

USS

Used car
System
Solutions

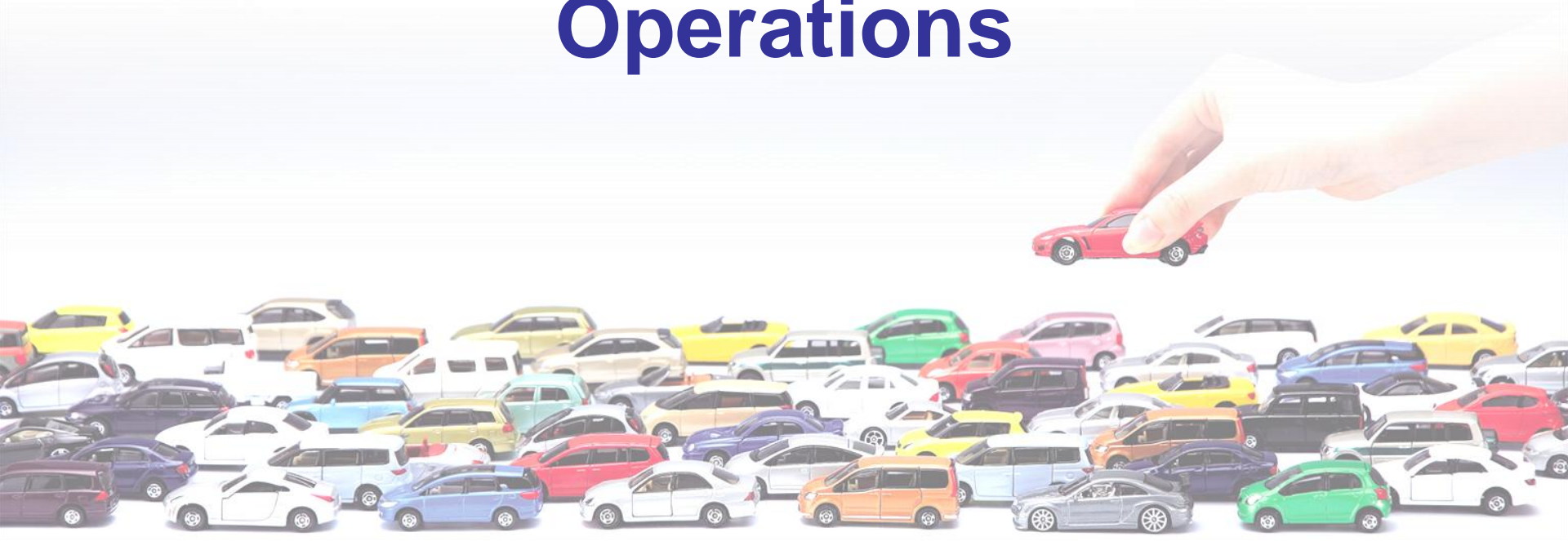
Consolidated Results of Operations

The third quarter, fiscal year ending March 31, 2016

USS Co., Ltd.
February 2016



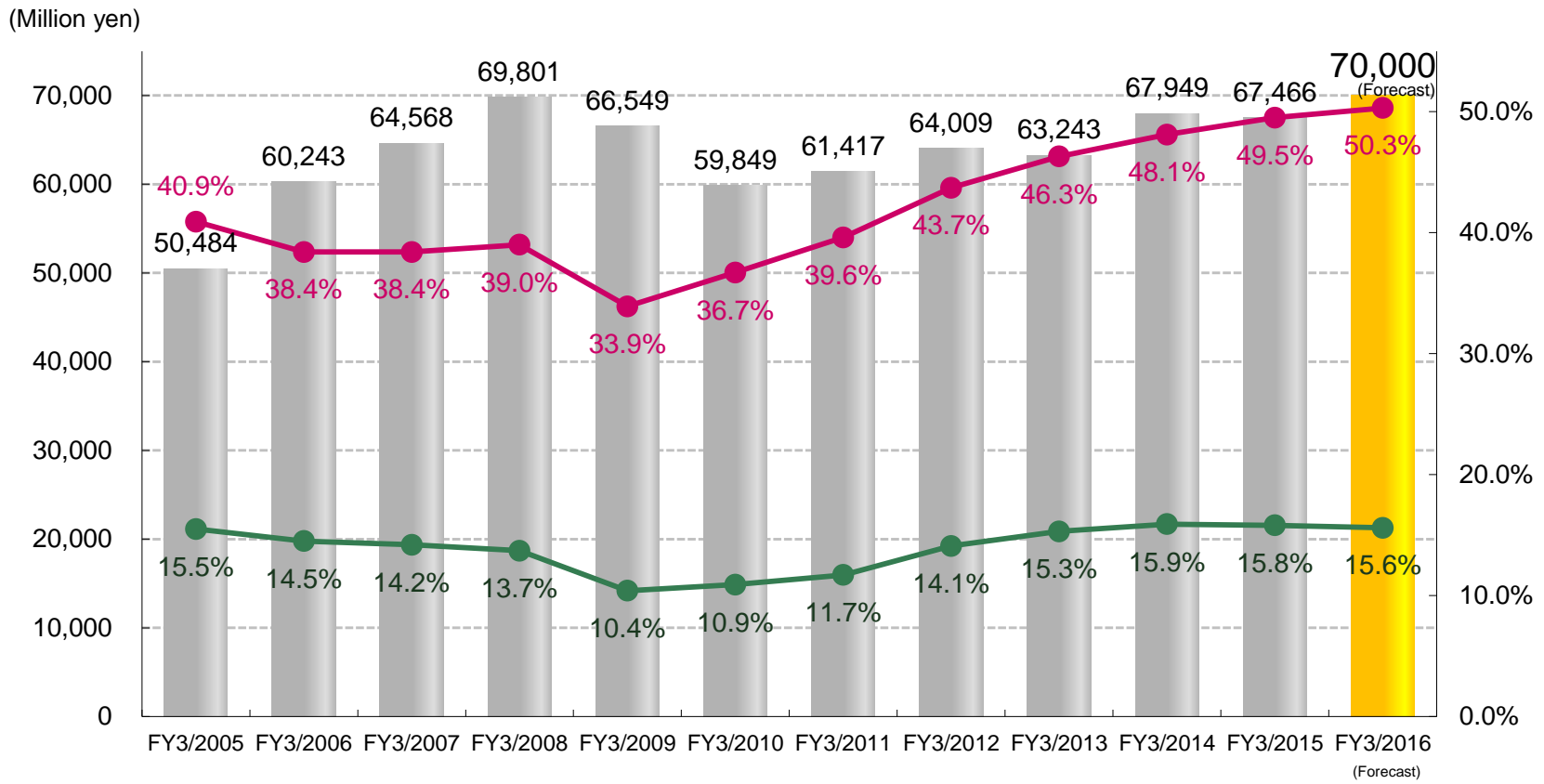
USS Profile and Results of Operations



(1) Consolidated Sales, Operating Margin and ROE

Strong growth in profitability, medium-term target is ROE of 15%

■ Net sales ● Operating margin ● ROE



FY3/2005 – FY3/2015

Avg. 10-year growth rate Sales **2.9%** Operating income **4.9%**

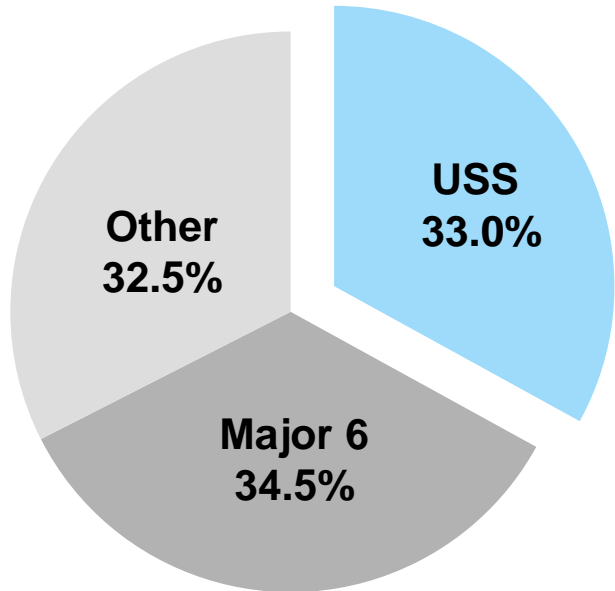
Avg. 10-year operating margin **41.4%**

Average 10-year ROE **13.6%**

(2) Competitive Edge in Japan's Auto Auction Industry

Largest Share of the Auto Auction Market

Market share (CY2015)



*Major 6: TAA (9.9%), JAA (8.5%), CAA (5.3%), Arai AA (4.8%), KCAA (3.1%), JU Gifu (2.9%)

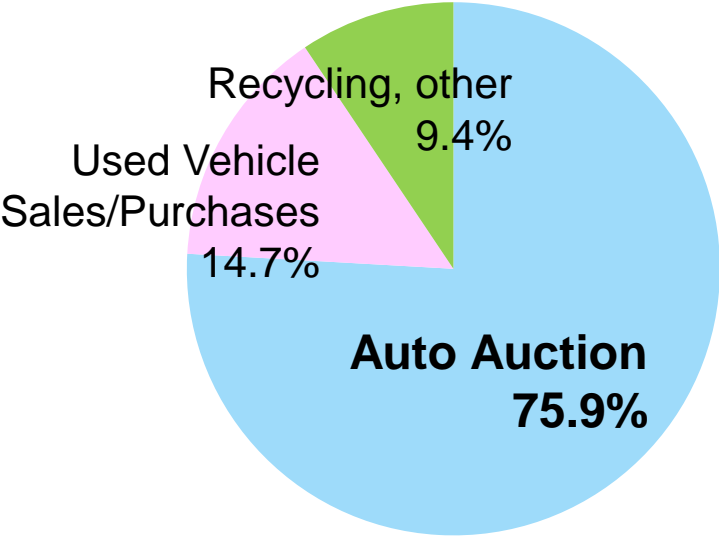
The Superiority of USS

- Overwhelming lead in the number of members: 46,000 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 88.0%

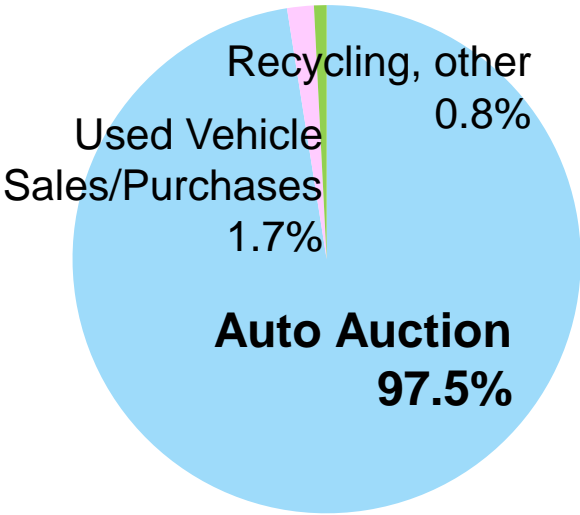
(As of end of Dec. 2015)

(3) Breakdown of Net sales and Operating income

Sales breakdown (1-3Q FY3/16)



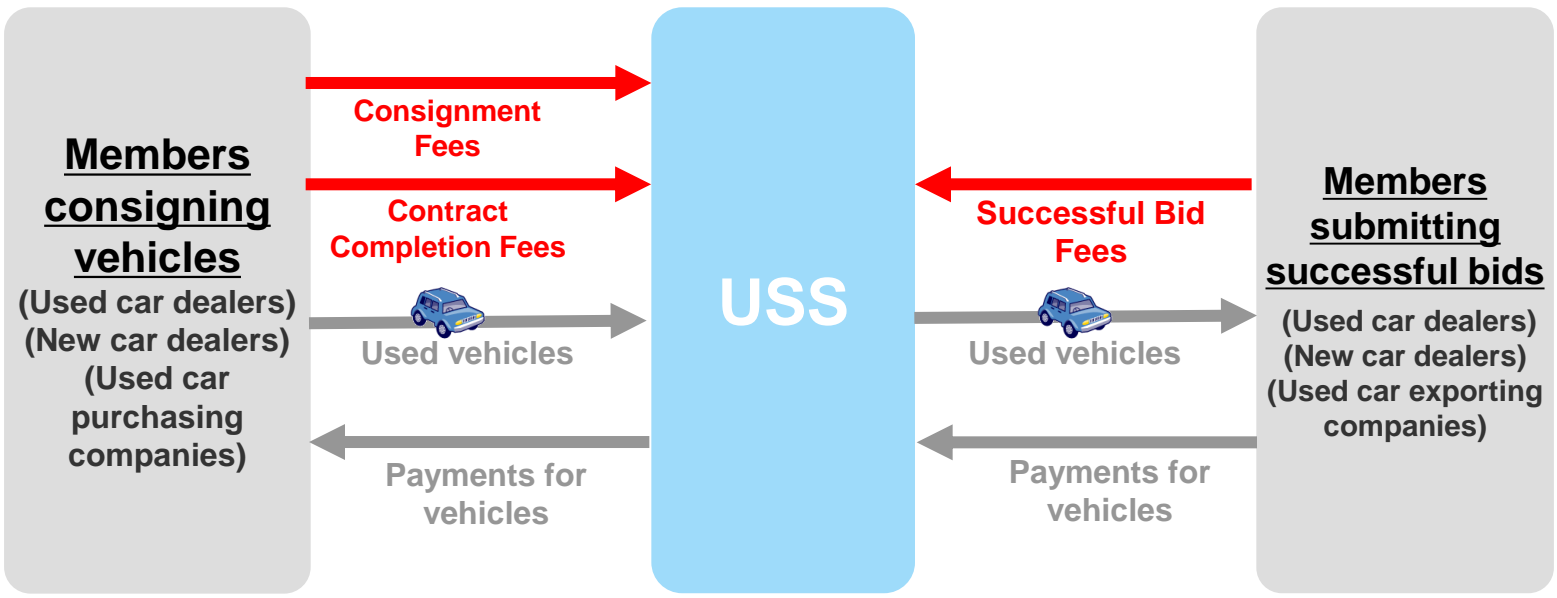
Operating income breakdown (1-3Q FY3/16)



*Sales are sales to external customers and operating income is based on business segment earnings.

