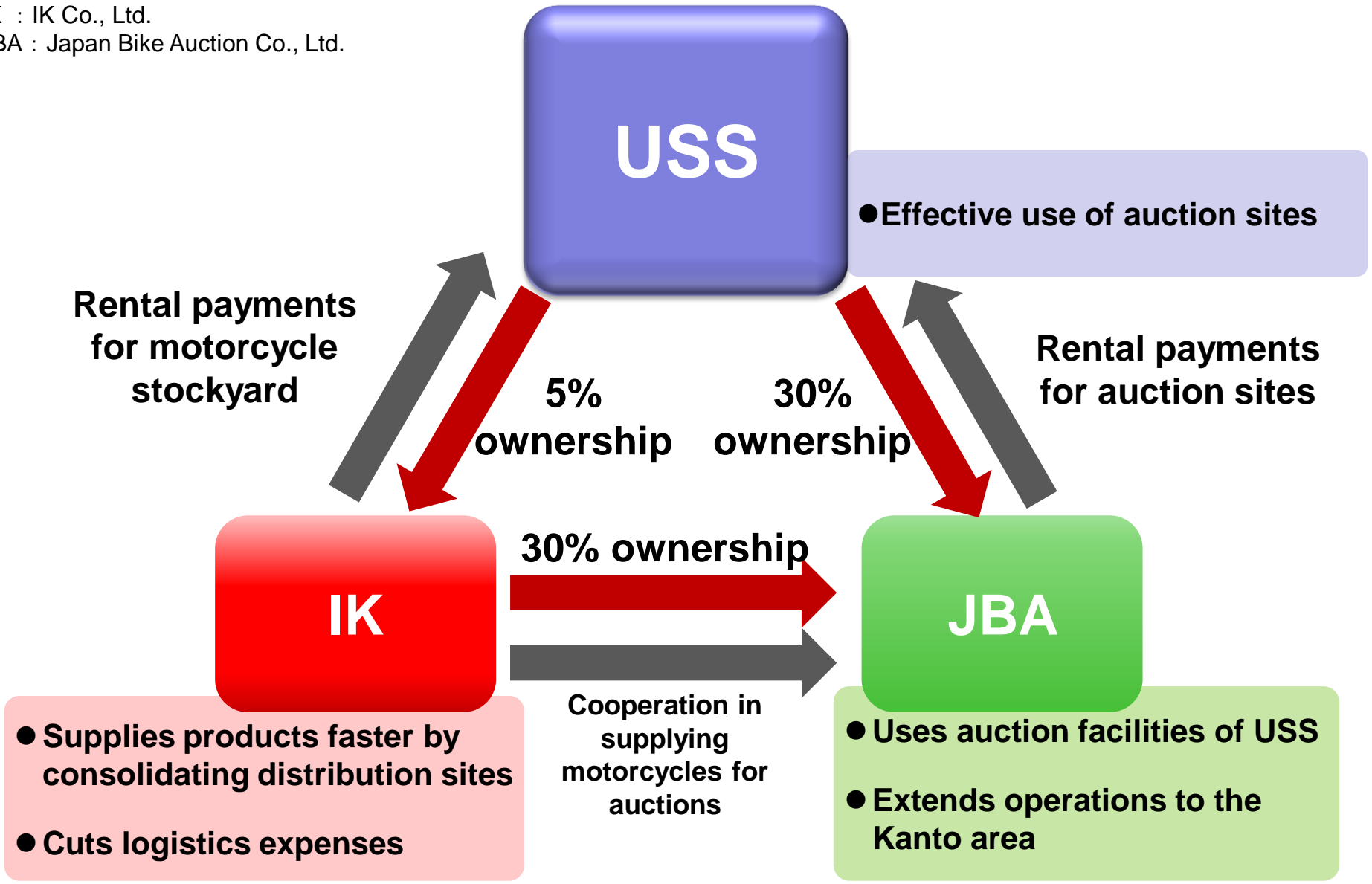
■ Network services

- **Conducting campaign to increase the number of Satellite TV and Internet auction members**
- **Conducting the “Goo Approved Cars” service through a business alliance with Proto Corporation**

■ New business activities

- **Established USS Logistics International Co., Ltd. to conduct used vehicles export clearing service; the new company has started operations at the Tokyo and Yokohama auction sites from June 2011.**
- **Starting motorcycle auction business in Kobe from November 2011 by establishing equity and business alliances with Japan Bike Auction Co., Ltd. and IK Co. Ltd. Yokohama site is opening on May 2012**

IK : IK Co., Ltd.
JBA : Japan Bike Auction Co., Ltd.



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Reference materials

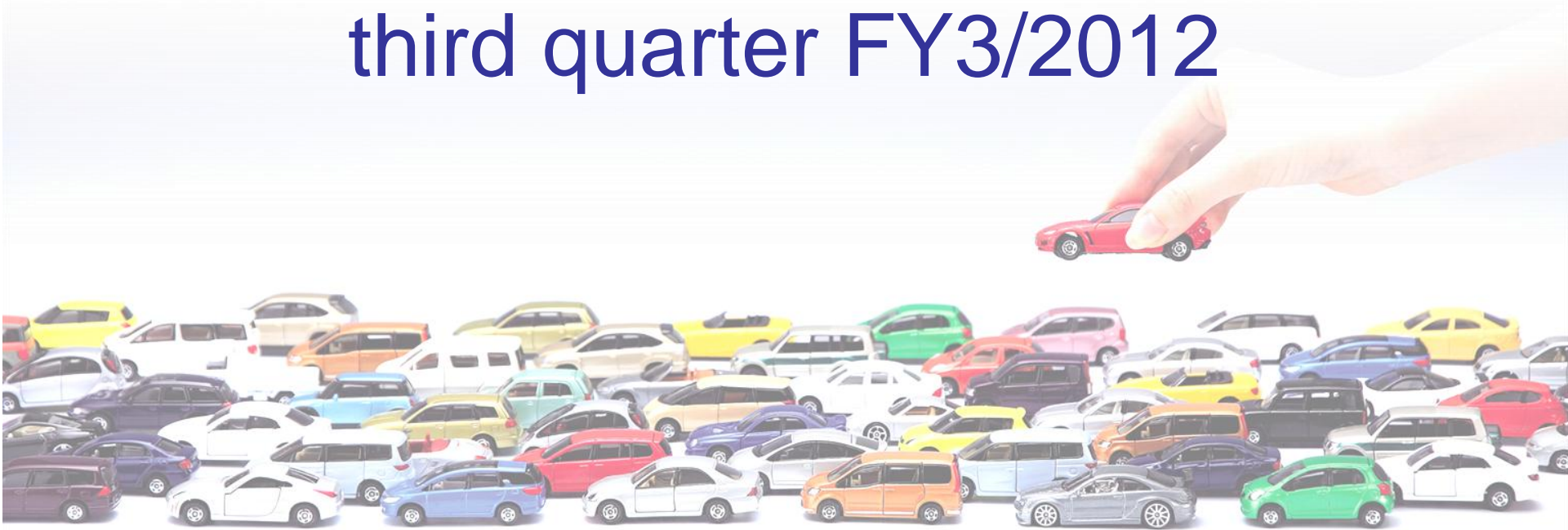
**Japan Automobile Manufacturers Association, Japan Mini Vehicles Association,
JAPAN AUTOMOBILE DEALERS ASSOCIATION, Monthly Magazine Used Car,
International Auto Trade Association, Japan Automobile Recycling Promotion Center**

(Precautions concerning these materials)

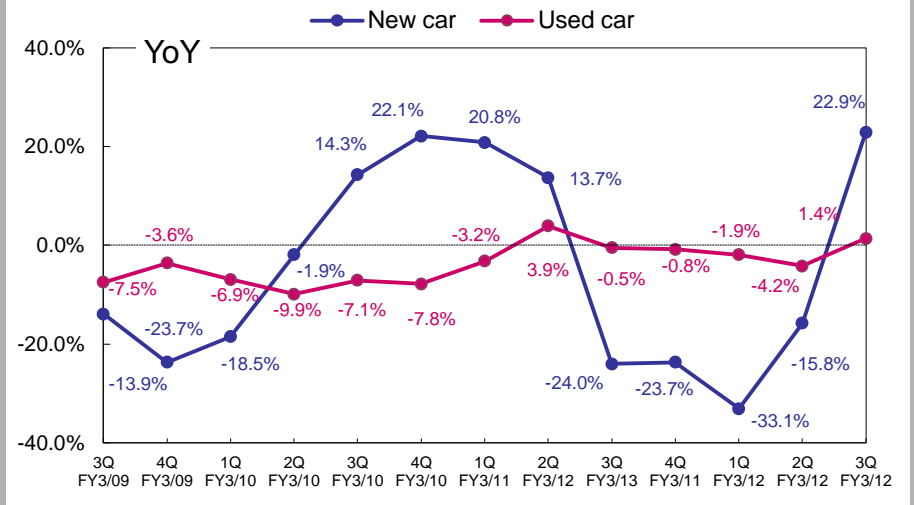
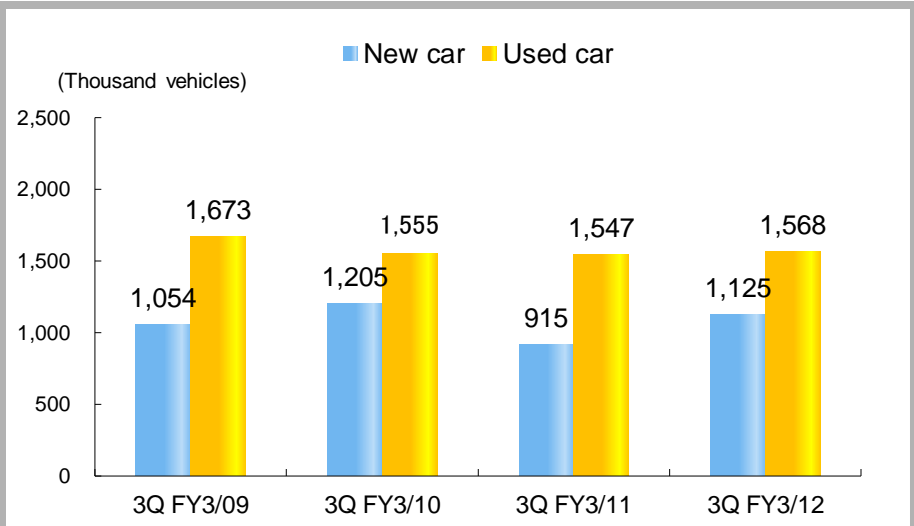
These materials contain forward-looking statements that are based on the judgments of management in accordance with information that is currently available. These statements include assumptions and beliefs based on these assumptions. Depending on changes in the operating environment, these assumptions and beliefs may differ from actual results. Statements by USS or its management concerning expectations or beliefs about future performance are not guarantees that these expectations or beliefs will be achieved, or that actual performance will be near these expectations or beliefs. Furthermore, as provided by law, unless stated otherwise, USS has no obligation to update any forecast to the latest version.

Supplemental Data (1)

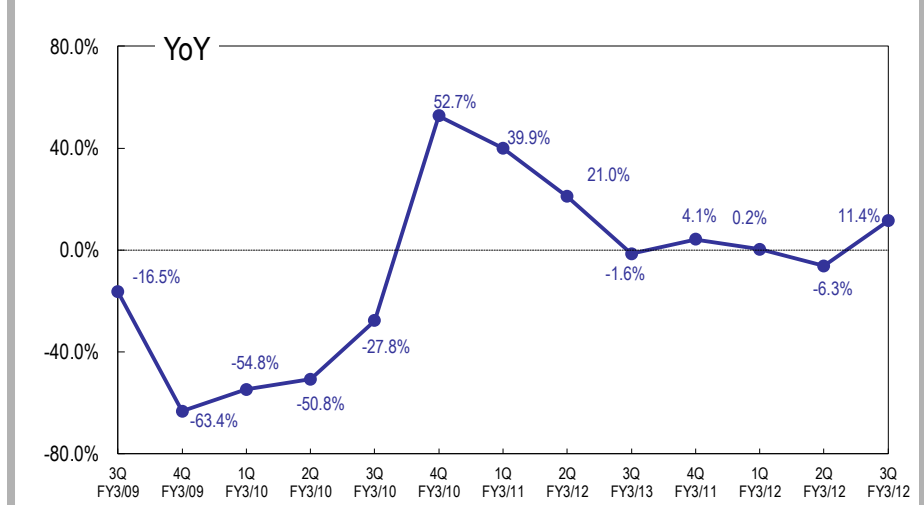
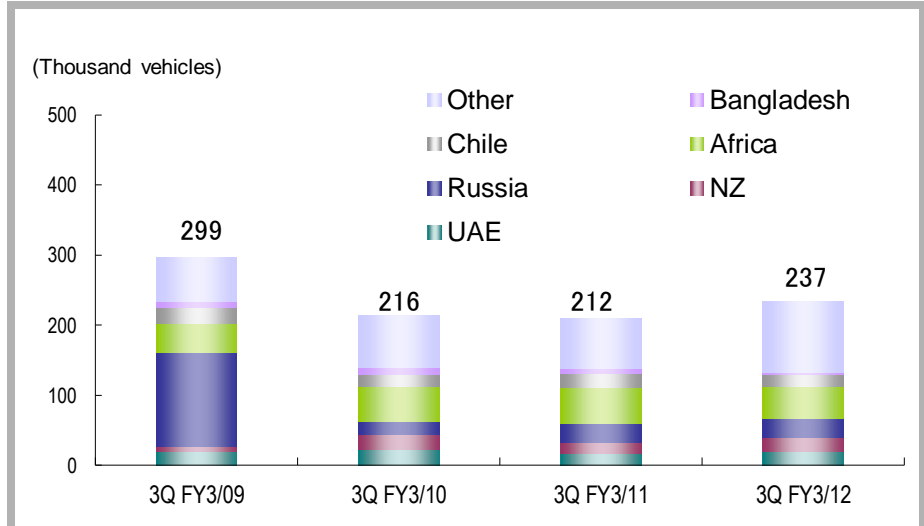
Consolidated performance of third quarter FY3/2012