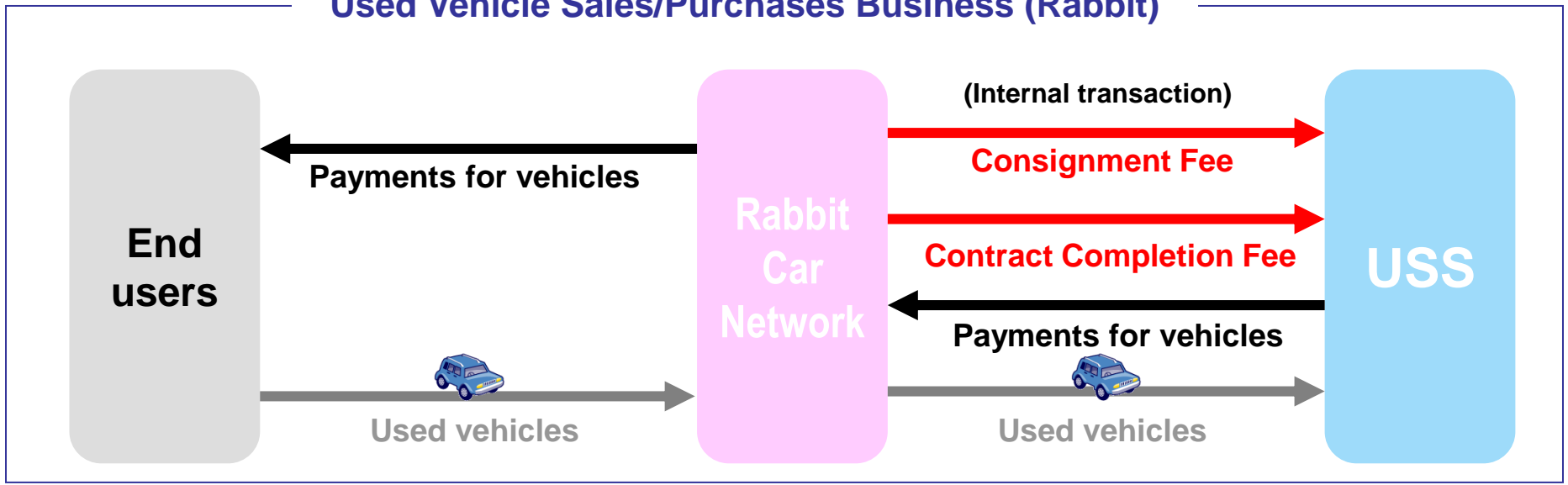
(4) Business Models for Auto Auction Business

Auto Auction Business

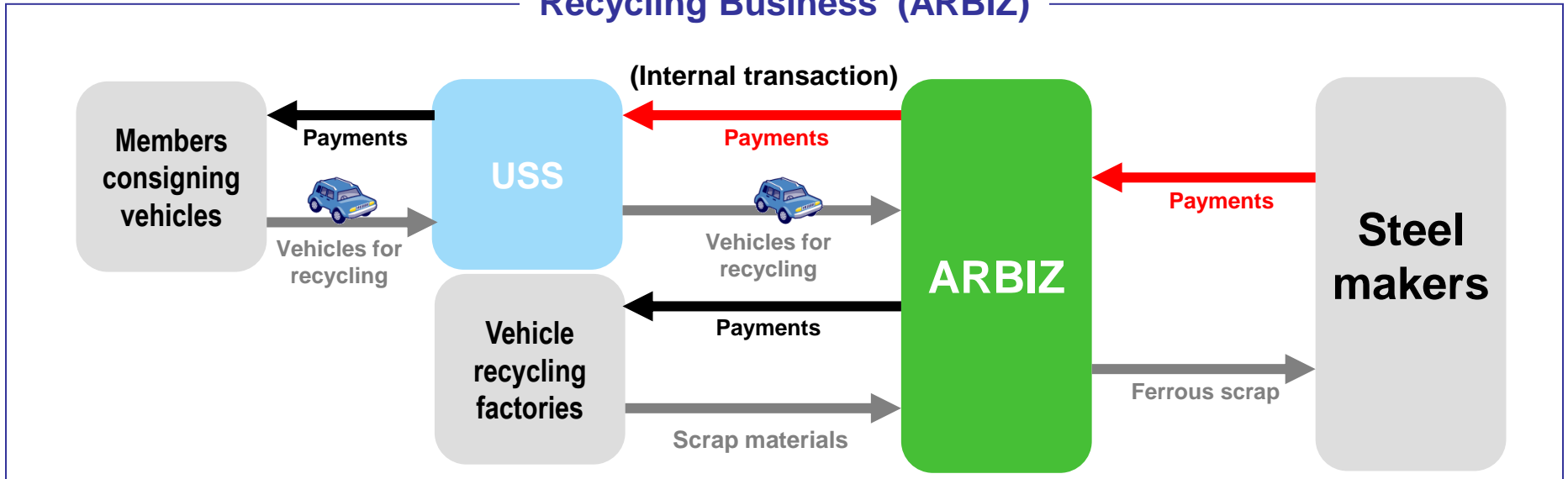


(5) Business Models for Used Vehicle Sales/Purchases Business and Recycling Business

Used Vehicle Sales/Purchases Business (Rabbit)



Recycling Business (ARBIZ)



Results of Operations

First Three Quarters

Fiscal Year Ending March 2016



- **Sales up 2.7% (YoY)**
 - Auto auction business sales up 4.4% (YoY)
 - Vehicles consigned up 1.3%, contracted vehicles up 2.3% (YoY)
 - Contract completion rate was 65.6% (64.9% one year earlier)
 - Off-site (Satellite TV and Internet) successful bid ratio was 49.0% (50.5% one year earlier)
 - Used vehicle purchasing and selling business sales increased 3.2% (YoY)
 - Recycling and others sales decreased 9.6% (YoY)

- **Operating income up 5.3% and ordinary income up 5.5% (YoY)**
 - Auto auction business operating income increased 6.2% (YoY)
 - Used vehicle purchasing and selling business increased 40.6% (YoY)
 - Recycling and others operating income decreased 61.9% (YoY)
 - Auto auction business depreciation expenses, taxes and dues and expenses for supplies decreased but cost of goods sold increased
 - Operating margin improved from 49.1% to 50.3% (YoY)

- **Maintained a high equity ratio of 88.0%**

FY3/2016 First Three Quarters– Consolidated Income Statement

Record-high operating, ordinary and profit attributable to owners of parent for the fifth consecutive year

(Million yen)

	1-3Q FY3/14	1-3Q FY3/15	1-3Q FY3/16	Year on year
Net Sales	49,249	49,013	50,361	102.7%
Cost of sales (Per sales)	19,195 (39.0%)	18,803 (38.4%)	19,110 (37.9%)	101.6%
Gross profit (Per sales)	30,053 (61.0%)	30,210 (61.6%)	31,251 (62.1%)	103.4%
Selling, general and administrative expenses (Per sales)	6,597 (13.4%)	6,155 (12.6%)	5,927 (11.8%)	96.3%
Operating income (Per sales)	23,455 (47.6%)	24,055 (49.1%)	25,323 (50.3%)	105.3%
Ordinary income (Per sales)	23,889 (48.5%)	24,518 (50.0%)	25,878 (51.4%)	105.5%
Profit attributable to owners of parent (Per sales)	14,345 (29.1%)	15,759 (32.2%)	16,485 (32.7%)	104.6%
Profit per share (yen)	55.53	60.97	63.74	104.5%

*Figures for 1-3Q FY3/14 are retroactively adjusted to reflect changes in accounting methods.

Net sales

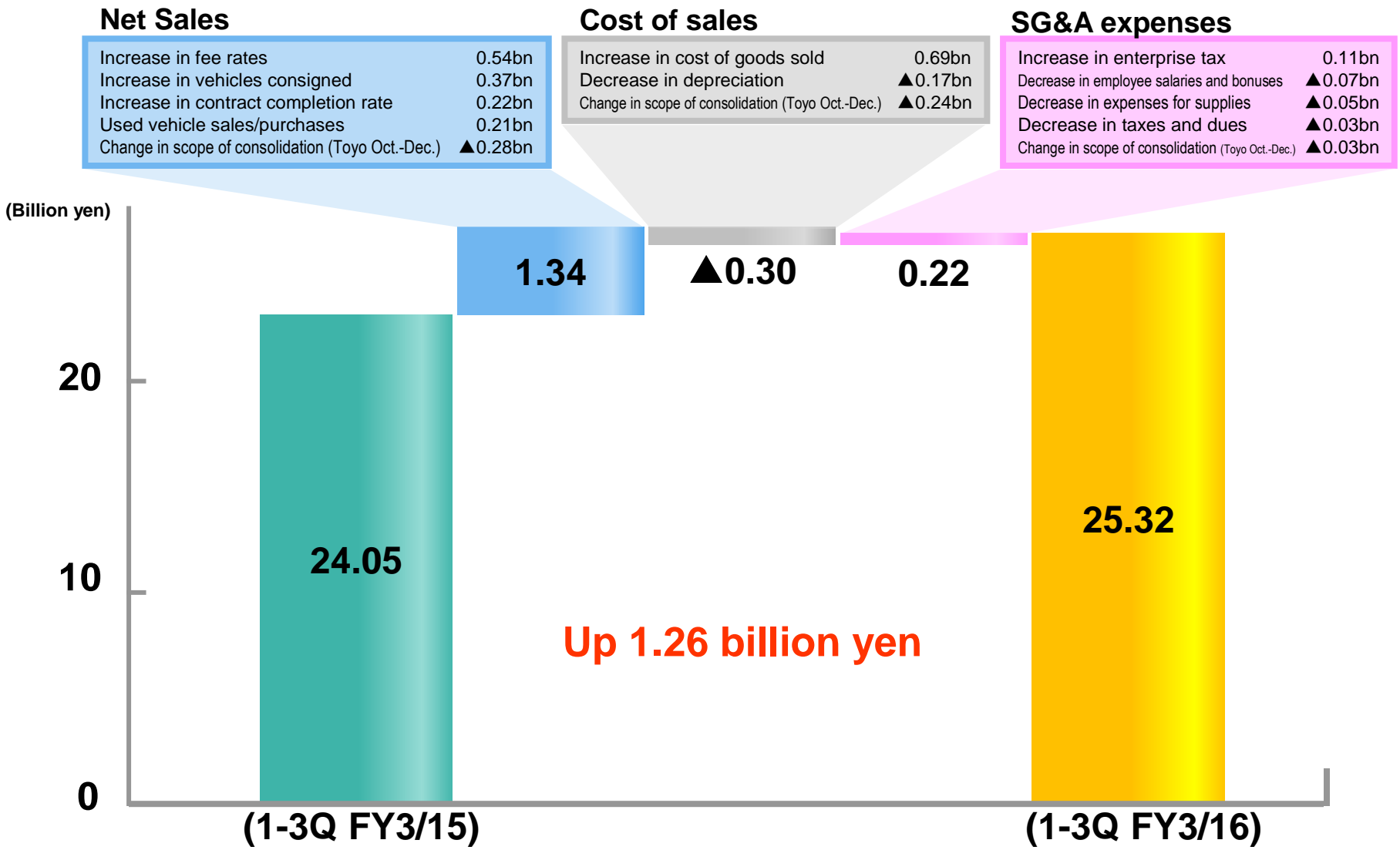
- Fee income in the auto auction business increased, as the number of consigned vehicles rose and fee rates improved
- In the used vehicle purchasing and selling business (Rabbit), higher selling prices was the main reasons for sales growth

Cost of sales • Cost of goods sold increased

SG&A expenses

- Increased in enterprise tax
- Decreased in employee salaries and bonuses, expenses for supplies, taxes and dues, and other items

Reasons for change in operating income



FY3/2016 First Three Quarters – Consolidated Balance Sheet

Outstanding financial soundness even as substantial earnings distributions to shareholders continue

(Million yen)

	FY3/15	1-3Q FY3/16	Changes
Current assets	73,334	65,875	▲7,459
Cash and deposits	49,862	48,243	▲1,619
Receivables due from member dealers at auction	7,885	3,069	▲4,815
Other	15,586	14,562	▲1,024
Noncurrent assets	100,771	103,934	3,162
Property, plant and equipment	91,388	94,238	2,850
Intangible assets	1,137	1,528	391
Investments and other assets	8,245	8,167	▲78
Total assets	174,106	169,809	▲4,296
Current liabilities	23,910	13,513	▲10,396
Payables due to member dealers at auction	9,753	5,835	▲3,917
Other	14,157	7,678	▲6,479
Noncurrent liabilities	6,156	5,847	▲309
Long-term loans payable	300	196	▲104
Other	5,855	5,650	▲204
Total liabilities	30,067	19,361	▲10,706
Shareholders' equity	148,654	154,959	6,305
Accumulated other comprehensive income	▲5,555	▲5,551	4
Subscription rights to shares	273	307	33
Non-controlling interests	666	733	66
Total net assets	144,039	150,448	6,409

Current assets

- Auction receivables decreased 4.81 billion yen due to the timing of auctions held at the end of the quarter.
- “Others” declined by 1.02 billion yen due to the sale of Toyo Rubber Chips Co., Ltd. and other factors. (Sale of Toyo Rubber Chips accounted for -970 million yen of the total)

Noncurrent assets

- Property, plant and equipment increased 2.85 billion yen in part due to a payment for some of the cost of a multi-level parking structure at the Nagoya Auction Site. (Sale of Toyo Rubber Chips accounted for -1.32 billion yen of the total)

Current liabilities

- Current liabilities decreased 10.39 billion yen mainly because of decreases in auction payables and income taxes payable. (Sale of Toyo Rubber Chips accounted for -320 million yen of the total)

FY3/2016 First Three Quarters – Consolidated Cash Flows

(Million yen)

	1-3Q FY3/15	1-3Q FY3/16	Changes
Net cash provided by operating activities	11,062	13,961	2,899
Income before income taxes	24,722	25,182	460
Depreciation and other amortization	2,663	2,445	▲217
Amortization of goodwill	5	-	▲5
Loss (▲gain) on sale and retirement of property, plant and equipment	66	91	24
Loss (▲gain) on sales and retirement of intangible assets	35	0	▲35
Loss (▲gain) on sales of shares of subsidiaries	-	641	641
Net change in due from/to member dealers at auction	▲2,029	975	3,005
Income taxes paid	▲13,441	▲11,910	1,531
Other	▲960	▲3,464	▲2,504
Net cash provided by investing activities	▲15,245	▲8,451	6,794
Purchase of property, plant and equipment	▲1,798	▲5,798	▲4,000
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	-	630	630
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	▲117	▲117
Other	▲13,446	▲3,165	10,281
Net cash provided by financing activities	▲9,637	▲10,303	▲666
Net increase (▲decrease) in loans payable	▲192	▲129	63
Purchases of treasury stock	▲0	-	0
Cash dividends paid	▲9,656	▲10,266	▲609
Other	211	92	▲119
Net increase (▲decrease) in cash and cash equivalents	▲13,820	▲4,792	9,027
Cash and cash equivalents at beginning of period	34,618	29,462	▲5,155
Cash and cash equivalents at end of period	20,798	24,670	3,871

Operating activities

- Income before income taxes: 25.18 billion yen
- Income taxes paid: 11.91 billion yen
- Other expenditures of 3.46 billion yen, including an increase in consumption taxes paid

Investing activities

- Purchase of property, plant and equipment of 5.79 billion yen includes a payment for some of the cost of a multi-level parking structure at the Nagoya Auction Site
- Other is mainly 3.16 billion yen used in fixed deposits and negotiable deposits