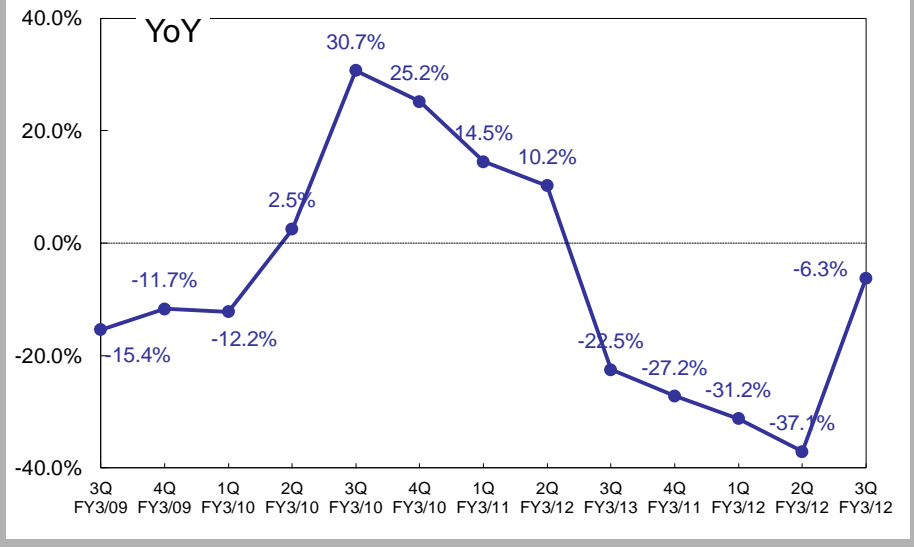
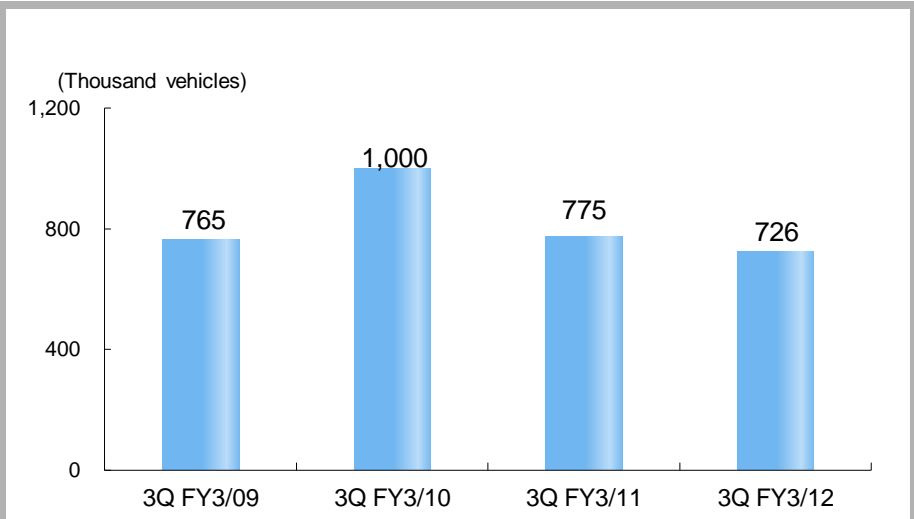
New car and used car registrations



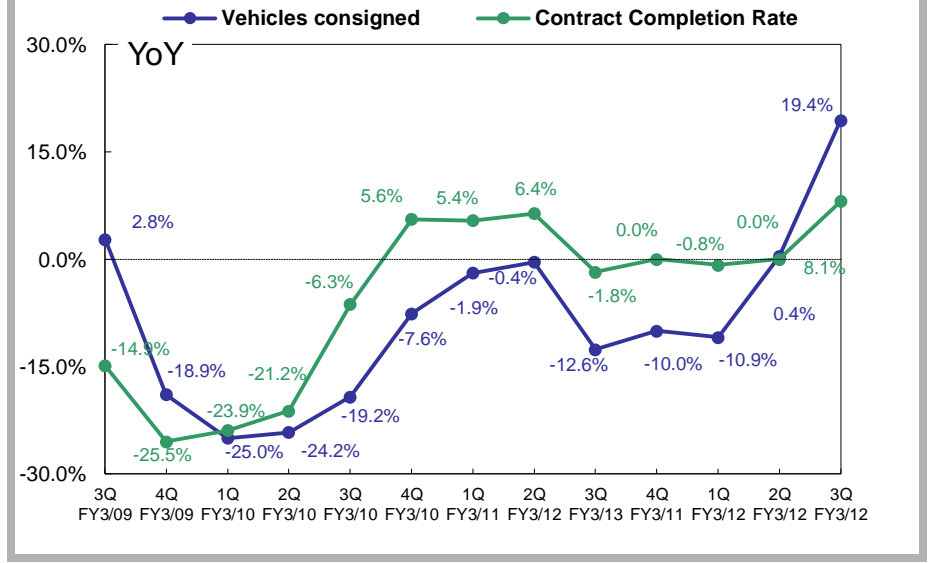
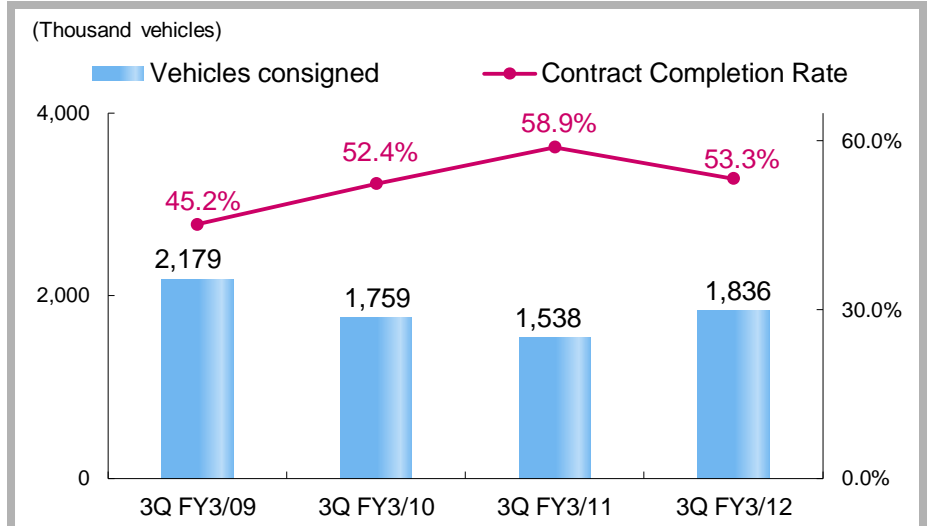
Used car exports



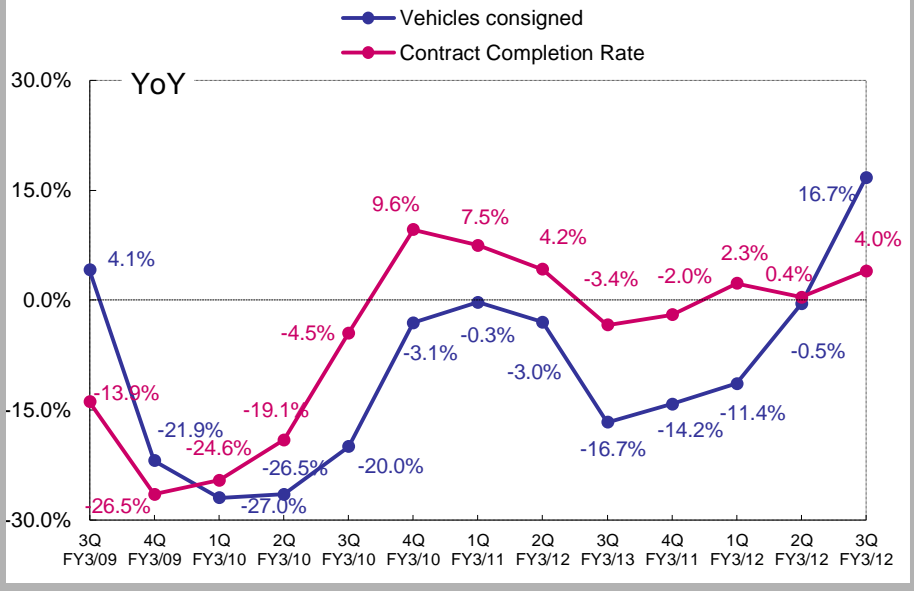
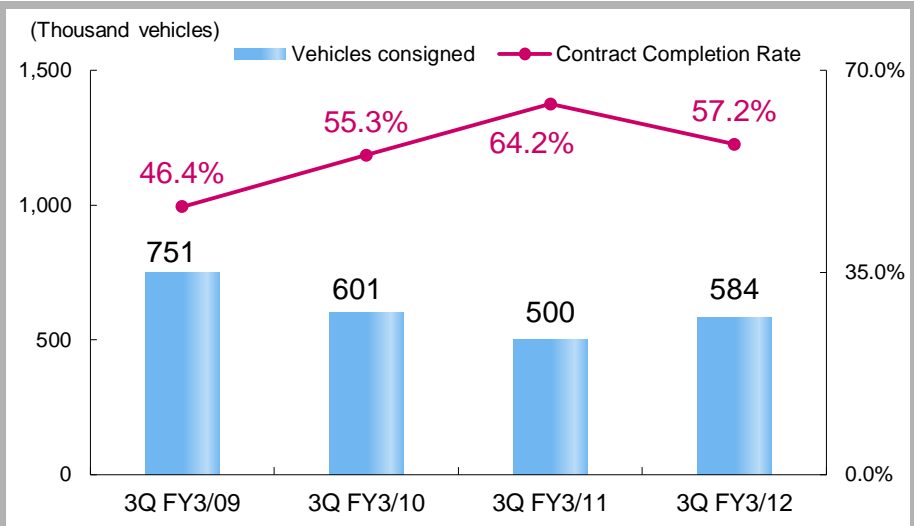
Automobiles Recycled



Auto Auction Market



USS Group Auto Auction Performance



Consolidated Total

(Million yen)

	3Q FY3/10	3Q FY3/11	3Q FY3/12	YoY Change
Net sales	14,857	14,741	15,290	103.7%
Operating income	5,582	5,646	6,495	115.0%

Auto Auction Business

(Million yen)

	3Q FY3/10	3Q FY3/11	3Q FY3/12	YoY Change
Net sales	10,910	10,457	11,354	108.6%
Operating income	5,398	5,505	6,506	118.2%

Used Vehicle Sales/Purchases Business

(Million yen)

	3Q FY3/10	3Q FY3/11	3Q FY3/12	YoY Change
Net sales	2,855	2,990	2,690	90.0%
Operating income	53	108	23	21.8%

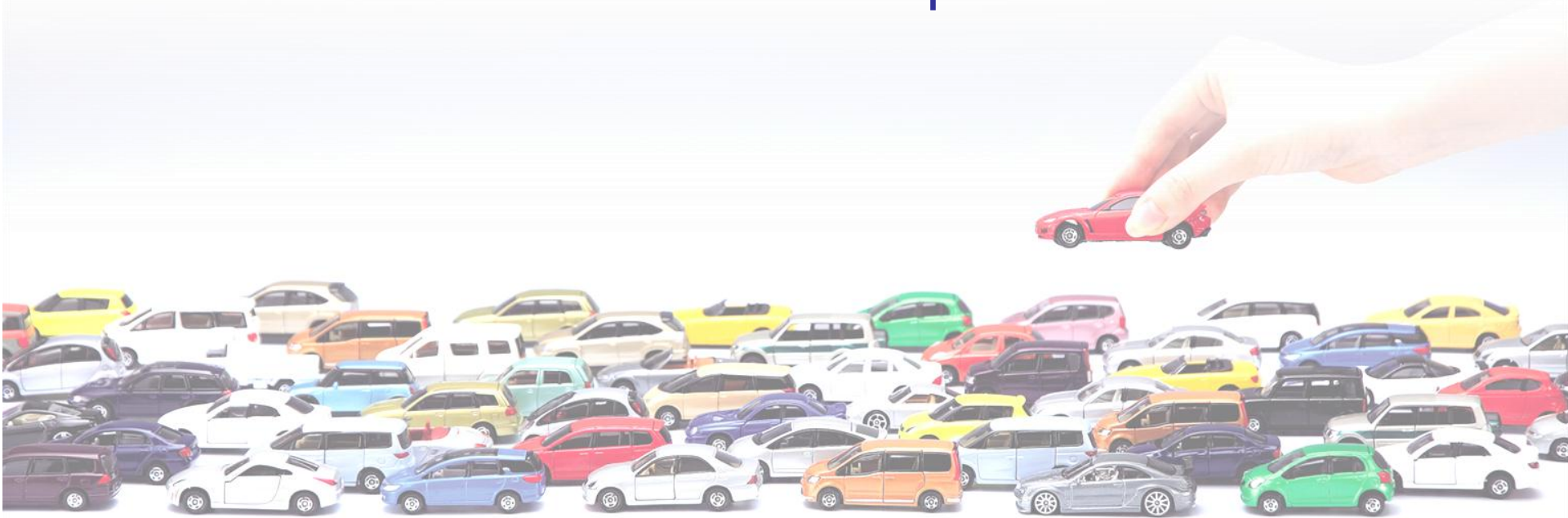
Other Business

(Million yen)

	3Q FY3/10	3Q FY3/11	3Q FY3/12	YoY Change
Net sales	1,180	1,378	1,399	101.5%
Operating income	49	4	▲84	—

Supplemental Data (2)

Historical consolidated performance



5 year Consolidated Performance

Consolidated (Million yen)						
	Results					Forecast
	2007.3	2008.3	2009.3	2010.3	2011.3	2012.3
<Auto Auction Business>						
Consignment Fees	13,972	14,595	13,802	11,285	10,822	11,419
Contract Completion Fees	11,469	12,491	11,347	10,283	10,559	10,588
Successful Bidding Fees	14,437	15,892	14,642	13,659	14,142	14,297
Revenues from Sales of Goods	1,142	1,682	1,781	746	848	732
Other Revenues	6,685	7,291	7,178	6,816	6,804	6,876
Auto Auction Business Total	47,707	51,953	48,752	42,791	43,177	43,914
<Used Vehicle Sales/Purchases Business>						
Revenues from Used Vehicle Sales/Purchases	7,489	6,976	7,860	8,289	8,456	8,593
Revenues from Accident-damaged Vehicle Sales/Purchases	5,399	5,614	4,404	3,935	4,038	4,188
Used Vehicles Sales/Purchases Business Total	12,888	12,590	12,265	12,224	12,494	12,782
<Other Business>						
Revenues from Recycling End-of-Life Vehicle Sales/Purchases	2,880	4,123	4,468	3,734	4,566	4,597
Revenues from Recycling Scrap Rubbers	1,091	1,133	1,063	1,098	1,178	1,193
Revenues from Used Vehicle Export Clearing Service	-	-	-	-	-	112
Other Business Total	3,972	5,257	5,532	4,832	5,745	5,903
Net Sales	64,568	69,801	66,549	59,849	61,417	62,600
Operating Income	24,817	27,200	22,568	21,940	24,332	26,300
Ordinary Income	25,360	27,490	22,503	22,511	24,643	26,500
Net Income	14,390	15,200	12,003	12,717	13,971	15,900
Auto Auction Business	(Vehicles, %, Yen, Companies, No. of Shops)					
No. of Consigned Vehicles	2,840,129	2,920,356	2,902,636	2,327,515	2,121,948	2,090,000
No. of Contracted Vehicles	1,541,521	1,670,429	1,507,802	1,342,958	1,361,599	1,360,000
Contract Completion Rate	54.3	57.2	51.9	57.7	64.2	65.1
Consignment Fees per Vehicle consigned *1	4,957	5,031	4,791	4,884	5,139	5,504
Contract completion fees per vehicle contracts completed *1	7,507	7,536	7,598	7,729	7,831	7,860
Successful Bidding fees per vehicle contracts completed *1	9,374	9,544	9,742	10,178	10,393	10,518
On-site Auction Members	40,959	42,751	43,307	44,317	45,563	44,850
CIS Internet Members	17,465	19,995	22,273	23,565	24,688	25,850
TV (Satellite Auction) Members	6,132	5,637	5,098	4,599	4,248	4,000
Rabbit Chain Shops	252	229	207	189	176	181
Capital Expenditures and Depreciation	(Million yen)					
Capital Expenditures (Terms of Cash Flows) *2	13,641	7,639	6,913	1,285	7,629	2,000
Depreciation	5,167	5,526	5,796	5,482	4,529	3,905

*1 Each fee per vehicle is calculated before eliminations for consolidation. *2 The number of On-site Auction Members has been revised from the plan announced on 8 November, 2011.

*3 Capital expenditures include property, plant and equipment and intangible asset s(software etc.).

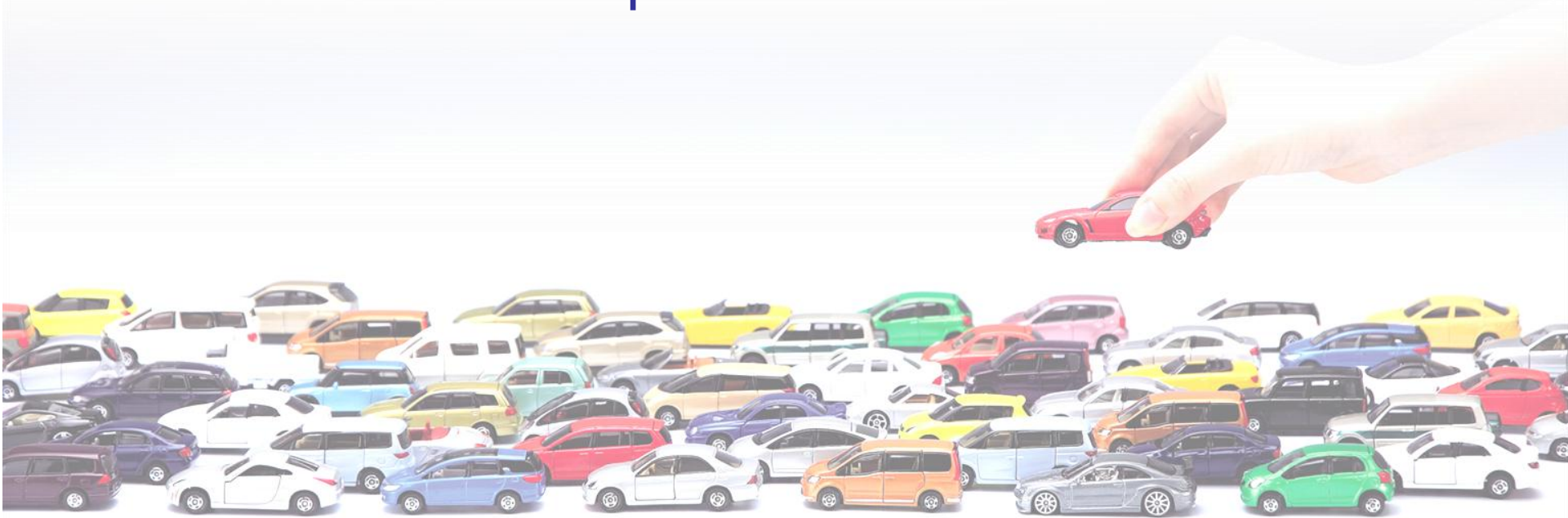
Major Financial Indicators (Fiscal year)

(Million yen)

	2001.3	2002.3	2003.3	2004.3	2005.3	2006.3	2007.3	2008.3	2009.3	2010.3	2011.3	YoY	10 years average of % changes
Results of Operations													
Net Sales	21,623	26,008	33,819	42,425	50,484	60,243	64,568	69,801	66,549	59,849	61,417	2.6%	11.0%
Operating Income	8,837	11,345	15,335	18,017	20,673	23,103	24,817	27,200	22,568	21,940	24,332	10.9%	10.7%
Ordinary Income	8,693	10,859	15,382	18,207	21,096	23,544	25,360	27,490	22,503	22,511	24,643	9.5%	11.0%
Net Income	4,493	5,489	7,645	8,907	11,814	13,203	14,390	15,200	12,003	12,717	13,971	9.9%	12.0%
Financial Position													
Total Assets	62,315	80,929	88,979	92,538	115,704	131,908	146,172	150,737	138,370	142,164	151,636	6.7%	9.3%
Cash and Deposits	11,595	21,477	15,356	15,168	15,818	19,995	21,149	26,280	18,445	29,681	30,980	4.4%	10.3%
Total Liabilities	29,624	46,209	44,603	24,284	29,901	33,841	40,184	33,159	23,428	23,773	29,689	24.9%	0.0%
Interest Bearing Debt	13,462	28,858	25,579	7,331	7,490	5,200	5,355	3,064	2,716	1,806	1,097	▲39.3%	▲22.2%
Net Assets	32,690	34,720	44,376	68,254	85,803	98,067	105,988	117,577	114,941	118,390	121,947	3.0%	14.1%
Shareholders' Equity	32,266	34,402	43,812	67,497	84,877	97,391	104,985	117,130	114,771	118,146	121,638	3.0%	14.2%
Per Share Information													
EPS (Yen)	168.6	205.6	279.4	300.7	377.6	407.0	447.1	475.1	382.7	418.8	478.0	14.1%	11.0%
Dividend per Share (Yen)	20.0	30.0	40.0	50.0	65.0	80.0	100.0	145.0	165.0	168.0	192.0	14.3%	25.4%
Others													
Operating Income Ratio (%)	40.9	43.7	45.3	42.5	40.9	38.4	38.4	39.0	33.9	36.7	39.6	—	—
ROE (%)	15.0	16.5	19.5	16.0	15.5	14.5	14.2	13.7	10.4	10.9	11.7	—	—
ROA (%)	15.3	15.2	18.1	20.1	20.3	19.0	18.2	18.5	15.6	16.0	16.8	—	—
Dividend Payout Ratio (%)	11.9	14.6	14.3	16.6	17.2	19.7	22.4	30.5	43.1	40.1	40.2	—	—
Shareholders' Equity Ratio (%)	51.8	42.5	49.3	72.9	73.4	73.8	71.8	77.7	82.9	83.1	80.2	—	—
Treasury Stock (shs.)	—	50	1,134	1,495	1,789	144,006	671,773	671,801	2,105,687	2,936,474	2,364,781	▲19.5%	—
On-site Auction Members (Companies)	22,329	25,023	27,622	30,195	34,420	37,157	40,959	42,751	43,307	44,317	45,563	2.8%	7.4%

Supplemental Data (3)

Consolidated performance of FY2011.3



Sales and operating income both reached the FY plan

(Million yen)

	2010.3	2011.3	YoY	Plan (As of Nov. 9, 2010)	VS. plan
Net Sales	59,849	61,417	102.6%	61,000	100.7%
Cost of sales (Per sales)	27,120 (45.3%)	26,865 (43.7%)	99.1%	26,444 (43.4%)	101.6%
Gross profit (Per sales)	32,728 (54.7%)	34,552 (56.3%)	105.6%	34,555 (56.6%)	100.0%
Selling, general and administrative expenses (Per sales)	10,788 (18.0%)	10,220 (16.6%)	94.7%	10,455 (17.1%)	97.7%
Operating income (Per sales)	21,940 (36.7%)	24,332 (39.6%)	110.9%	24,100 (39.5%)	101.0%
Ordinary income (Per sales)	22,511 (37.6%)	24,643 (40.1%)	109.5%	24,300 (39.8%)	101.4%
Net income (Per sales)	12,717 (21.2%)	13,971 (22.7%)	109.9%	14,100 (23.1%)	99.1%
Net income per share (yen)	418.85	478.00	114.1%	482.40	99.1%
ROE	10.9%	11.7%	—	11.6%	—

Net sales: Vehicle consignment fees down but contract completion fee and off-site fee income increased because of the higher contract completion rate; sales from recycling end-of-life vehicles and other items increased

Cost of sales: Depreciation expenses down but cost of procurement for end-of-life vehicles and other items up

SG&A expenses: Goodwill amortization declined

Extraordinary gains/losses: Impairment charge of 998 million yen for buildings and equipment at the Ryutsu Auction Site following its integration with the Tokyo Auction Site; 462 million yen of asset retirement obligations for prior years

Outstanding financial soundness even as substantial earnings distributions to shareholders continue

(Million yen)

	2010.3	2011.3	Changes
Current assets	40,222	47,074	6,851
Cash and deposits	29,681	30,980	1,298
Receivables due from member dealers at auction	5,643	11,151	5,507
Other	4,896	4,942	45
Noncurrent assets	101,941	104,562	2,621
Property, plant and equipment	92,204	94,479	2,274
Intangible assets	1,498	1,114	▲383
Investments and other assets	8,238	8,969	730
Total assets	142,164	151,636	9,472
Current liabilities	17,435	22,994	5,559
Payables due to member dealers at auction	6,454	11,502	5,048
Short-term loans payable	399	188	▲211
Other	10,581	11,303	722
Noncurrent liabilities	6,337	6,695	357
Long-term loans payable	356	167	▲188
Other	5,981	6,527	545
Total liabilities	23,773	29,689	5,916
Total shareholders' equity	123,058	126,556	3,497
Total of other comprehensive income	▲4,912	▲4,918	▲5
Subscription rights to shares	18	31	12
Minority interests	226	278	51
Total net assets	118,390	121,947	3,556

Current assets

- Member dealer receivables up due to timing of fiscal year end and auction dates

Noncurrent assets

- Land increased 6.28 billion yen mainly because of purchase of land adjacent to the Yokohama Auction Site
- Decrease of 4.52 billion yen due to depreciation