Financing activities

- Cash dividends paid: 10.26 billion yen

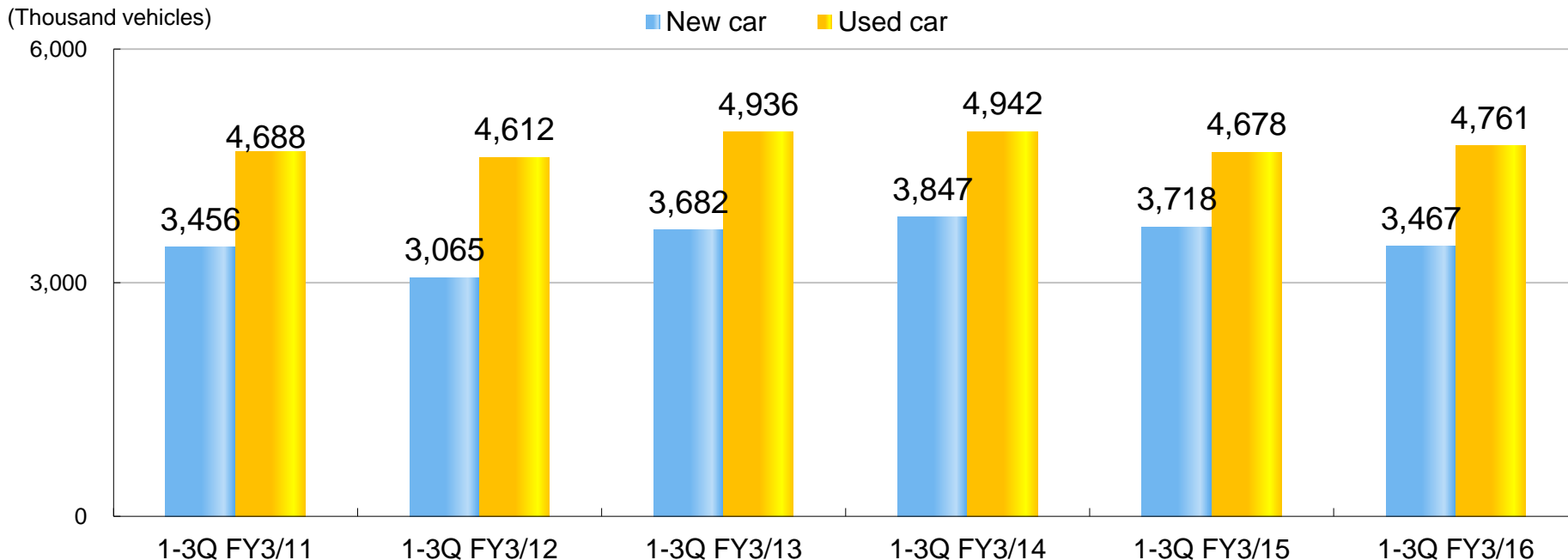
Market Overview

First Three Quarters

Fiscal Year Ending March 2016



(1) New/Used Car Registrations in Japan (April to December)



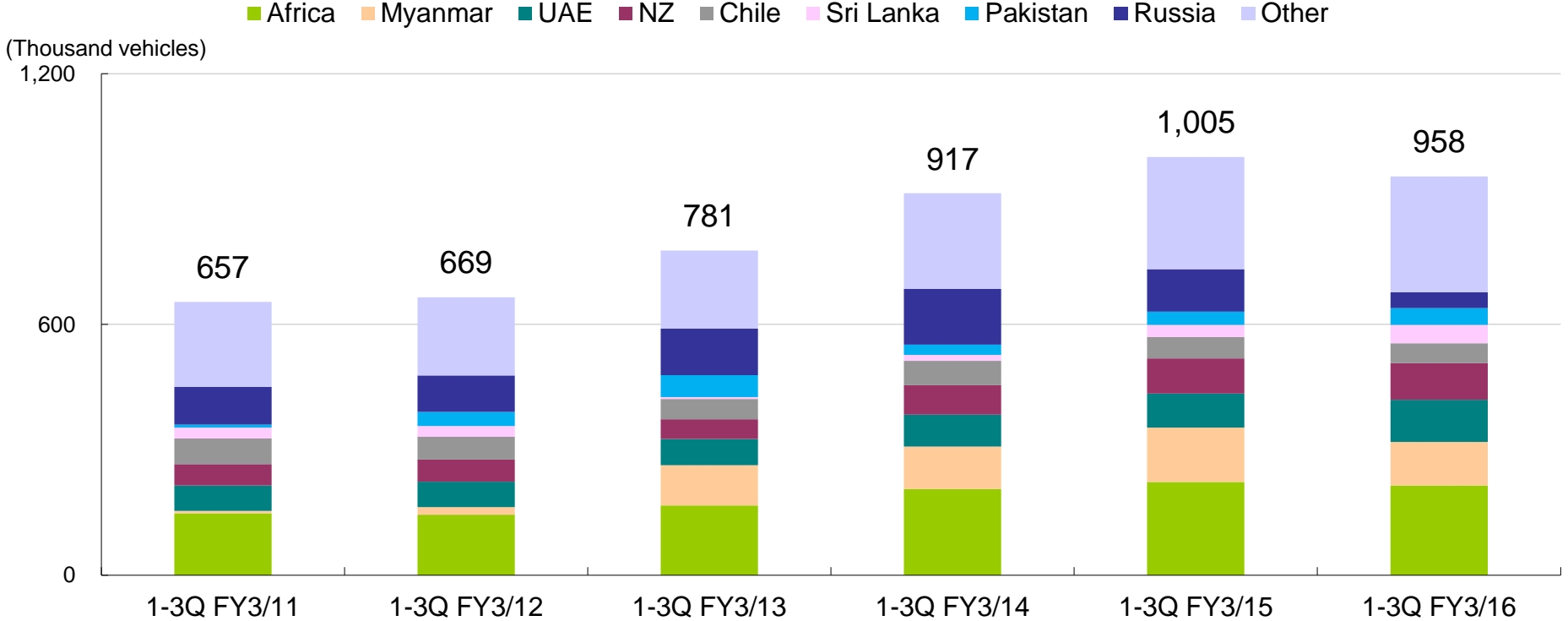
New car registrations in 1-3Q FY3/16 decreased 6.7% to 3.46 million units from one year earlier

- Ordinary car registrations were up slightly but mini car registrations fell sharply because of a mini car tax increase in April 2015

Used car registrations in 1-3Q FY3/16 increased 1.8% to 4.76 million units from one year earlier

- Small increases for both ordinary cars and mini cars

(2) Used Car Exports (April to December)



Used car exports in 1-3Q FY3/16 decreased 4.6% to 958,000 units from one year earlier

- Major destination countries

Africa 215,000 (down 3.4%), Myanmar 104,000 (down 19.9%), UAE 101,000 (up 23.5%), NZ 88,000 (up 5.0%)

Exports to Russia fell 61.9% from one year earlier to 38,000 because of the change in the foreign exchange rate

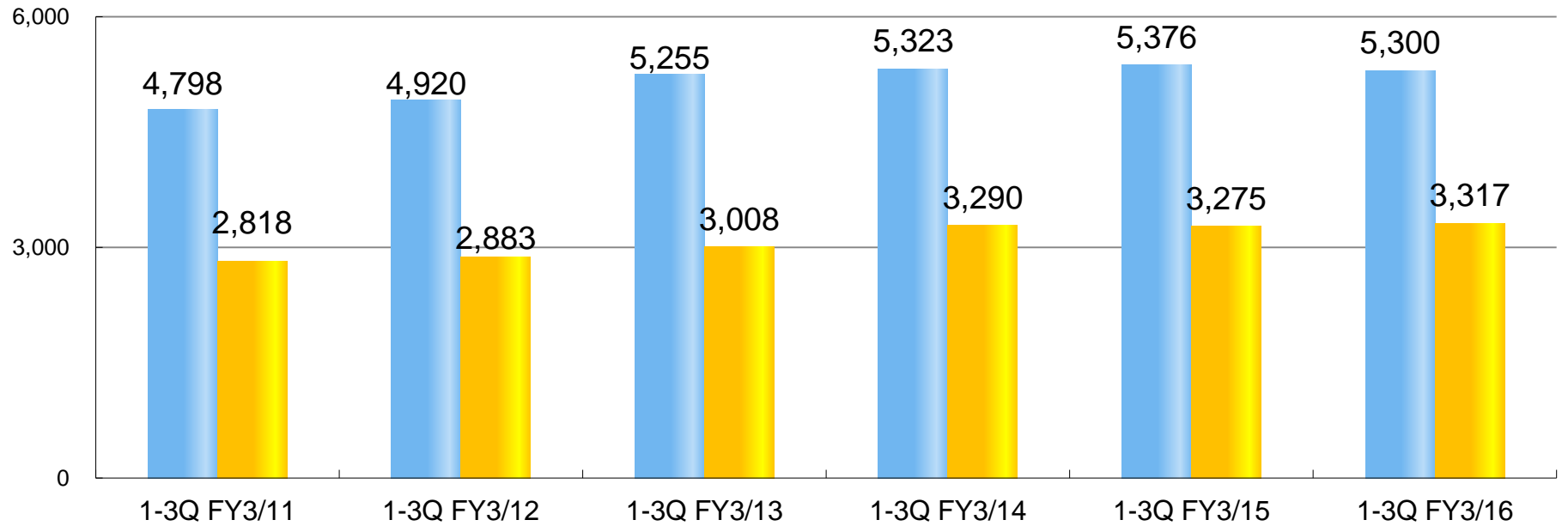
- Countries with large increases

Philippines 26,000 (up 21.7%), Bangladesh 23,000 (up 43.3%), Singapore 15,000 (up 261.9%), Trinidad and Tobago 15,000 (up 41.4%)

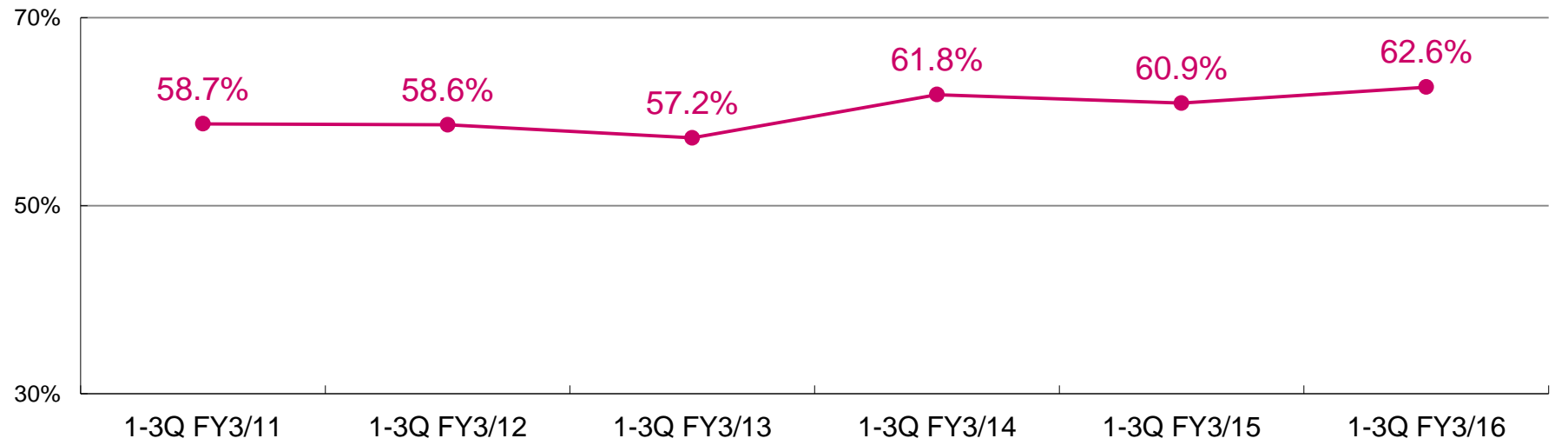
(3) Auto Auction Market (April to December)

(Thousand vehicles)

■ Vehicles consigned ■ Vehicles contracted



● Contract completion rate



Results of Operations

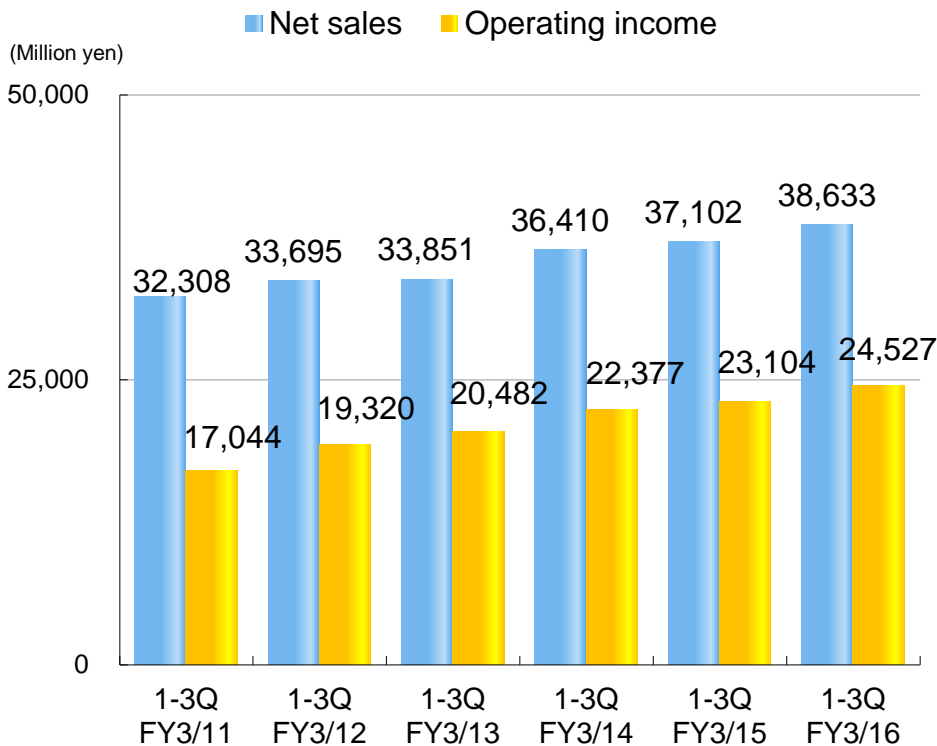
First Three Quarters

Fiscal Year Ending March 2016

(Segment Information)



Auto Auction Business (1) – Results of Operations (Apr. – Dec.)



	1-3Q FY3/15	1-3Q FY3/16	YoY
Net sales	37,102	38,633	104.1%
Operating income (Per sales)	23,104 (62.3%)	24,527 (63.5%)	106.2%

*Figures for 1-3Q FY3/14 are retroactively adjusted to reflect changes in accounting methods.

Net sales increased 4.1% to 38,633 million yen from one year earlier

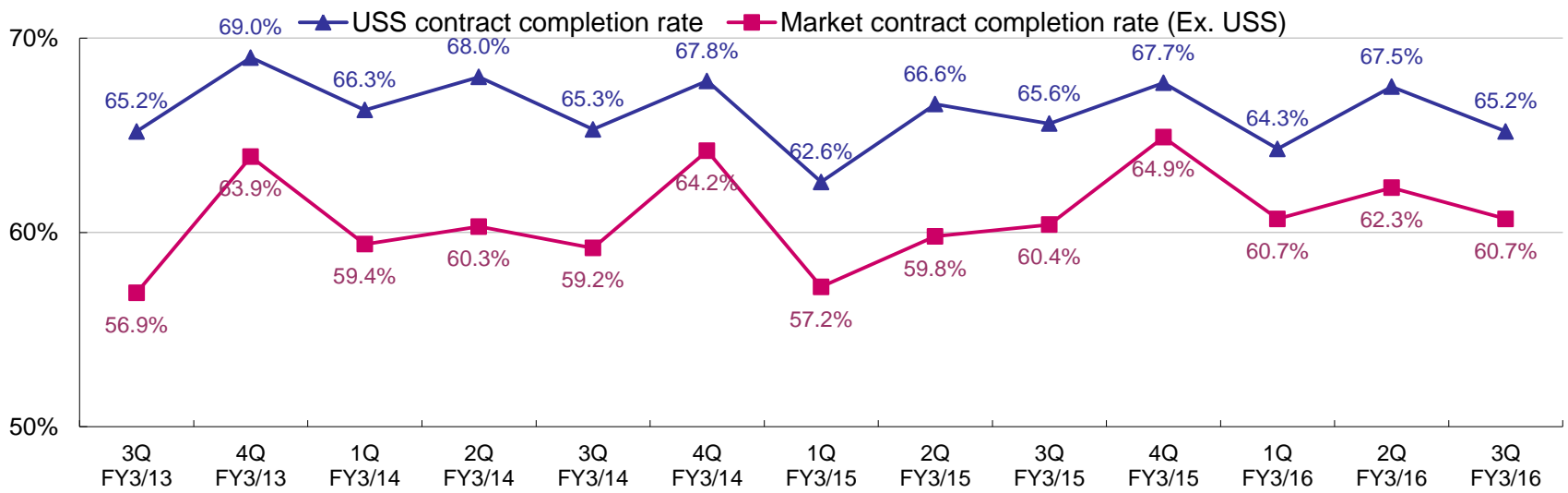
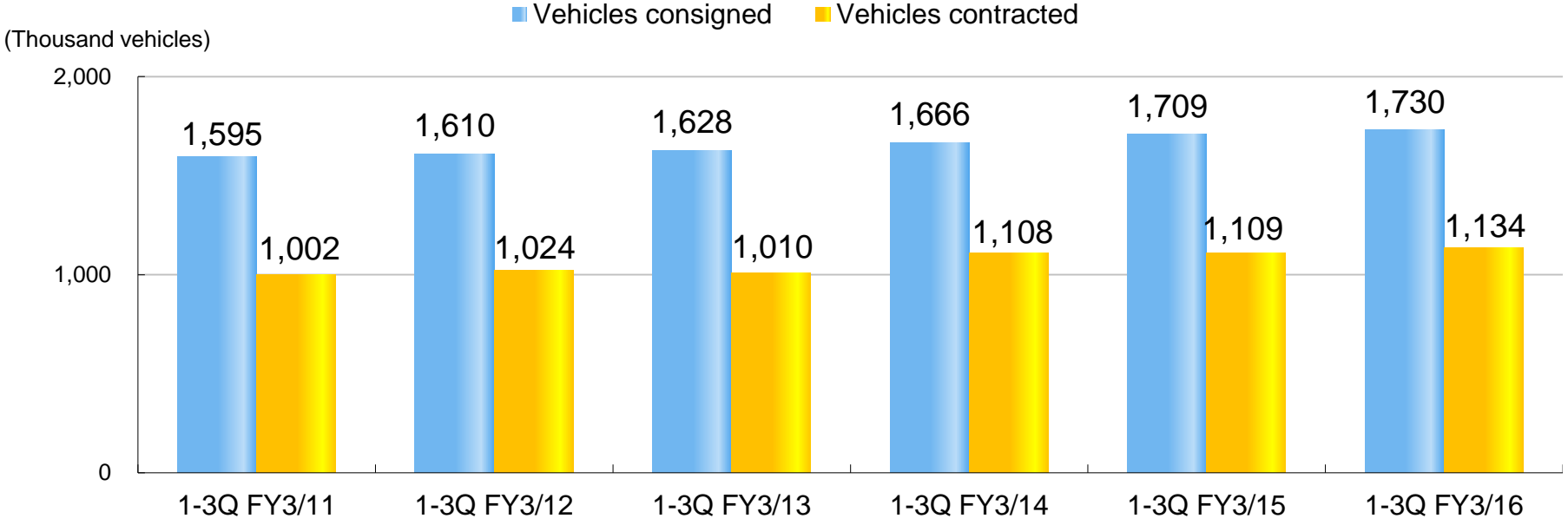
- Vehicles consigned up 1.3% to 1,730 thousand; contracted vehicles up 2.3% to 1,134 thousand; contract completion rate increased from 64.9% to 65.6%
- The off-site successful bid ratio was 49.0% (50.5% one year earlier)

Operating income increased 6.2% to 24,527 million yen from one year earlier

- Decrease in depreciation expenses, taxes and dues and expenses for supplies
- Increase in cost of goods sold

*The basis of aggregating successful bids received via satellite TV for calculating the off-site successful bid ratio is changed.

Auto Auction Business (2) – USS Group Performance (Apr. – Dec.)



Auto Auction Business (3) – Results by Sites

From April 1, 2015 to December 31, 2015

(Number of auctions held, Vehicles)

	Number of auctions		Number of consigned vehicles			Number of contract completions			Contract completion rate	
	1-3Q FY3/16	1-3Q FY3/15	1-3Q FY3/16	1-3Q FY3/15	Changes	1-3Q FY3/16	1-3Q FY3/15	Changes	1-3Q FY3/16	1-3Q FY3/15
Tokyo	37	37	483,232	473,562	2.0%	345,161	331,296	4.2%	71.4%	70.0%
Nagoya	38	37	333,183	316,035	5.4%	204,696	190,519	7.4%	61.4%	60.3%
Kyushu	38	37	142,352	139,892	1.8%	86,418	82,568	4.7%	60.7%	59.0%
Yokohama	37	38	136,799	138,707	▲1.4%	92,384	96,917	▲4.7%	67.5%	69.9%
Sapporo	37	37	104,216	105,957	▲1.6%	61,793	63,281	▲2.4%	59.3%	59.7%
R-Nagoya	36	36	88,642	82,219	7.8%	75,314	72,748	3.5%	85.0%	88.5%
Osaka	37	37	87,346	94,603	▲7.7%	53,832	58,618	▲8.2%	61.6%	62.0%
Shizuoka	37	37	53,128	60,214	▲11.8%	31,773	34,479	▲7.8%	59.8%	57.3%
Tohoku	38	37	49,842	52,856	▲5.7%	37,586	38,253	▲1.7%	75.4%	72.4%
Okayama	37	37	49,817	51,279	▲2.9%	32,930	31,442	4.7%	66.1%	61.3%
Gunma	37	37	48,104	45,985	4.6%	32,009	31,204	2.6%	66.5%	67.9%
Kobe	38	37	41,267	32,369	27.5%	22,878	18,749	22.0%	55.4%	57.9%
Saitama	37	37	36,783	38,648	▲4.8%	20,624	20,728	▲0.5%	56.1%	53.6%
Niigata	38	37	31,955	29,772	7.3%	15,545	14,790	5.1%	48.6%	49.7%
Fukuoka	37	37	30,628	32,449	▲5.6%	13,306	13,666	▲2.6%	43.4%	42.1%
Hokuriku	37	37	13,220	14,571	▲9.3%	8,301	9,772	▲15.1%	62.8%	67.1%
Total	596	592	1,730,514	1,709,118	1.3%	1,134,550	1,109,030	2.3%	65.6%	64.9%

Auto Auction Business (4) – Monthly USS Group Auto Auction Results (Fiscal Year)

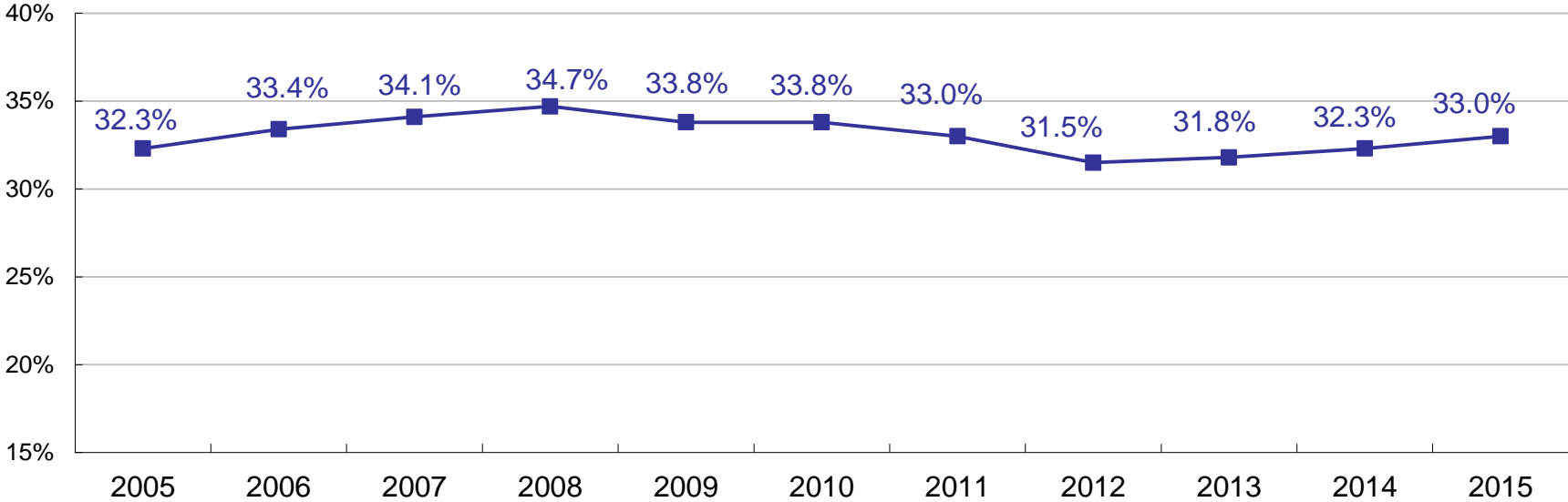
(Vehicles, %)

		Apr.	May	Jun.	Jul.	Aug.	Sep.	First Half	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Second Half	Fiscal Year
No. of Consigned Vehicles	FY3/14	210,673	169,208	177,966	178,045	161,830	183,512	1,081,234	211,744	207,958	165,509	177,304	201,844	259,596	1,223,955	2,305,189
	YoY Change	▲6.9	▲3.6	▲8.8	▲0.7	3.5	▲2.0	▲3.4	15.5	12.5	17.9	21.4	13.2	4.9	13.3	4.8
	FY3/15	225,022	181,292	177,858	193,656	157,114	191,153	1,126,095	220,851	195,116	167,056	177,089	206,068	260,866	1,227,046	2,353,141
	YoY Change	6.8	7.1	▲0.1	8.8	▲2.9	4.2	4.1	4.3	▲6.2	0.9	▲0.1	2.1	0.5	0.3	2.1
	FY3/16	240,027	180,560	188,060	198,744	143,557	196,546	1,147,494	221,602	188,116	173,302	179,967			762,987	1,910,481
	YoY Change	6.7	▲0.4	5.7	2.6	▲8.6	2.8	1.9	0.3	▲3.6	3.7	1.6			-	-
No. of Contracted Vehicles	FY3/14	132,619	116,364	120,690	121,819	109,824	124,352	725,668	139,285	134,837	108,286	122,646	139,446	170,839	815,339	1,541,007
	YoY Change	7.5	11.7	3.0	8.1	10.2	2.3	6.9	17.2	11.2	18.1	18.9	8.3	4.9	12.2	9.7
	FY3/15	134,692	115,560	115,299	125,786	104,082	130,918	726,337	146,176	127,786	108,731	121,659	142,503	172,041	818,896	1,545,233
	YoY Change	1.6	▲0.7	▲4.5	3.3	▲5.2	5.3	0.1	4.9	▲5.2	0.4	▲0.8	2.2	0.7	0.4	0.3
	FY3/16	146,183	116,850	128,131	134,479	99,117	129,929	754,689	146,362	122,078	111,421	118,004			497,865	1,252,554
	YoY Change	8.5	1.1	11.1	6.9	▲4.8	▲0.8	3.9	0.1	▲4.5	2.5	▲3.0			-	-
Contract Completion Rate	FY3/14	63.0	68.8	67.8	68.4	67.9	67.8	67.1	65.8	64.8	65.4	69.2	69.1	65.8	66.6	66.8
	FY3/15	59.9	63.7	64.8	65.0	66.2	68.5	64.5	66.2	65.5	65.1	68.7	69.2	65.9	66.7	65.7
	FY3/16	60.9	64.7	68.1	67.7	69.0	66.1	65.8	66.0	64.9	64.3	65.6			-	-

*In February 2014, one auction at the Gunma Auction Site was canceled because of heavy snow in February 2014.

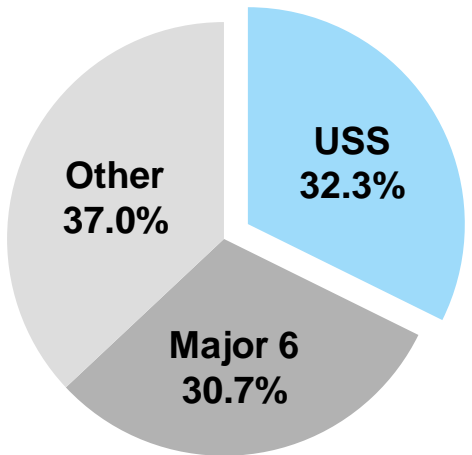
Auto Auction Business (5) – Market Share (January to December)

USS Market Share



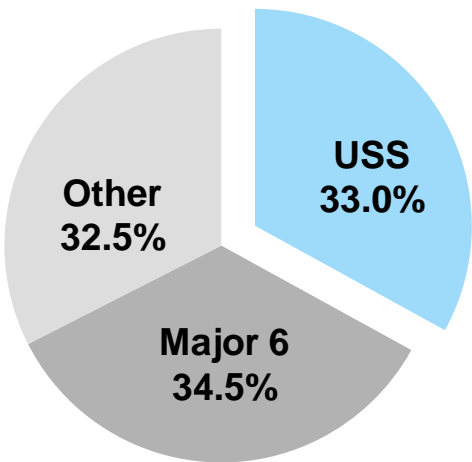
2005(CY) Market Share

- *Major 6
- JAA (8.9%)
- TAA (7.1%)
- CAA (5.8%)
- Arai AA (4.5%)
- KCAA (2.4%)
- JU Gifu (2.0%)

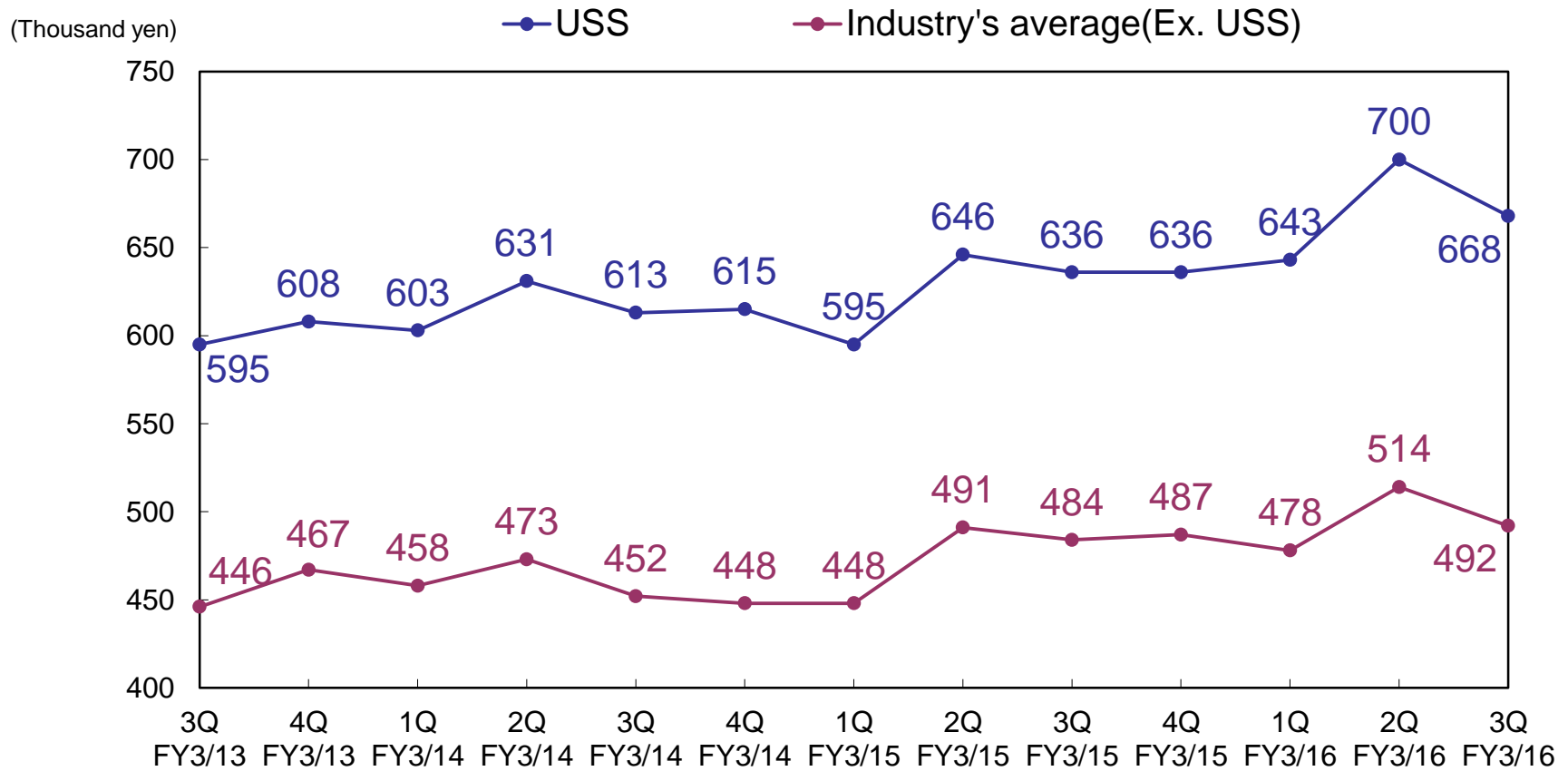


2015(CY) Market Share

- *Major 6
- TAA (9.9%)
- JAA (8.5%)
- CAA (5.3%)
- Arai AA (4.8%)
- KCAA (3.1%)
- JU Gifu (2.9%)