Current liabilities

- Member dealer payables up due to timing of fiscal year end and auction dates

Noncurrent liabilities

- Increase of 700 million yen due to asset retirement obligations
- Decrease of 300 million yen due to repayment of lease obligations

Repurchased stock and consolidated dividend payout ratio of more than 40%

(Million yen)

	2010.3	2011.3	Changes
Net Cash provided operating activities	22,300	20,512	▲1,788
Income before income taxes	22,026	23,156	1,130
Depreciation and other amortization	5,622	4,685	▲936
Amortization of goodwill	797	248	▲549
Loss (▲gain) on sale and retirement of property, plant and equipment	1	1	0
Loss (▲gain) on sales and retirement of intangible assets	8	11	2
Net change in due from/to member dealers at auction (▲increase)	761	▲458	▲1,220
Income taxes paid	▲7,949	▲9,026	▲1,077
Other	1,030	1,893	874
Net cash provided by investment activities	▲803	▲9,786	▲8,982
Purchase of property, plant and equipment	▲1,071	▲7,303	▲6,231
Other	267	▲2,482	▲2,750
Net cash provided by financing activities	▲10,260	▲11,127	▲866
Net increase in loans payable	▲602	▲399	203
Purchases of treasury stock	▲4,671	▲4,950	▲279
Cash dividends paid	▲4,741	▲5,518	▲776
Other	▲244	▲258	▲13
Net increase in cash and cash equivalents	11,235	▲401	▲11,636
Cash and cash equivalents at beginning of period	18,445	29,681	11,235
Cash and cash equivalents at end of period	29,681	29,280	▲401

Operating activities

- Depreciation and amortization was 4.68 billion yen
- Income taxes paid were 9.02 billion yen

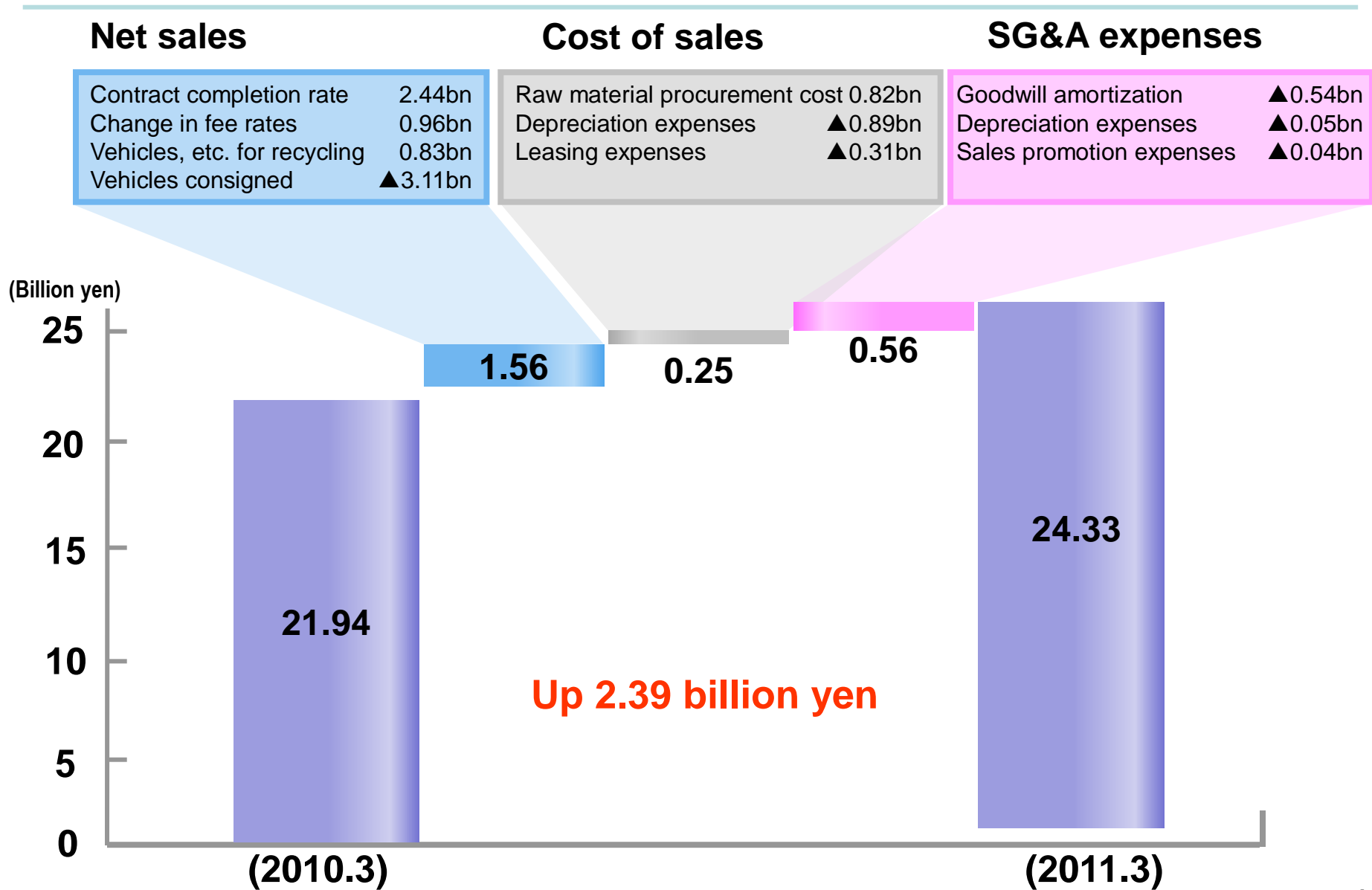
Investing activities

- Purchase of property, plant and equipment was 7.30 billion yen (for land next to the Yokohama Auction Site, etc.)

Financing activities

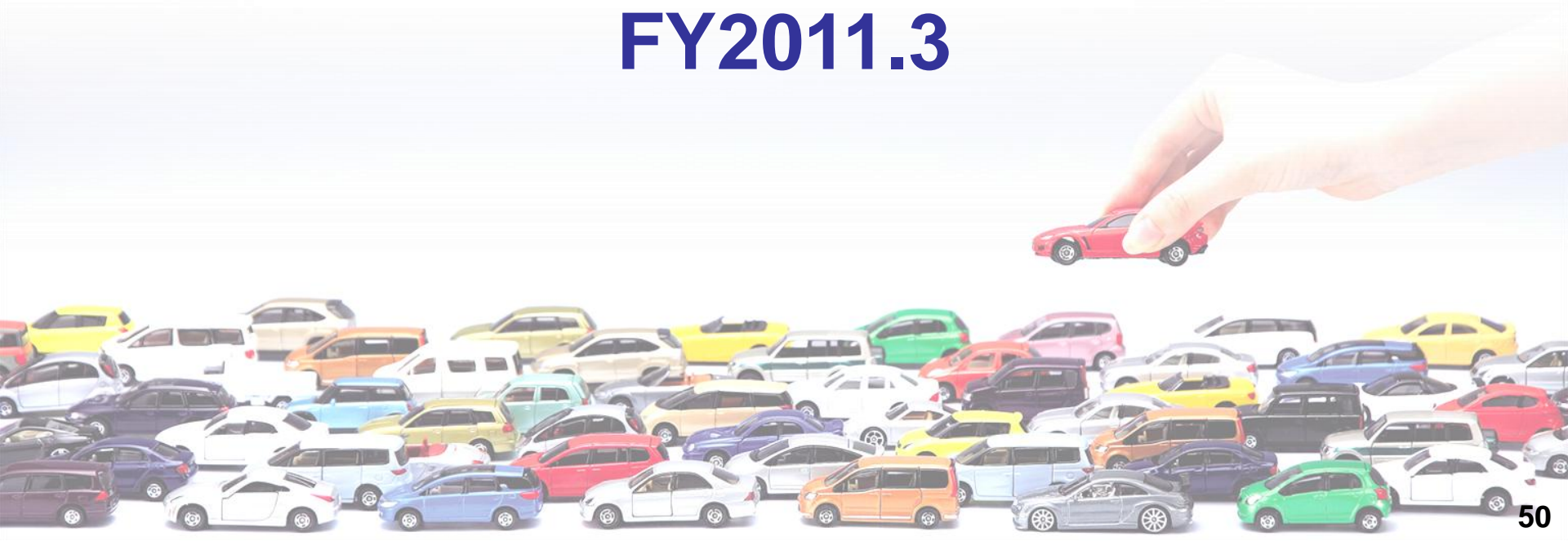
- Purchases of treasury stock were 4.95 billion yen
- Cash dividends paid were 5.51 billion yen

Reasons for change in operating income



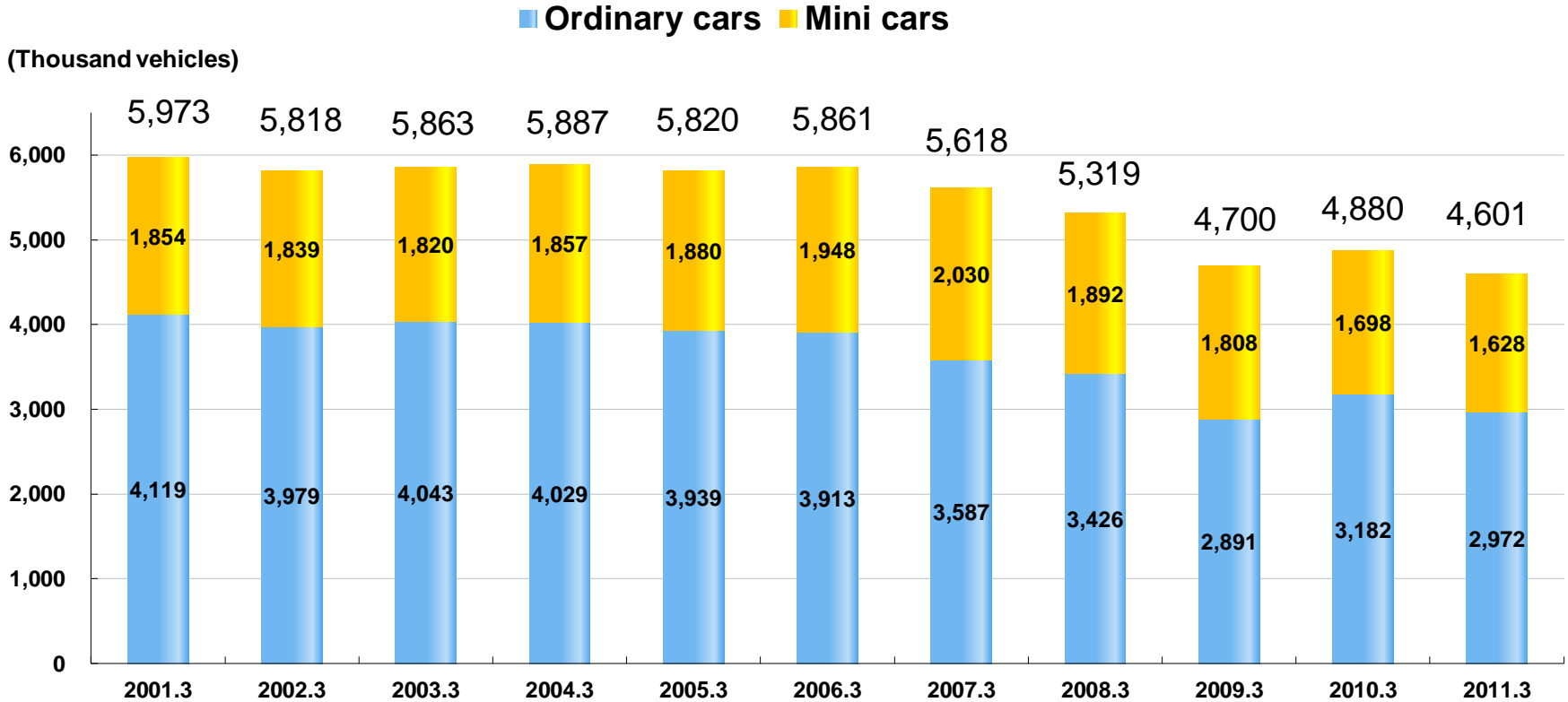
Market Overview

FY2011.3



(1) New Car Registrations in Japan (April to March)

Big drop starting in October following the end of eco-car subsidies

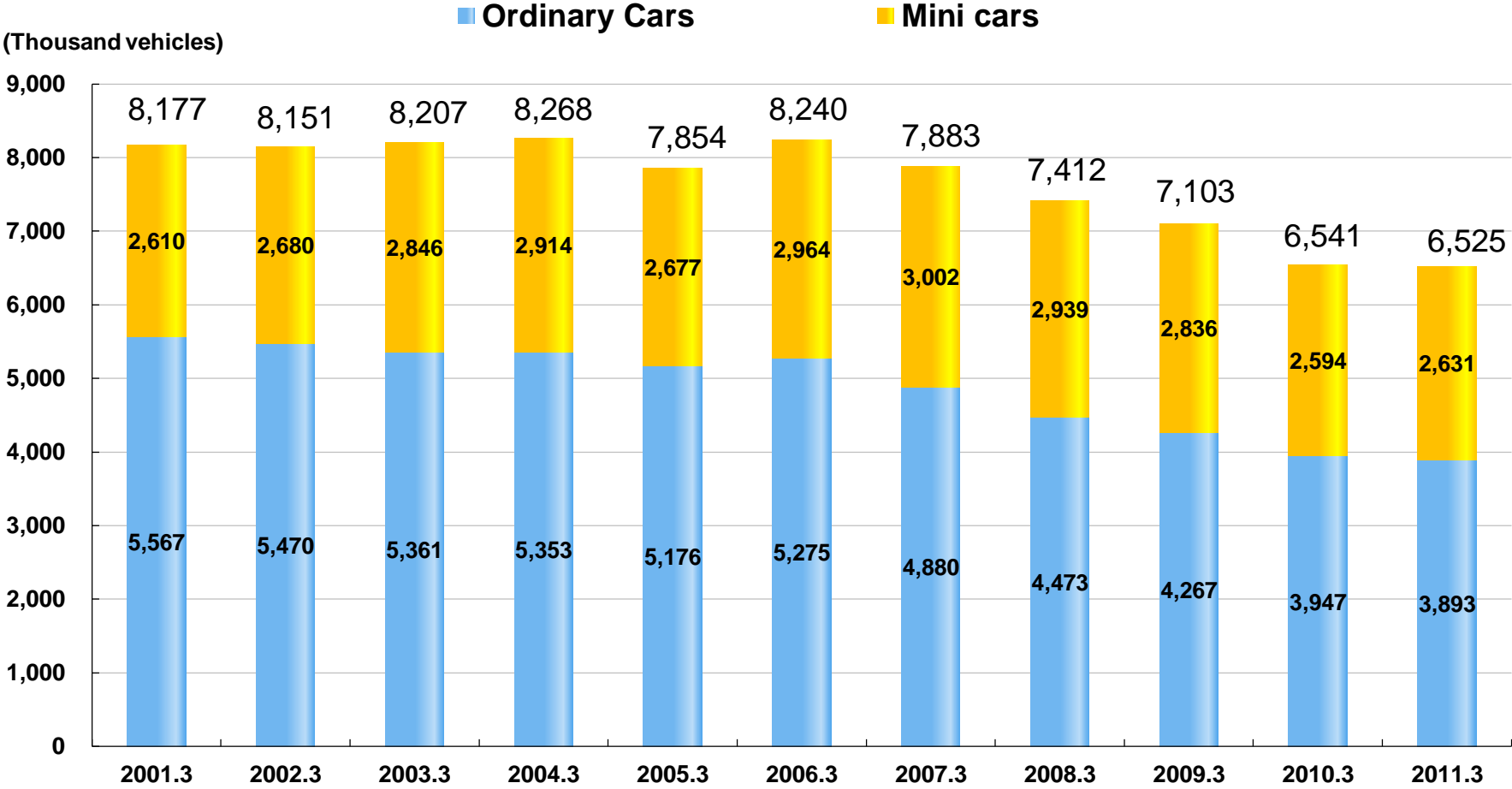


New car registrations in FY2011.3 decreased 5.7% to 4.6 million units.

- Registrations fell sharply starting in October after eco-car subsidies ended.
- New car registrations were down 35.1% to the 430,000 level in March because of the Great East Japan Earthquake.

(2) Used Car Registrations in Japan (April to March)

Used car registrations were flat despite the drop in new car registrations.



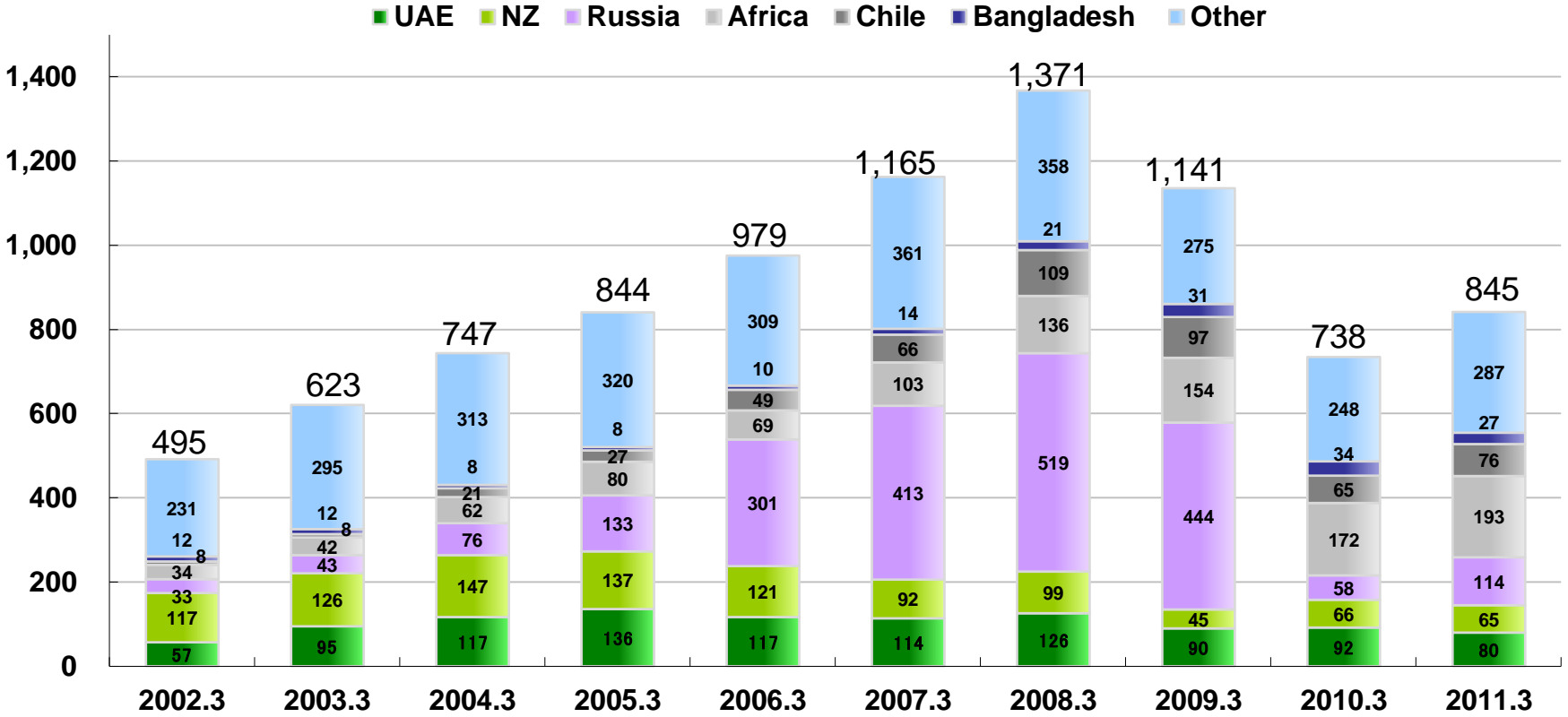
Used car registrations in FY2011.3 were down 0.2% to 6.52 million units.

- Although lower new car registrations reduced the supply of used cars, there was a tight supply of used cars due to steady demand for used vehicles and exported used vehicles.

(3) Used Car Exports from Japan (April to March)

Exports to Africa, the Middle East and other regions are strong and exports to Russia rebounded

(Thousand vehicles)

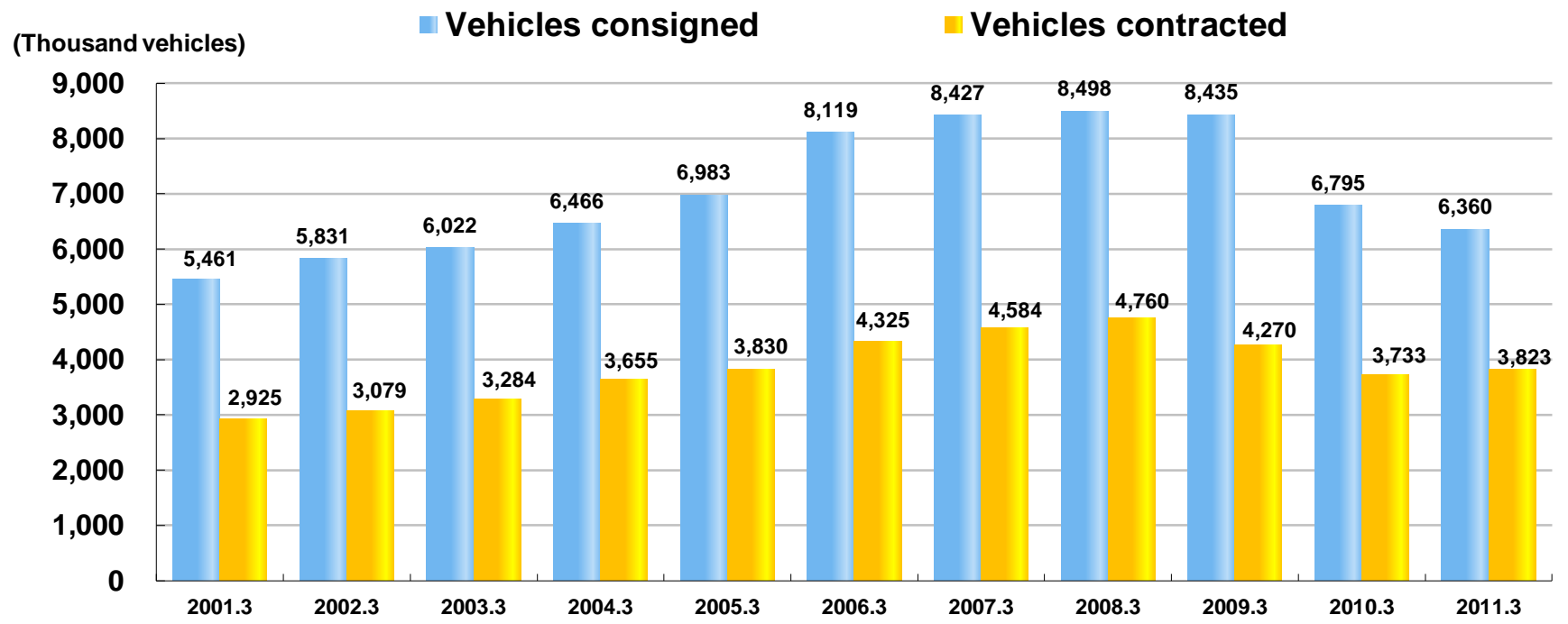


Used car exports in FY2011.3 increased 14.6% to 840,000 units.

- Exports to Russia are recovering
- Strong demand in South Africa, Kenya and other African countries, in Chile and in other regions

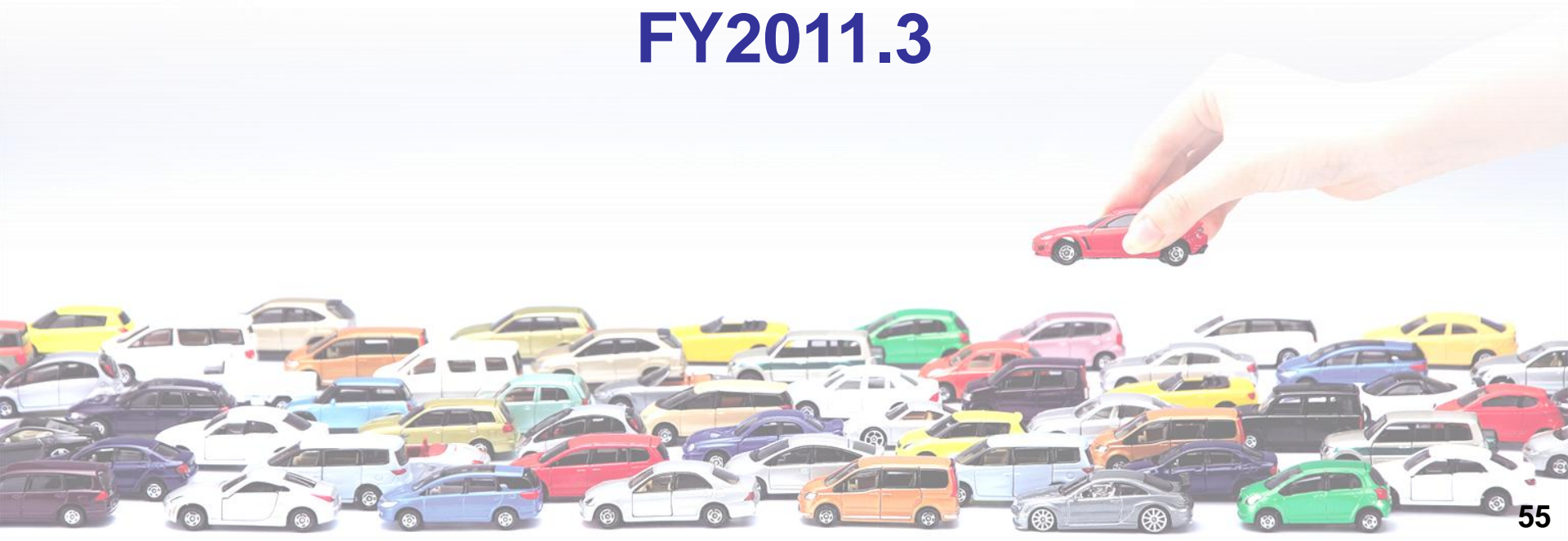
(4) The Auto Auction Market (April to March)