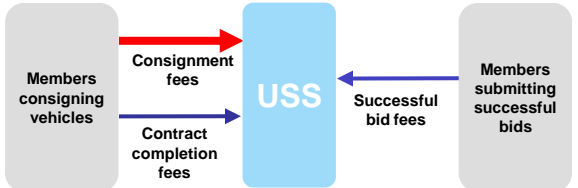


Average Price of Vehicles Contracted

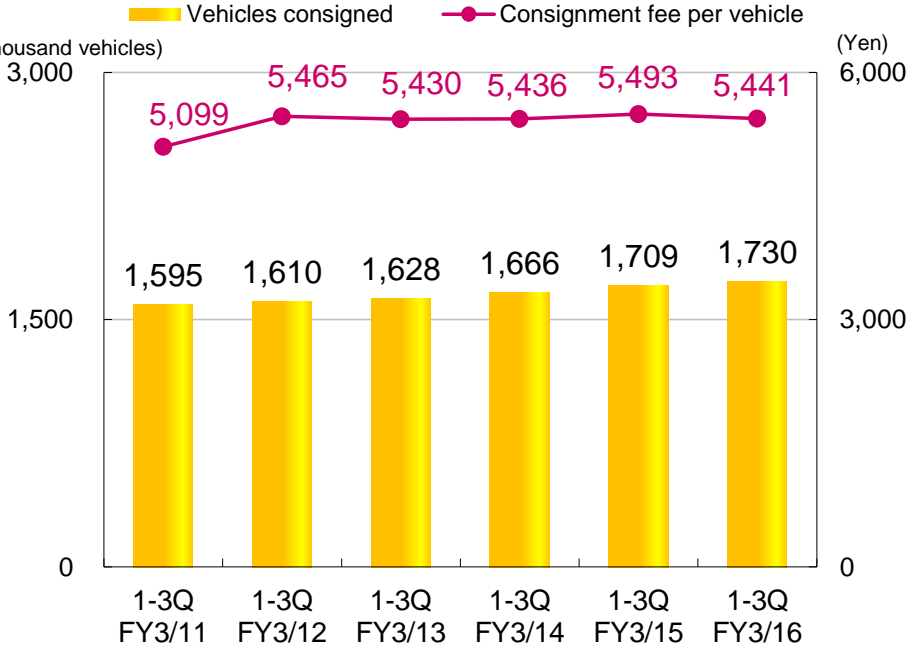
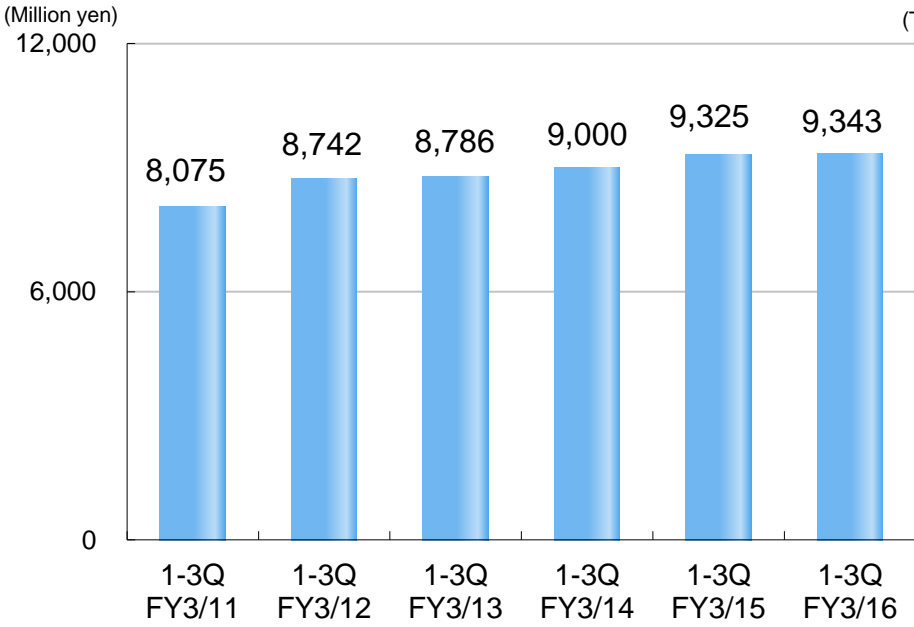


Note:
 The average price per vehicle contracted is presented only for the purpose of comparison between the average price per vehicle contracted at USS and the industry average. Consignment, contract completion and successful bid fees for auto auctions in Japan are the same (fixed fees) for each category regardless of the purchase price. Therefore, the purchase price does not affect fees. See page 6 for more information about the auto auction business model.

Auto Auction Business (7) – Vehicles Consigned and Consignment Fees



Total of Consignment Fees

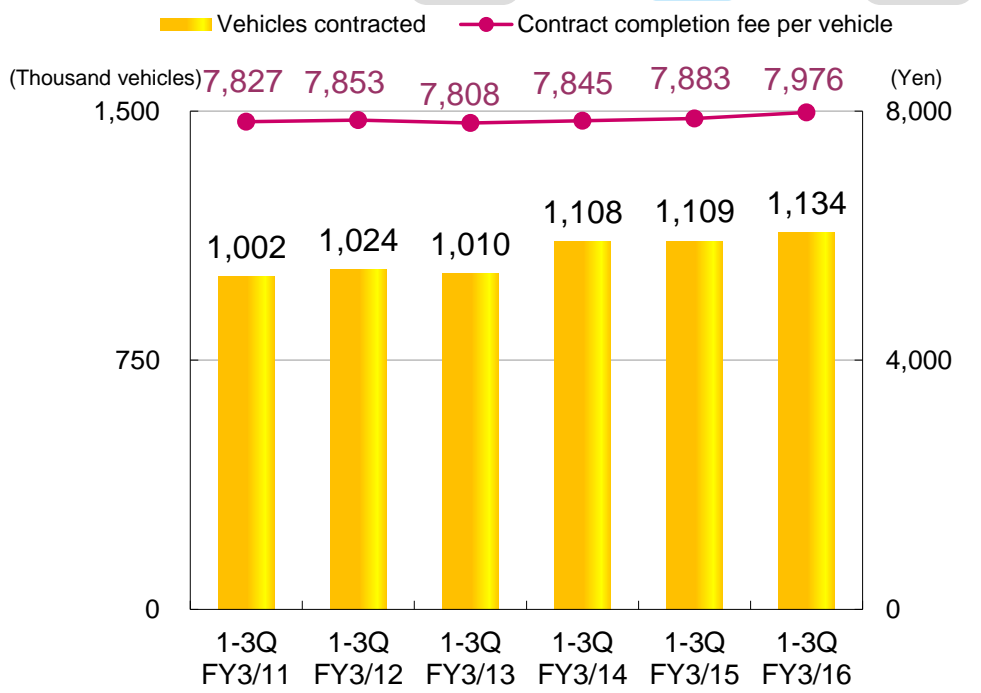
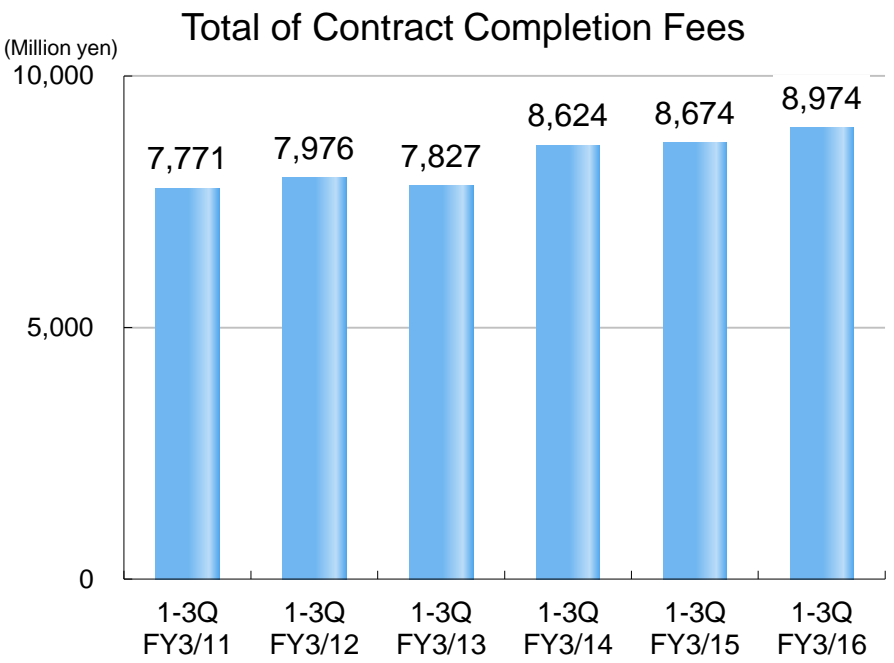
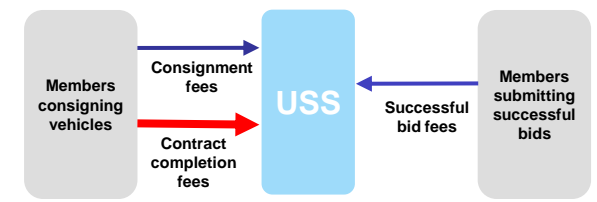


*Consignment fee per vehicle is calculated before eliminations for consolidation.

Consignment fee per vehicle decreased by 52 yen to 5,441 yen from one year earlier

- Increased share of vehicle consignment of major members who pay lower consignment fees (negative effect)
- Consignment fees were reduced at certain sections in Shizuoka, Osaka, Okayama and some other Auction sites (negative effect)

Auto Auction Business (8) – Vehicles Contracted and Contract Completion Fees

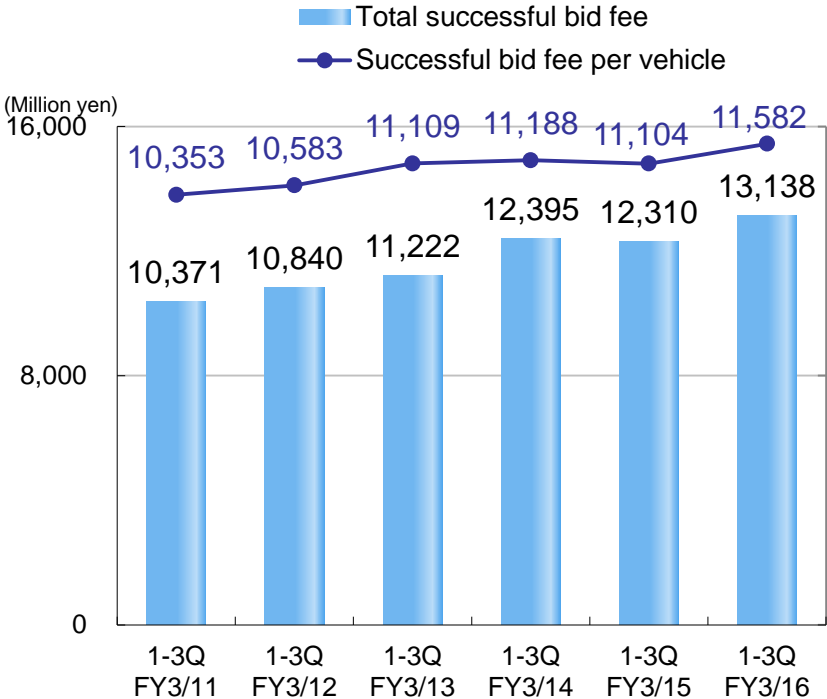
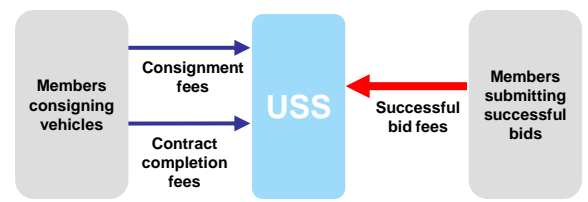


*Contract completion fee per vehicle is calculated before eliminations for consolidation.