Vehicles consigned were down but vehicles contracted increased

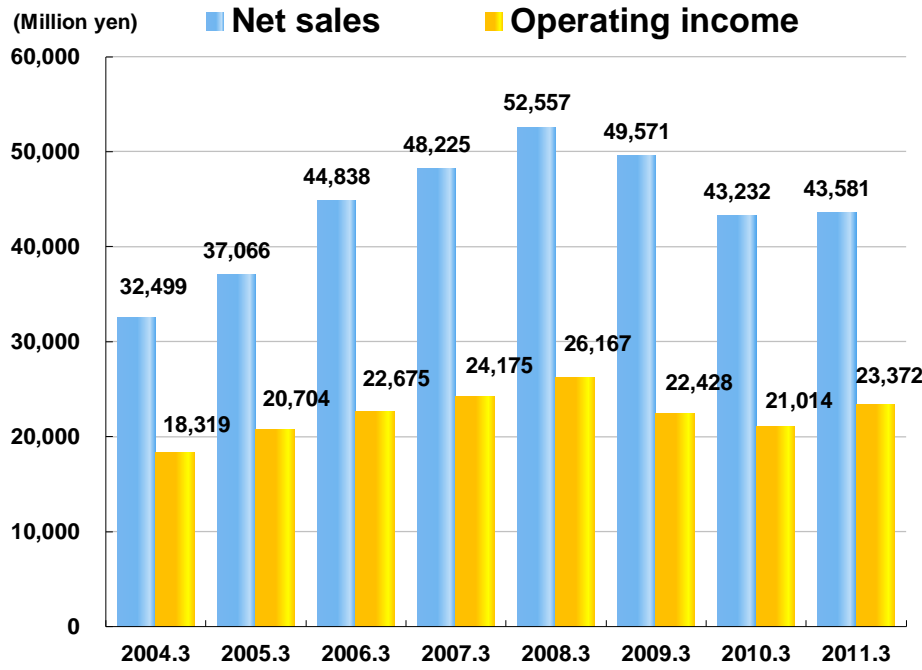


Business Segment Information

FY2011.3



Earnings were much higher as depreciation and goodwill amortization decreased and the operating margin improved, too



	(Million yen)		
	2010.3	2011.3	YoY
Net sales	43,232	43,581	100.8%
Operating income (Per sales)	21,014 (48.6%)	23,372 (53.6%)	111.2%

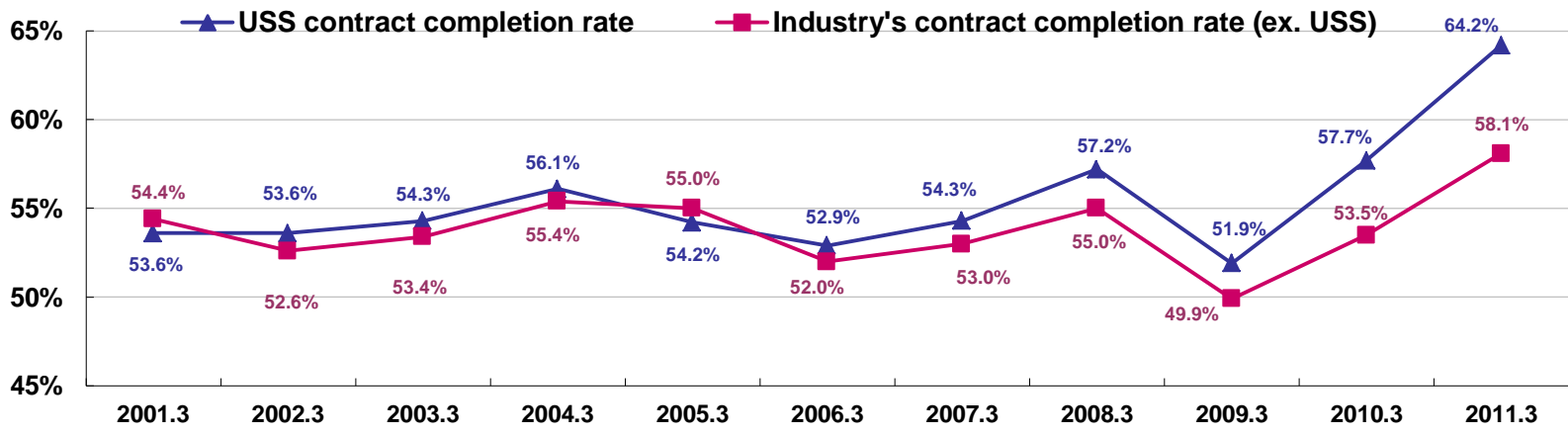
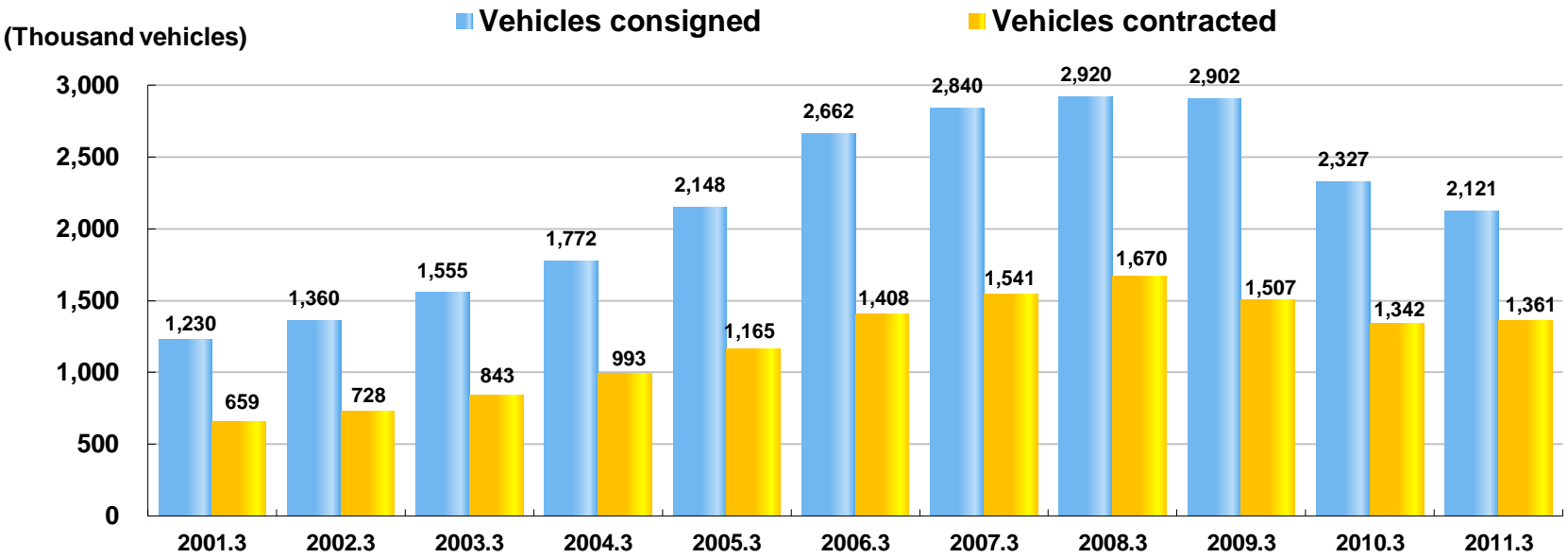
Net sales increased 0.8% to 43,581 million yen

- A small increase in sales as consignment fee income declined along with the decrease in the number of vehicles consigned but there were increases in contract completion fees and successful bid fees because of the higher contract completion rate

Operating income increased 11.2% to 23,372 million yen

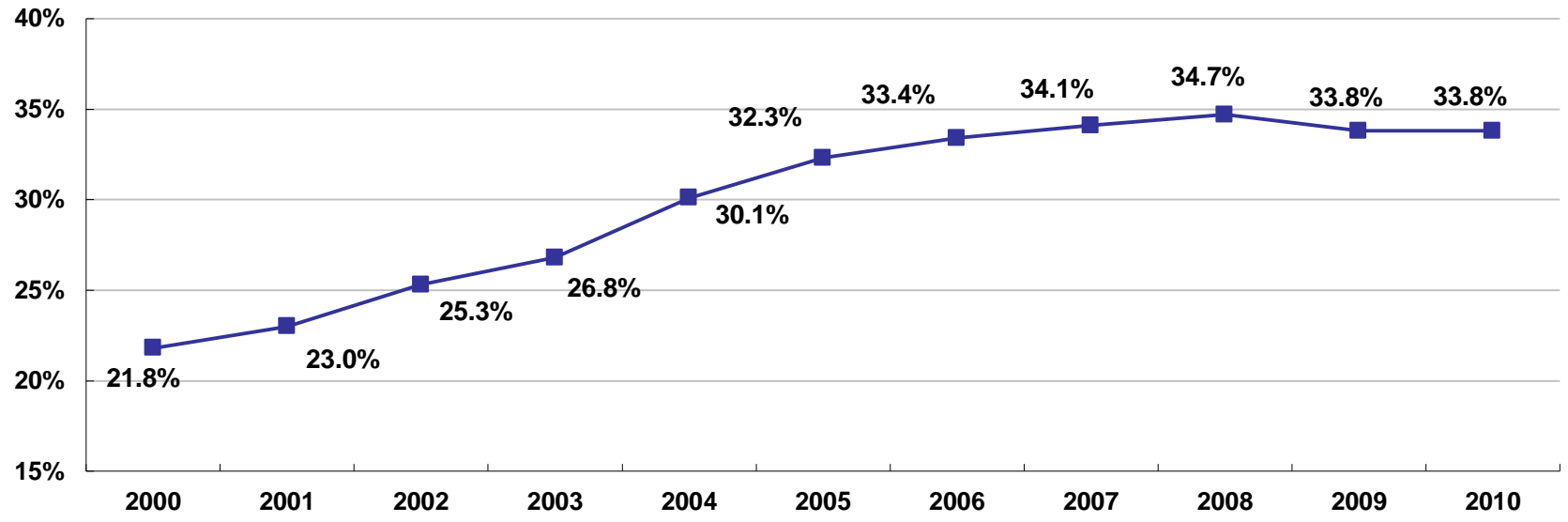
- Depreciation decreased 870 million yen and goodwill amortization decreased 740 million yen

Vehicles consigned down 8.8% but vehicles contracted up 1.4% because of higher contract completion rate



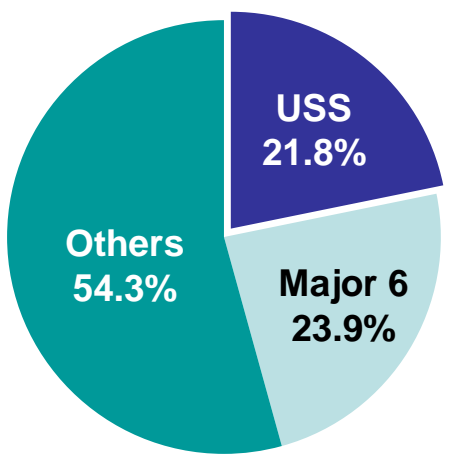
Medium-term growth in market share

USS Market Share



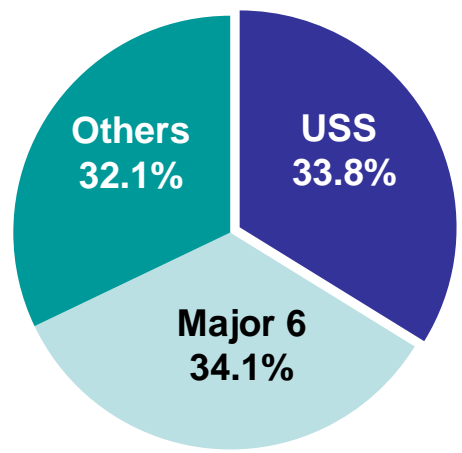
2000 (CY) Market Share

- *Major 6
- JAA (6.0%)
- TAA (4.1%)
- CAA (4.1%)
- Arai AA(5.6%)
- KCAA (2.9%)
- LAA (1.2%)

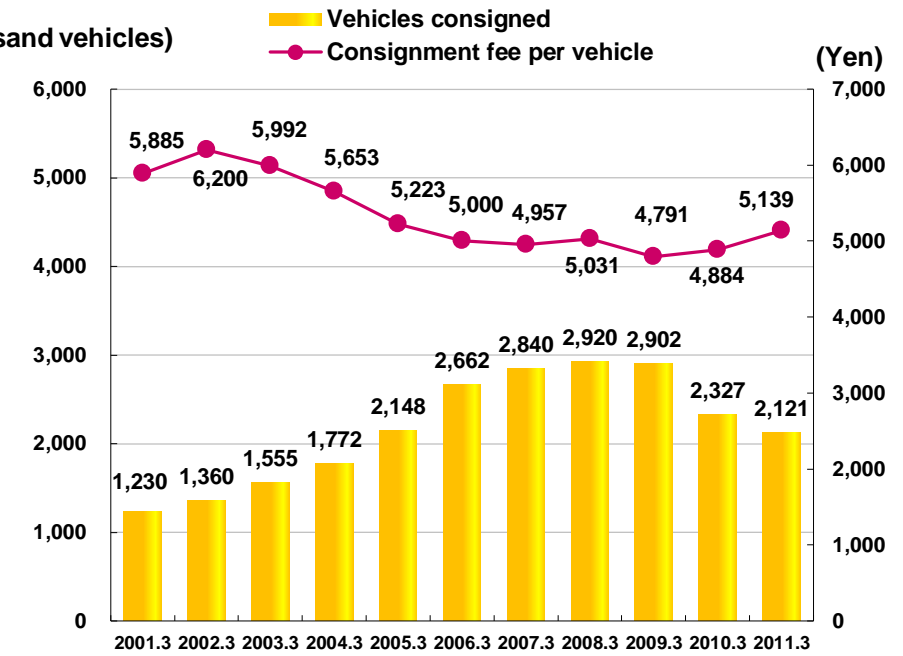
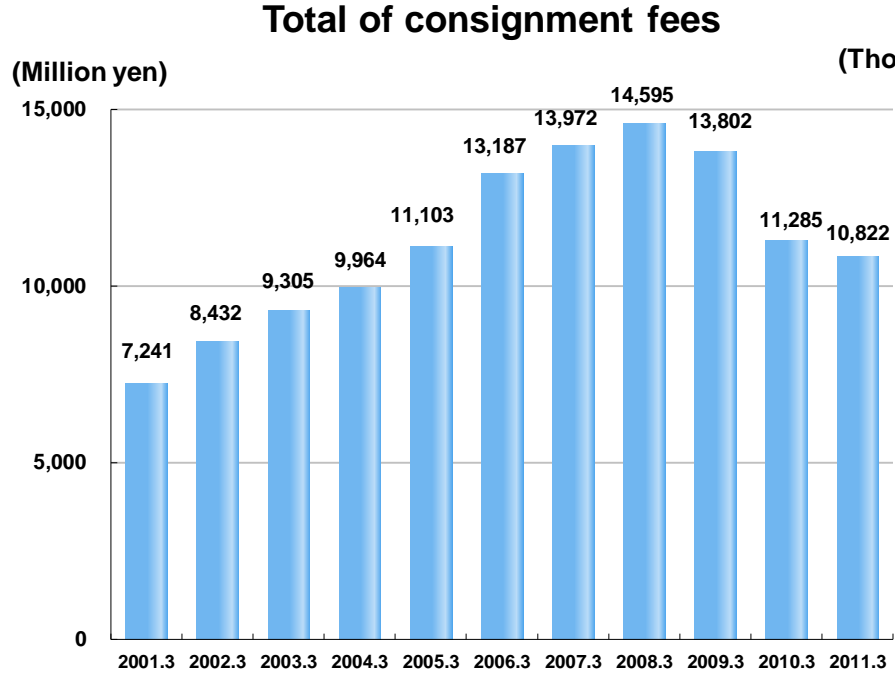
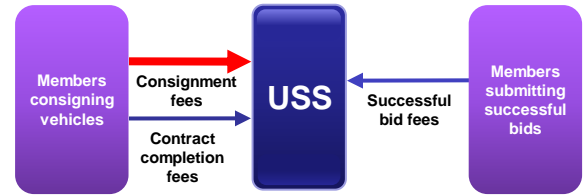


2010 (CY) Market Share

- *Major 6
- JAA(8.8%)
- TAA(8.3%)
- CAA(6.1%)
- Arai AA(4.5%)
- KCAA(3.2%)
- LAA(3.1%)



Consignment fee per vehicle increased despite the decline in vehicles consigned

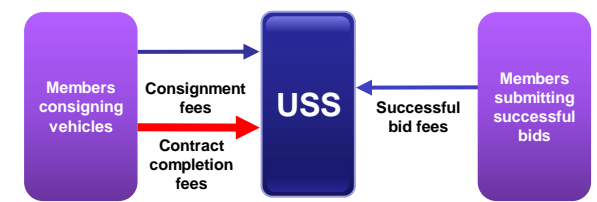


*Consignment fee per vehicle is calculated before eliminations for consolidation.

Consignment fee per vehicle increased despite the decline in vehicles consigned

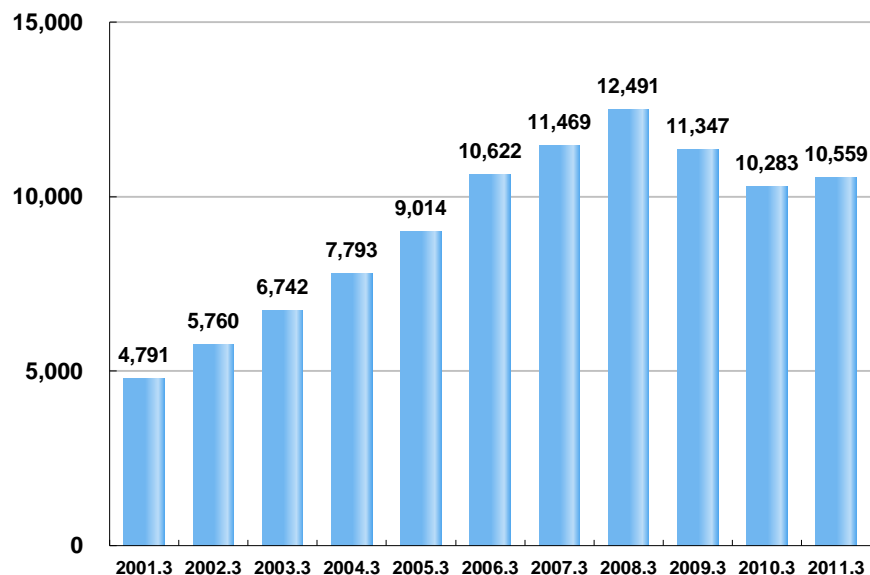
- Consignment fee per vehicle increased by 255 yen from 4,884 yen to 5,139 yen
- Reexamined the consignment fee discount offered during a special marketing campaign
- Consignment fee per vehicle improved because of the higher share of vehicles consigned at large auction sites (Tokyo, Nagoya and others) where consignment fees are higher.

Higher share of contracted vehicles at large auction sites where fees are higher

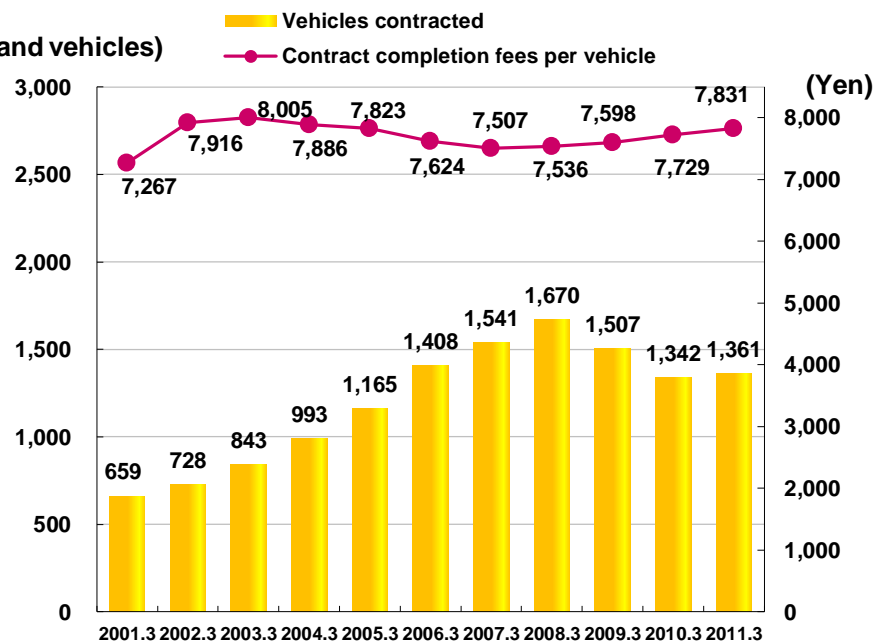


Total of Contract Completion Fees

(Million yen)



(Thousand vehicles)

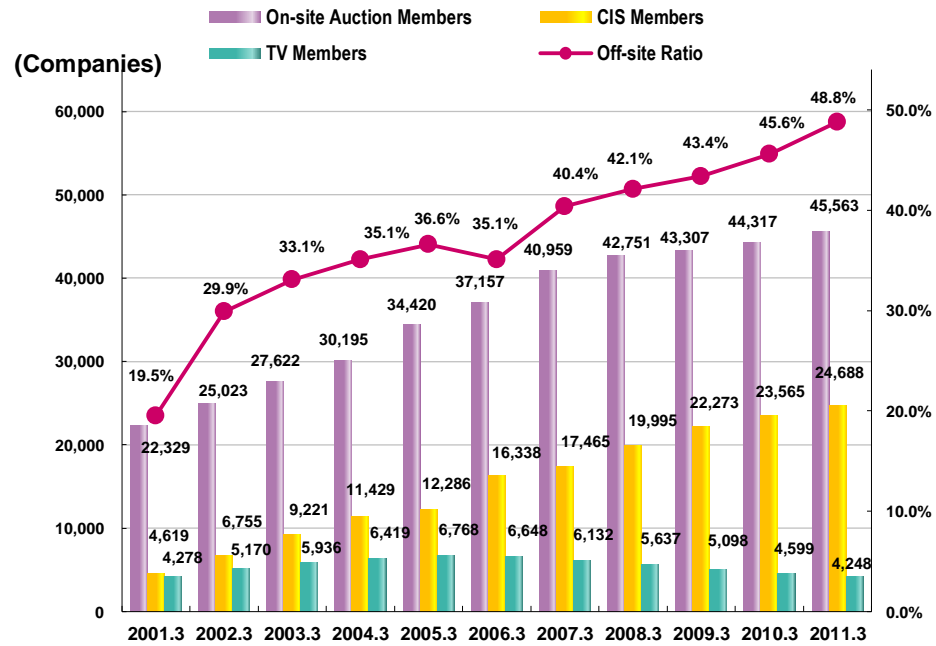
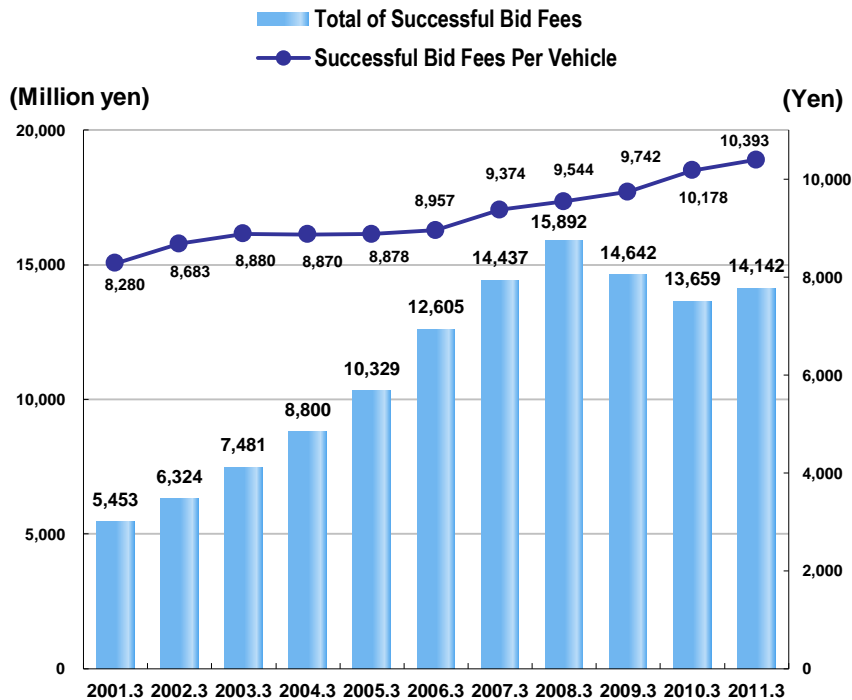
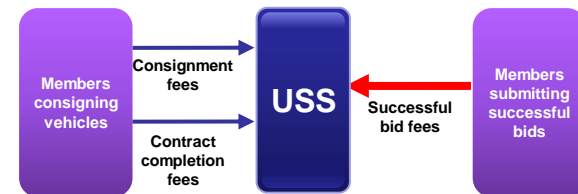


* Contract completion fee per vehicle is calculated before eliminations for consolidation.

Contract completion fee per vehicle increased by 102 yen from 7,729 yen to 7,831 yen

- Contract completion fee per vehicle improved because of the higher share of vehicles contracted at large auction sites (Tokyo, Nagoya and others) where contract completion fees are higher.
- Raised the contract completion fee at the Tohoku Auction Site in April 2010 due to a revision in fees at this location

Higher share of successful off-site bids, which have a higher contract completion fee rate



*Successful bid fee per vehicle is calculated before eliminations for consolidation.

Successful bid fee per vehicle increased by 215 yen from 10,178 yen to 10,393 yen

- The successful bid fee per vehicle increased as the off-site successful bid ratio rose from 45.6% to 48.8%.
- The number of CIS members increased because new auction members are urged to sign up for the Internet service at the same time.