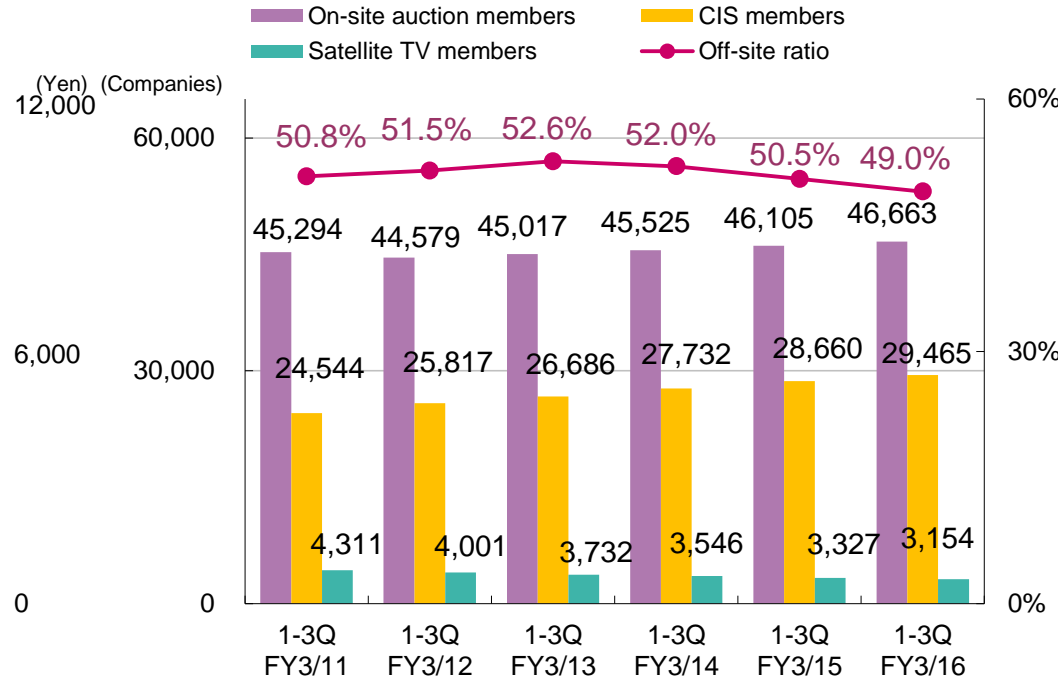
Contract completion fee per vehicle increased by 93 yen to 7,976 yen from one year earlier

- Contract completion fees were raised at certain sections in Tokyo, Okayama, Yokohama and some other auction sites (positive effect)
- Increased share of vehicle contracted of major members who pay lower contract completion fees (negative effect)

Auto Auction Business (9) – Successful Bid Fees and Off-site Successful Bid Ratio



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



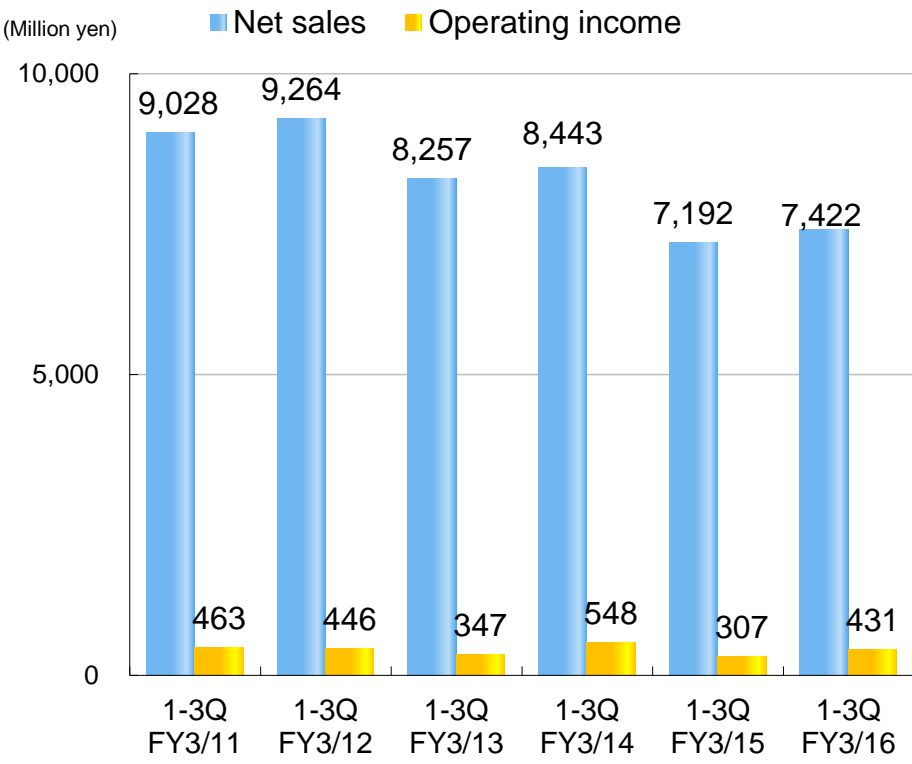
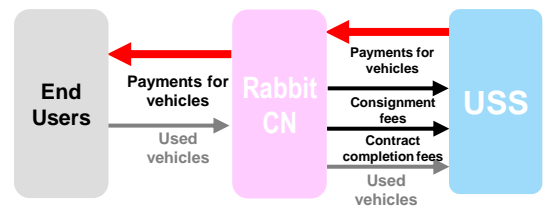
*Starting in 1-3Q FY3/13, the number of on-site auction members does not include sleeping members (members that have not been active for extended periods).

*The basis of aggregating successful bids received via satellite TV for calculating the off-site successful bid ratio is changed effective from the fiscal year ending March 2016. Prior year data has been retroactively adjusted to reflect the revised method of aggregation.

Successful bid fee per vehicle increased by 478 yen to 11,582 yen from one year earlier

- Increased the off-site successful bid fee and negotiated purchase fee in July 2015 (Off-site successful bid fee was raised from 11,000 yen to 12,000 yen for satellite TV and from 16,000 yen to 17,000 yen for the Internet)
- The off-site successful bid ratio was 49.0% (50.5% one year earlier)

Used Vehicle Purchasing and Selling Business – Results of Operations (Apr. – Dec.)



	1-3Q FY3/15	1-3Q FY3/16	YoY
Net sales	7,192	7,422	103.2%
Operating income (Per sales)	307 (4.3%)	431 (5.8%)	140.6%

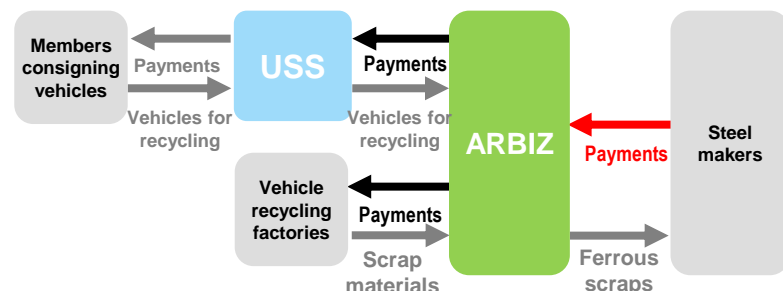
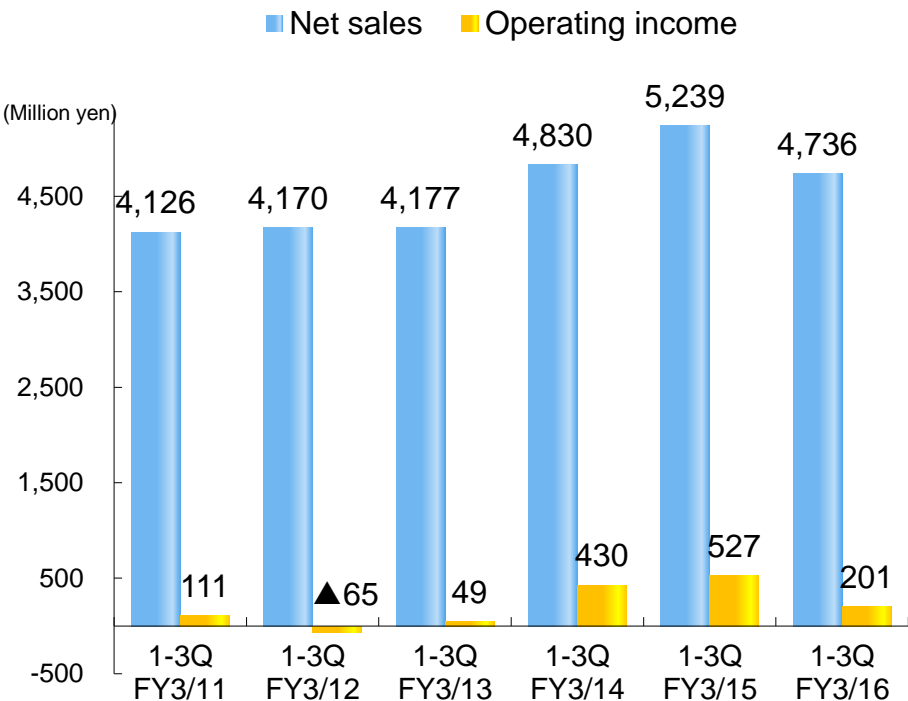
Rabbit sales increased 4.6% to 4,965 million yen and operating income increased 47.0% to 366 million yen

- Net sales and income increased as gross profit per vehicles rose amid in a strong auto auction market.

Sales of accident-damaged vehicles increased 0.5% to 2,457 million yen and operating income increased 13.1% to 65 million yen

- Net sales and income increased as operating expenses including personnel and other expenses, declined while the average price of vehicles sold rose.

Other Business (Recycling Business) – Results of Operations (Apr. – Dec.)



	(Million yen)		
	1-3Q FY3/15	1-3Q FY3/16	YoY
Net sales	5,239	4,736	90.4%
Operating income (Per sales)	527 (10.1%)	201 (4.2%)	38.1%

ARBIZ sales decreased 5.6% to 3,619 million yen and operating income decreased 63.5% to 137 million yen

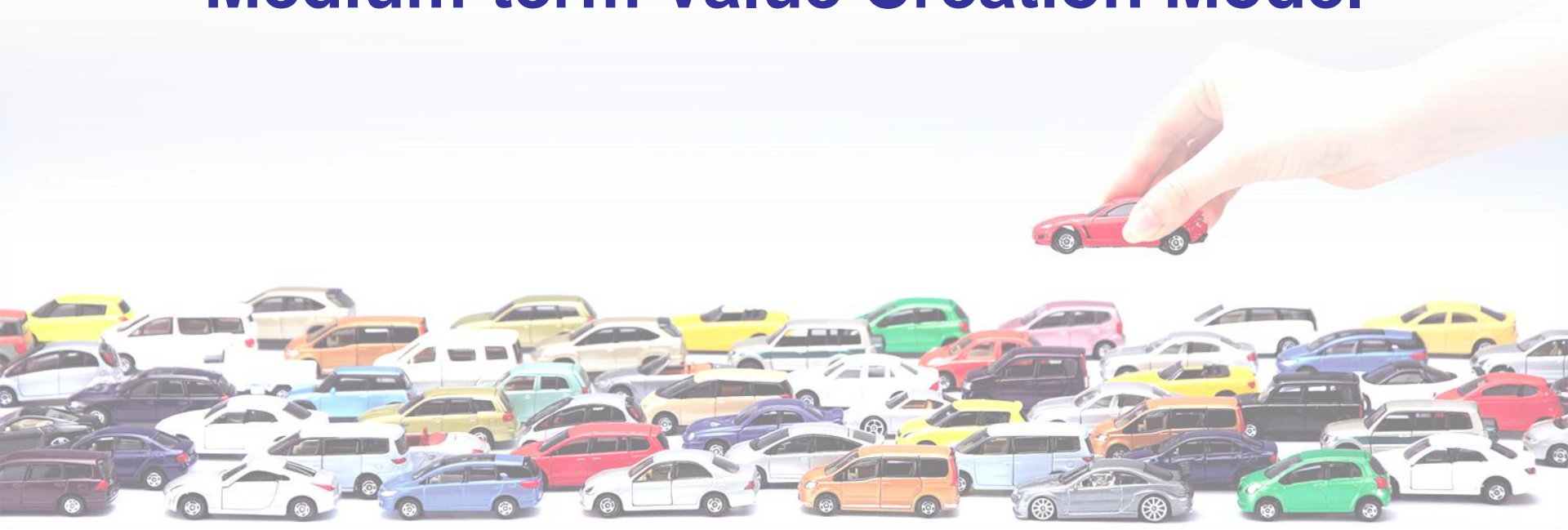
- Net sales and income declined, driven down by sluggish scrap-steel market and a sharp downturn in the non-ferrous metals market

USS Logistics International Service sales decreased 10.8% to 414 million yen and operating income decreased 38.0% to 53 million yen

- Decline in the number of vehicles handled brought down sales and earnings

The scrap rubber recycling business is excluded from the scope of consolidation from October 2015, and was sold on December 1, 2015. Net sales: 636 million yen (up 7.3% YoY), Operating loss 18 million yen (41 million yen of operating income in the same period a year earlier)

Forecast for FY3/2016 Earnings Distributions Medium-term Value Creation Model



FY3/2016 – Consolidated Forecast

(Million yen)

	FY3/2015 Actual	FY3/2016 Initial plan (May 13, 2015)	Change	FY3/2016 Revised Plan (Nov. 9, 2015)	Revised Plan vs FY3/2015
Net Sales	67,466	71,200	▲1,200	70,000	103.8%
Cost of sales (Per sales)	25,774 (38.2%)	27,315 (38.4%)	▲1,026	26,289 (37.6%)	102.0%
Gross profit (Per sales)	41,691 (61.8%)	43,884 (61.6%)	▲173	43,710 (62.4%)	104.8%
Selling, general and administrative expenses (Per sales)	8,279 (12.3%)	8,884 (12.5%)	▲373	8,510 (12.2%)	102.8%
Operating income (Per sales)	33,411 (49.5%)	35,000 (49.2%)	200	35,200 (50.3%)	105.4%
Ordinary income (Per sales)	34,027 (50.4%)	35,600 (50.0%)	300	35,900 (51.3%)	105.5%
Profit attributable to owners of parent (Per sales)	21,661 (32.1%)	23,400 (32.9%)	—	23,400 (33.4%)	108.0%
Profit per share (yen)	83.79	90.49	—	90.47	108.0%

Plan for auction volume in FY3/16

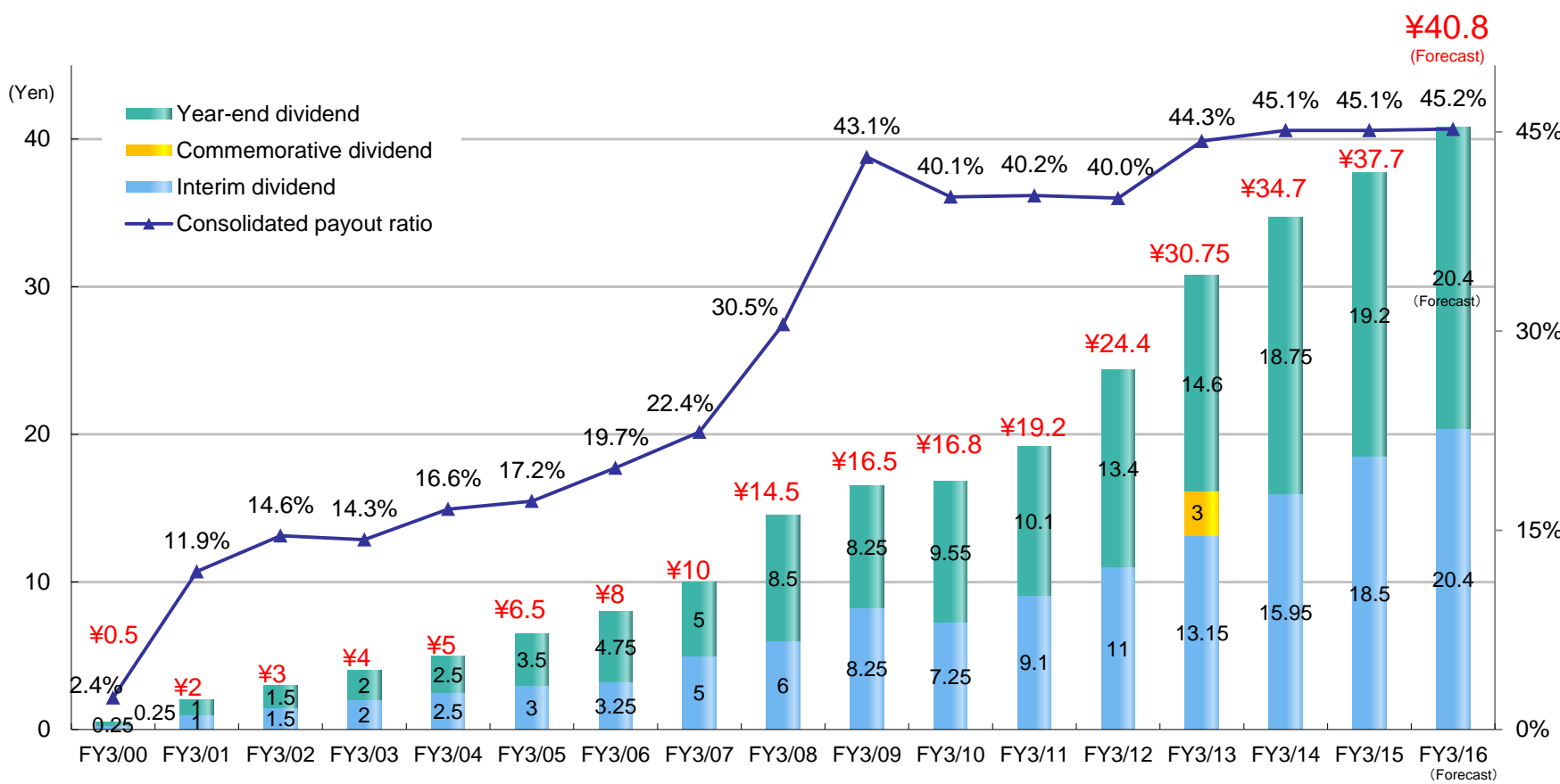
	Number of consigned vehicles FY3/2016	YoY	Number of contract completions FY3/2016	YoY	Contract completion rate	
					FY3/2016	FY3/2015
Initial plan (Announced May 13, 2015)	2.510 million unit	106.7%	1.556 million unit	100.7%	62.0%	65.7%
Revised	▲0.058 million unit	▲2.5%	0.006 million unit	+0.4%	+1.7%	—
Revised Plan (Announced Nov. 9, 2015)	2.452 million unit	104.2%	1.562 million unit	101.1%	63.7%	65.7%

Earnings Distributions (1) – Dividend Policy

Basic dividend policy is a consolidated payout ratio of **at least 45%**

Plan to pay **40.8 yen** dividend per share for FY3/16 (up 3.1 yen)

Planning on the **16th consecutive dividend increase** since USS shares were listed



*Dividend per share is retroactively adjusted to the number of shares outstanding as of the effective date (October 1, 2013) of the stock split.