Auto Auction Business (7) -USS Group Auto Auction Results by Sites (FY2011.3)

FY2011.3 (From April 1, 2010 to March 31, 2011)

(Vehicles, Number of auctions held)

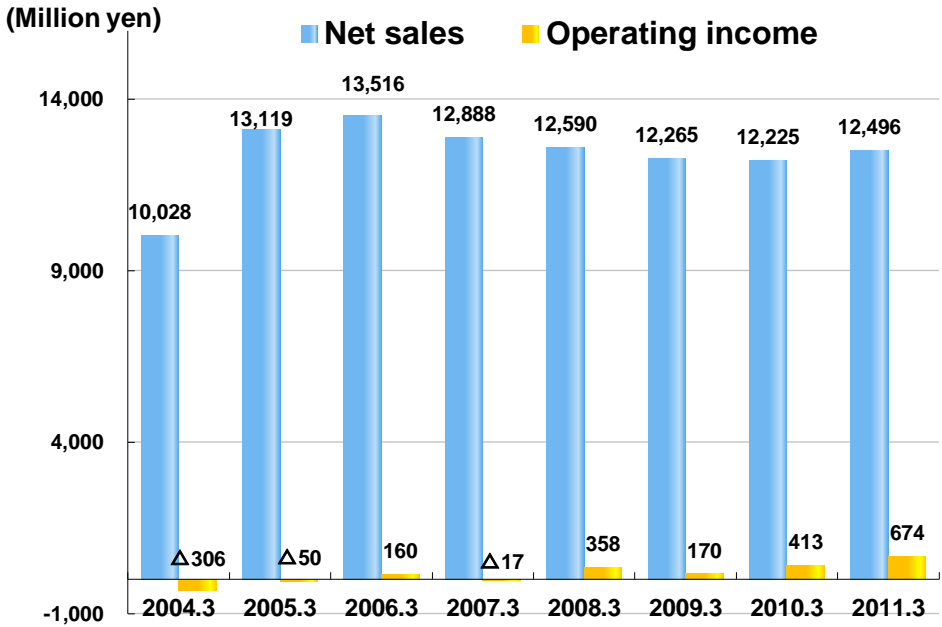
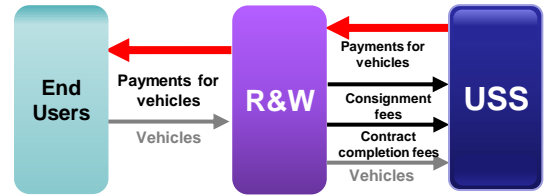
	Number of auctions		Number of consigned vehicles			Number of contract completions			Contract completion rate	
	2011.3	2010.3	2011.3	2010.3	Changes	2011.3	2010.3	Changes	2011.3	2010.3
Tokyo	48	50	570,237	612,787	▲6.9%	404,013	395,911	2.0%	70.9%	64.6%
Nagoya	49	49	332,952	331,018	0.6%	220,930	206,740	6.9%	66.4%	62.5%
Yokohama	49	49	181,532	206,125	▲11.9%	111,289	110,228	1.0%	61.3%	53.5%
Kyushu	50	50	163,441	170,756	▲4.3%	97,264	89,703	8.4%	59.5%	52.5%
Sapporo	49	50	128,220	122,751	4.5%	77,223	72,069	7.2%	60.2%	58.7%
Osaka	50	50	96,777	107,720	▲10.2%	62,828	65,254	▲3.7%	64.9%	60.6%
R-Nagoya	49	49	90,875	93,081	▲2.4%	72,935	73,947	▲1.4%	80.3%	79.4%
Shizuoka	49	49	83,116	86,550	▲4.0%	49,456	45,686	8.3%	59.5%	52.8%
Gunma	49	49	74,522	81,624	▲8.7%	50,225	48,001	4.6%	67.4%	58.8%
Tohoku	48	51	69,540	89,809	▲22.6%	49,831	59,850	▲16.7%	71.7%	66.6%
Fukuoka	50	50	64,778	77,235	▲16.1%	22,935	25,959	▲11.6%	35.4%	33.6%
Okayama	50	50	64,773	68,676	▲5.7%	35,182	31,956	10.1%	54.3%	46.5%
Ryutsu	49	51	62,015	104,861	▲40.9%	26,849	33,891	▲20.8%	43.3%	32.3%
Saitama	49	50	44,777	58,856	▲23.9%	27,121	26,457	2.5%	60.6%	45.0%
Kobe	49	49	38,426	41,880	▲8.2%	21,738	22,577	▲3.7%	56.6%	53.9%
Niigata	50	51	30,784	27,513	11.9%	15,737	13,859	13.6%	51.1%	50.4%
Hokuriku	49	49	25,183	27,075	▲7.0%	16,043	15,677	2.3%	63.7%	57.9%
Fujioka	-	38	-	19,198	-	-	5,193	-	-	27.0%
Total	836	884	2,121,948	2,327,515	▲8.8%	1,361,599	1,342,958	1.4%	64.2%	57.7%

* Auction data for Shikoku, opened in September 2010, is included in the data for Okayama.

* The USS Fujioka auction site and the USS Gunma auction site were merged in Jan. 2010

Used Car Purchasing and Selling Business – Results of Operations

Sales and earnings higher along with growth in vehicles purchased and gross profit per vehicle



	(Million yen)		
	2010.3	2011.3	YoY
Net Sales	12,225	12,496	102.2%
Operating Income (Per sales)	413 (3.4%)	674 (5.4%)	163.1%

Rabbit (used car purchasing and selling shops) sales increased 2.0% to 8,456 million yen and operating income was up 137.4% to 377 million yen.

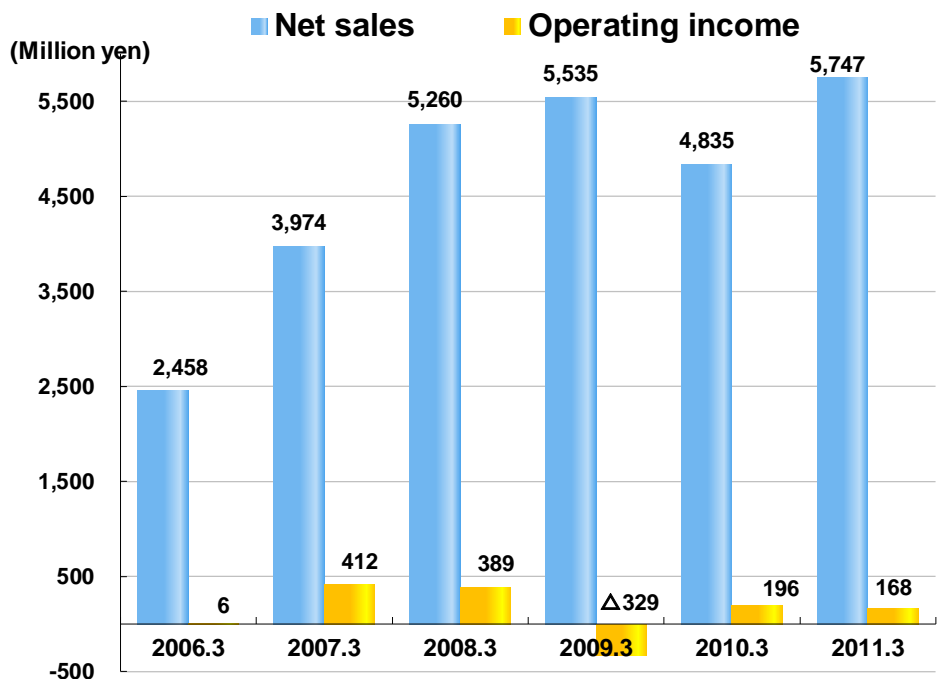
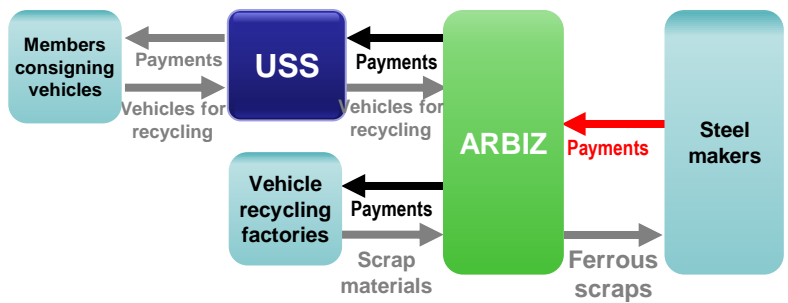
- Sales and earnings were up due to increases in vehicles purchases and gross profit per vehicle as well as a reexamination of operating expenses.

Sales of accident-damaged vehicles increased 2.7% to 4,040 million yen and operating income was up 16.6% to 296 million yen.

- Sales and earnings were up due to increases in vehicles purchased and gross profit per vehicle.

Recycling Business – Results of Operations

Sales up but earnings down despite a higher volume of materials handled because of an increase in operating expenses



	(Million yen)		
	2010.3	2011.3	YoY
Net Sales	4,835	5,747	118.9%
Operating Income (Per sales)	196 (4.1%)	168 (2.9%)	85.8%

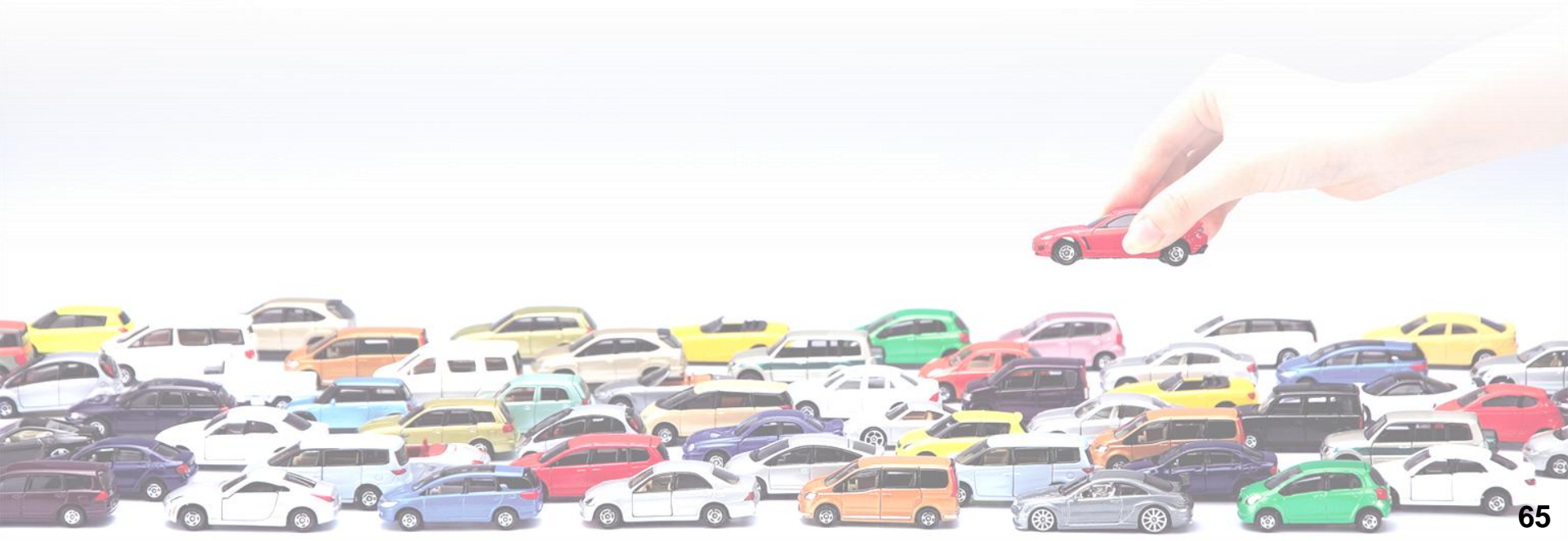
ARBIZ sales increased 22.3% to 4,569 million yen but operating income fell 44.2% to 68 million yen.

- Higher handling volume of ferrous scrap and used parts but personnel and other expense categories caused operating expenses to increase; the result was higher sales but lower earnings.

USS Toyo sales increased 7.3% to 1,178 million yen and operating income increased 38.4% to 101 million yen.

- Sales and earnings were higher along with growth in the handling volume of rubber products used in elastic pavement.

USS Auction



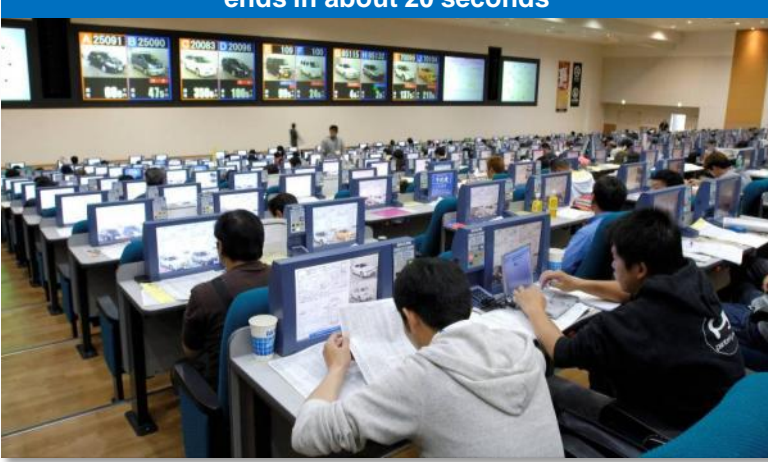
The first USS used car auction was held in August 1982. There were no computers; participants bid by raising their hands. The event attracted 380 buyers from Hokkaido to Okinawa, which was more than expected. Furthermore, the contract completion rate was high as 75.9% of the vehicles consigned were sold.



Stockyard



10 lanes of vehicles are auctioned at once; each auction ends in about 20 seconds



Prospective buyers inspect vehicles



The price adjustment room