Earnings Distributions (2) – Stock Repurchases and Total Earnings Distribution Ratio

(Million yen)

	FY3/00	FY3/01	FY3/02	FY3/03	FY3/04	FY3/05	FY3/06	FY3/07
Profit attributable to owners of parent	3,543	4,493	5,489	7,645	8,907	11,814	13,203	14,390
Dividend Paid	88	532	802	1,095	1,529	2,049	2,589	3,204
Stock Repurchased	42	-	0	5	2	2	1,757	4,525
Total amount returned to shareholders	130	532	802	1,100	1,532	2,051	4,346	7,730
Total Earnings Distribution Ratio	3.6%	11.9%	14.6%	14.4%	16.7%	17.2%	33.0%	53.8%

	FY3/08	FY3/09	FY3/10	FY3/11	FY3/12	FY3/13	FY3/14	FY3/15
Profit attributable to owners of parent	15,200	12,003	12,717	13,971	17,054	18,346	19,966	21,661
Dividend Paid	4,641	5,126	5,059	5,601	6,736	7,968	8,995	9,773
Stock Repurchased	0	8,940	4,671	4,950	10,815	12,309	0	0
Total amount returned to shareholders	4,641	14,066	9,731	10,552	17,551	20,278	8,995	9,773
Total Earnings Distribution Ratio	30.5%	117.6%	76.8%	75.6%	103.5%	111.4%	45.1%	45.1%

*Stock repurchased does not include purchases by the trust for the USS employee stock ownership plan trust.

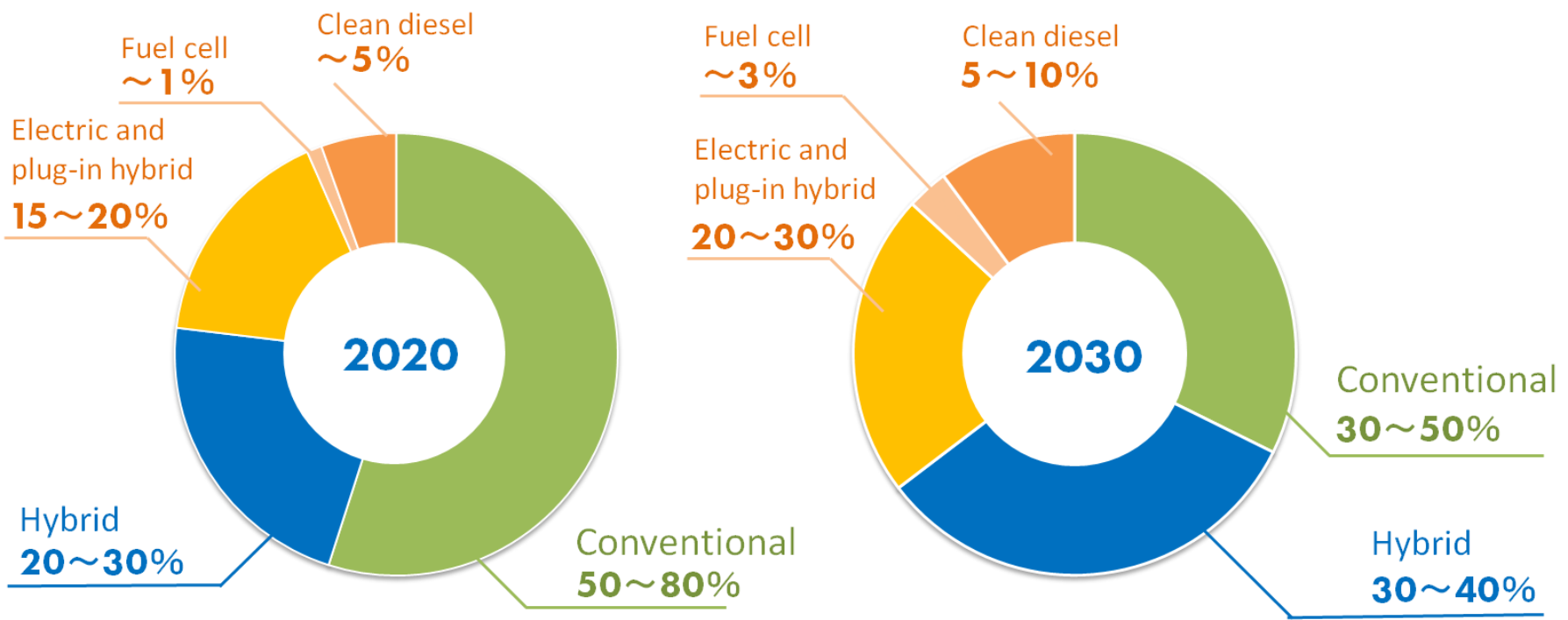
*Figures for the fiscal year ended March 2014 are retroactively adjusted to reflect changes in accounting methods.

Medium-term Management Policy and Value Creation Model

Aiming for growth by handling more next-generation automobiles

There is no doubt that sales of next-generation vehicles will grow even faster as countries take actions to achieve a low carbon society. We can expect to see more sales of hybrid, electric, plug-in hybrid, fuel cell, clean diesel, compressed natural gas and other types of automobiles.

Clearly, more sales also mean a larger volume of these next-generation vehicles on the secondary market.



Japanese government targets for automobile use in 2020 and 2030

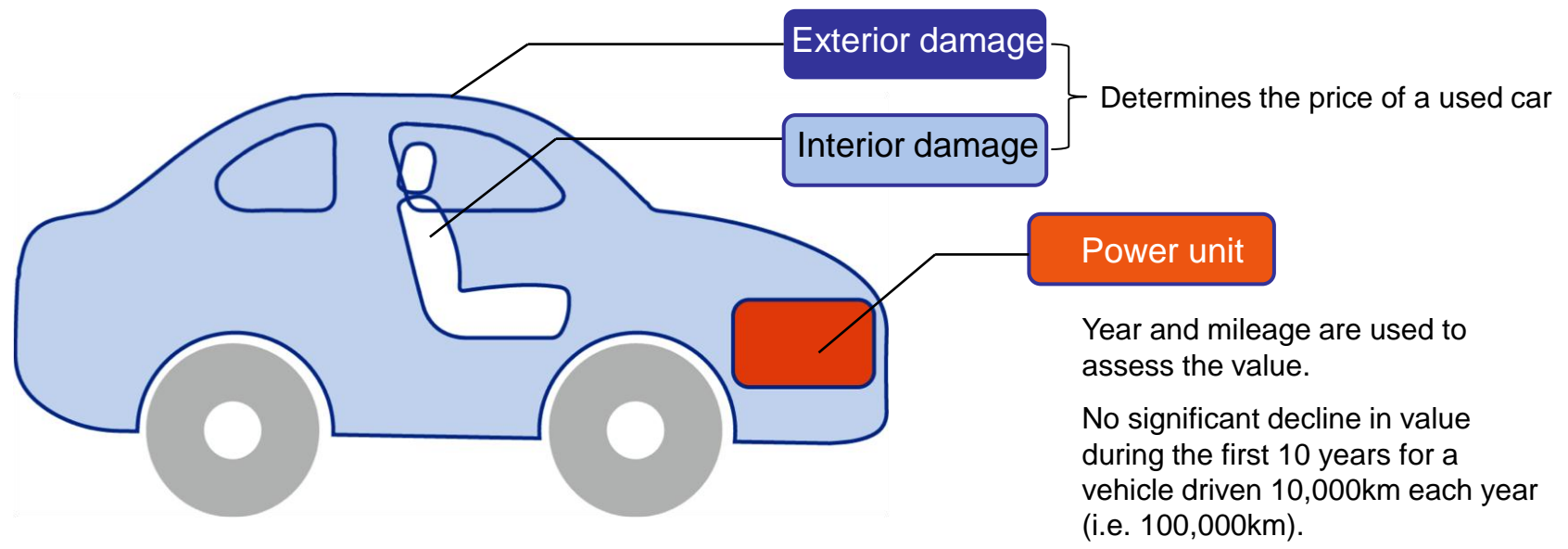
Medium-term Management Policy and Value Creation Model

Aiming for growth by handling more next-generation automobiles

There are currently many uncertainties about the numbers of next-generation vehicles on the road and the impact of these vehicles on Japan's used car market.

Next-generation vehicles use a variety of power sources. The value of the power unit generally changes very little during a vehicle's first 10 years. The amount of interior and exterior damage will have the greatest effect on the price of next-generation used cars.

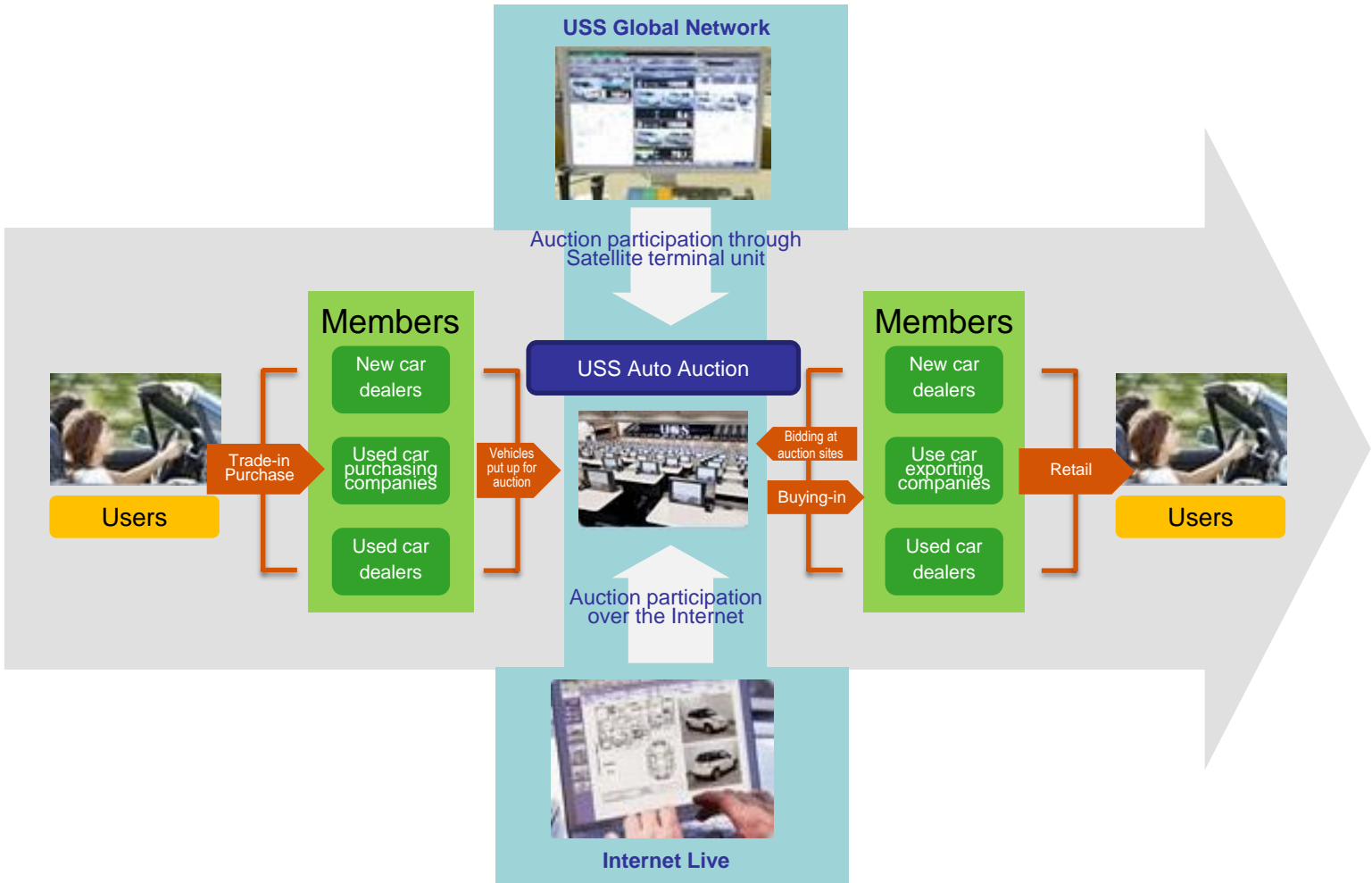
This is why we believe that our strategy for conventional vehicles will be effective for the future as well when many more next-generation vehicles are on the road.



Medium-term Management Policy and Value Creation Model

Automobile auctions for the future automobile market

Selling a next-generation vehicle from one individual to another is difficult for a number of reasons. Complexity of procedures, uncertainty about quality and high prices are three examples of barriers to these transactions. As a result, we believe that most sales of used next-generation vehicles will be between companies that use the automobile auction infrastructure.



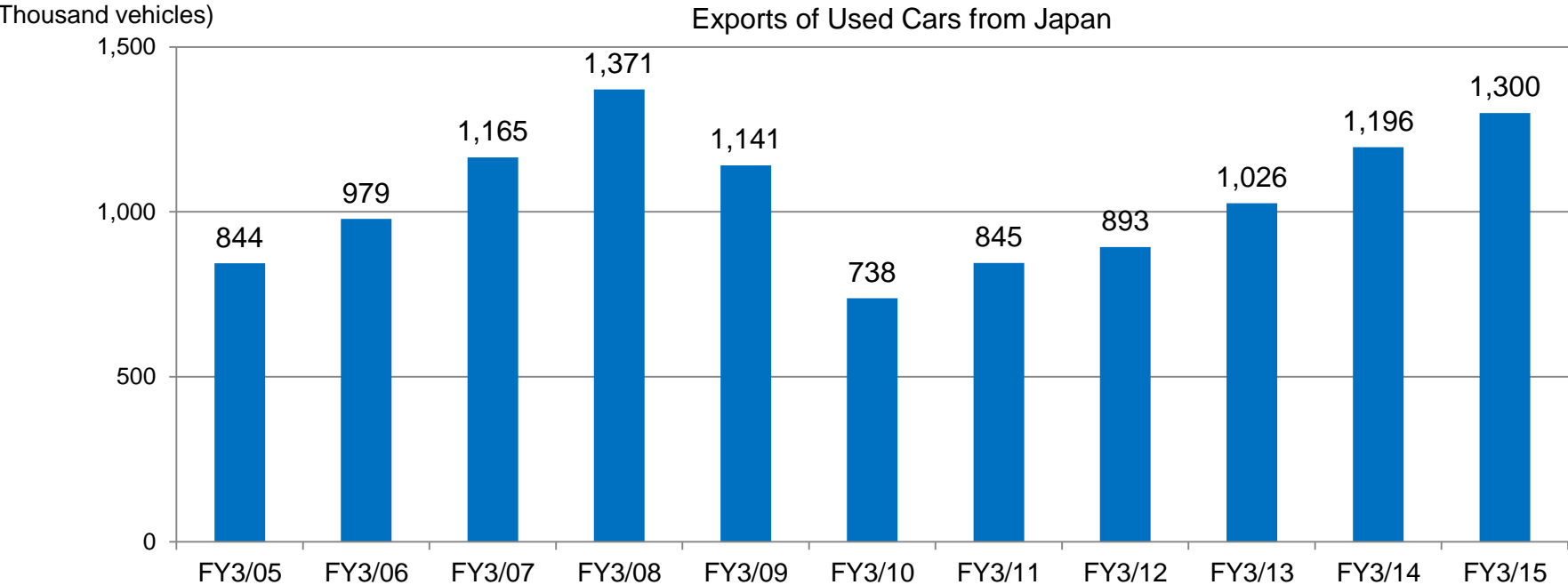
Medium-term Management Policy and Value Creation Model

The growing importance of Japan’s used car exports

Used car exports from Japan fell sharply during the global financial crisis. Since this downturn, the volume of these exports has been climbing because of strong demand in emerging countries despite the effects of import restrictions in Russia and some other countries.

There are no prospects for significant growth of Japan’s used car market. Consequently, the used car export market will probably remain a major source of support for the automobile auction market.

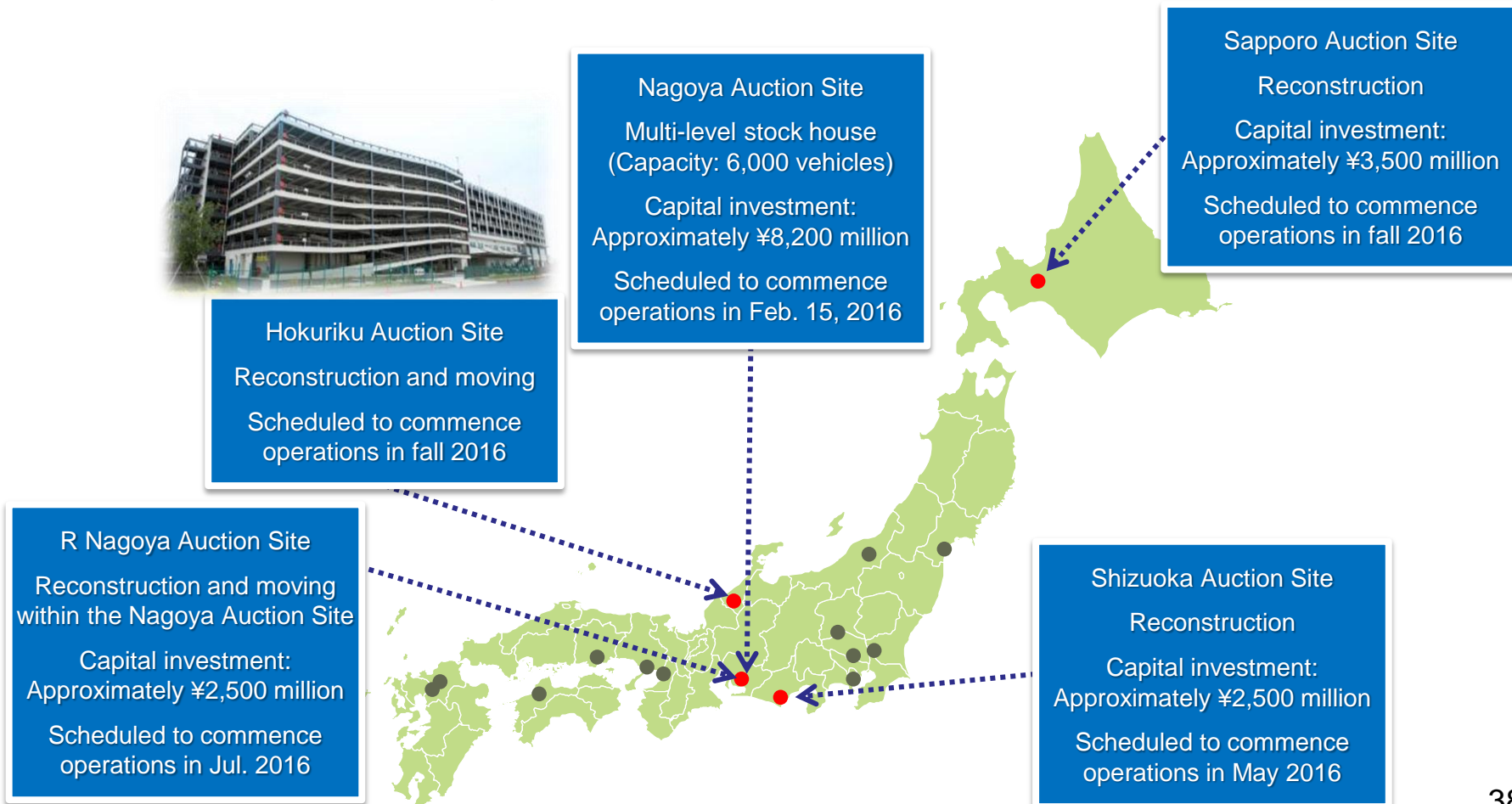
In addition, import duties on used vehicles may be eliminated after ratification of the TPP agreement. Purchase prices of used vehicles are also likely to increase as exports get a boost. Furthermore, the vehicle replacement cycle can also be expected shorten as consumers shift to new-generation vehicles.



Creating more value for members primarily by using auction sites

Market conditions for used cars and automobile auctions will change as people buy more next-generation vehicles, Japan's used car exports increase and other events take place. USS will respond with flexibility to these changes while continuing to make investments in its nationwide network of auction sites.

Our goal is the number-one market share by a wide margin as we offer members even more convenience by creating the best automobile auction facilities in each region of Japan.



■ Pricing strategy

- **Use a fee rebate system created for each auction site in order to increase the number of vehicles consigned at high-volume sites**
- **In July, raised the external successful bid fee by 1,000 yen for both satellite TV and Internet auction participants
(In FY3/16, expected to raise fee income by 566 million yen between July 2015 and March 2016)**
- **In July, established a flat 10,000 yen fee for negotiated purchases at all 17 auction sites
(In FY3/16, expected to raise fee income by 420 million yen between July 2015 and March 2016)**

■ Communication network strategy

- The Internet CIS data service and USS Logistics International Service Co., Ltd. jointly operate a used vehicle export support site. Plans call for expanding the range of services to include transaction support service, logistics support service and other services.

■ Other

- Consolidated subsidiary CAR QUEST Co., Ltd. divested its rubber recycling business on October 1, 2015 and sold the company newly established to operate this business to ENVIPRO HOLDINGS Inc., a large resource recycling company, on December 1, 2015.
- Consolidated subsidiary CAR QUEST Co., Ltd. is absorbed by USS on through absorption-type merger on April 1, 2016 in order to improve efficiency of the Auction Business.
- USS made Japan Bike Auction Co., Ltd., which was a 30%-owned affiliate, a subsidiary by raising its ownership to 66% on November 2015. This company operates used motorcycle auctions by using the USS Yokohama Auction Site and USS Kobe Auction Site.

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Reference materials

Japan Automobile Dealers Association,
Japan Light Motor Vehicle and Motorcycle Association,
Japan Automobile Recycling Promotion Center, USED CAR Co., Ltd.,
Trade Statistics of Japan, Ministry of Economy, Trade and Industry

(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.

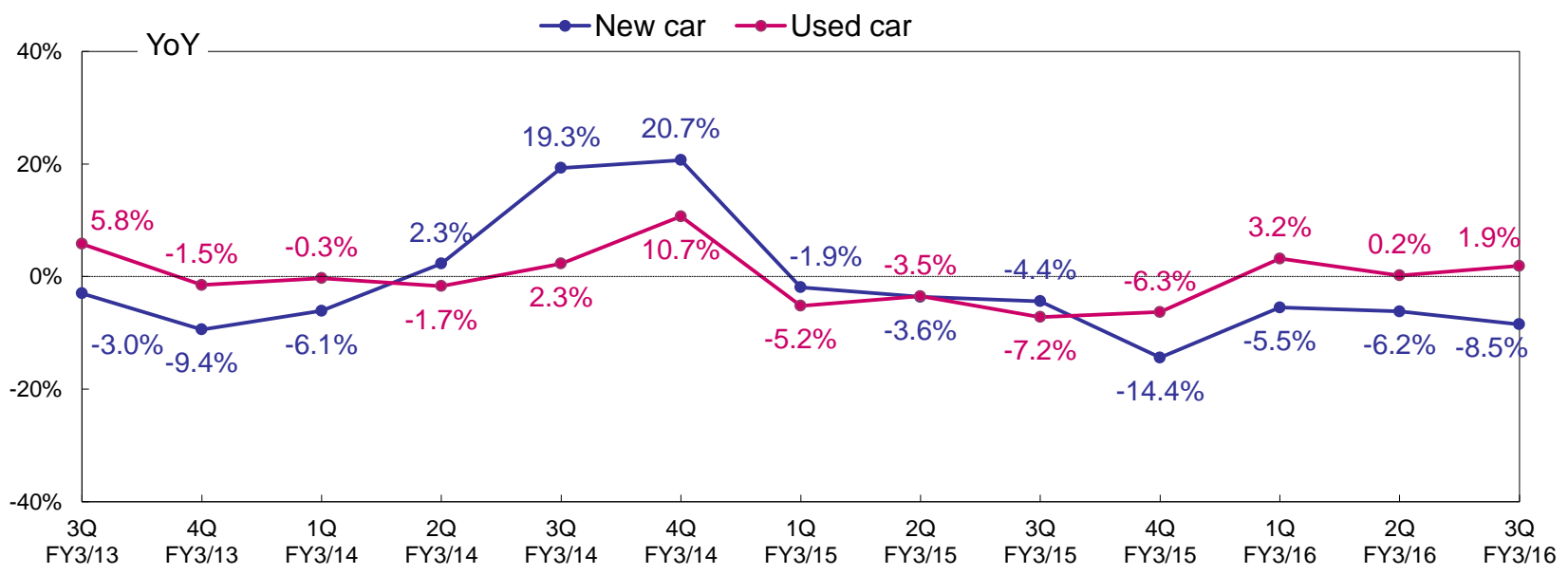
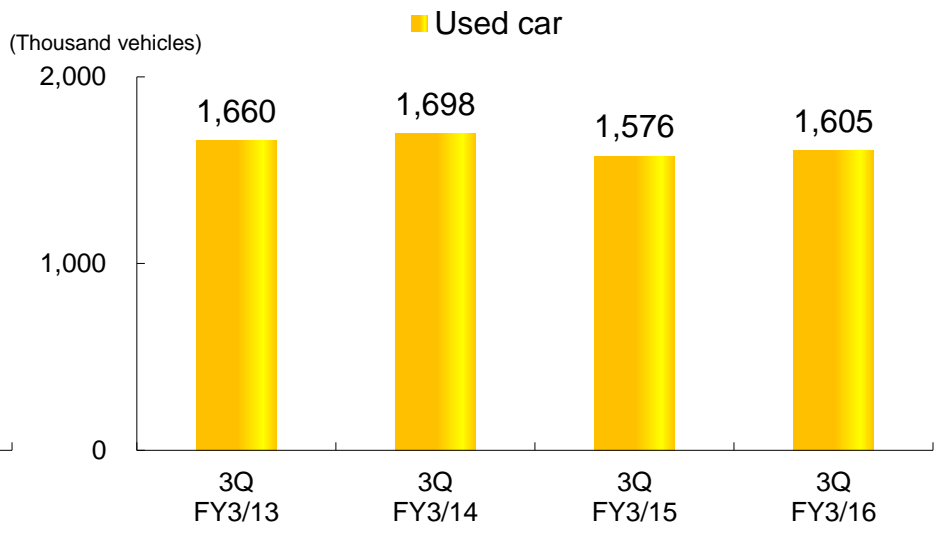
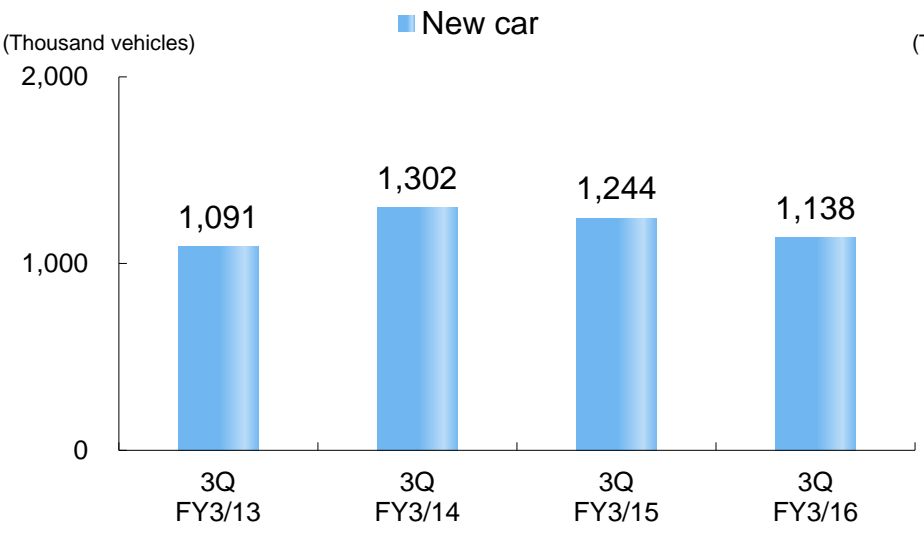
Supplemental Data (1)

Market Overview of 3Q FY3/2016



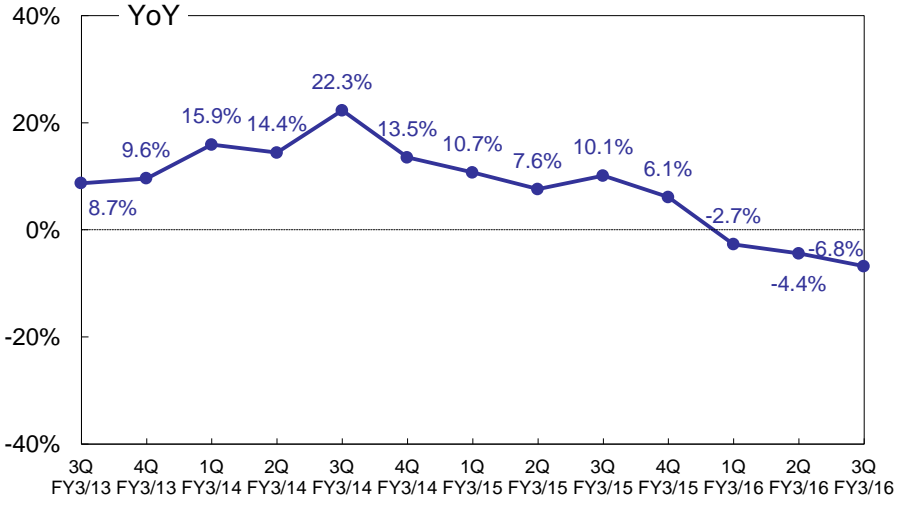
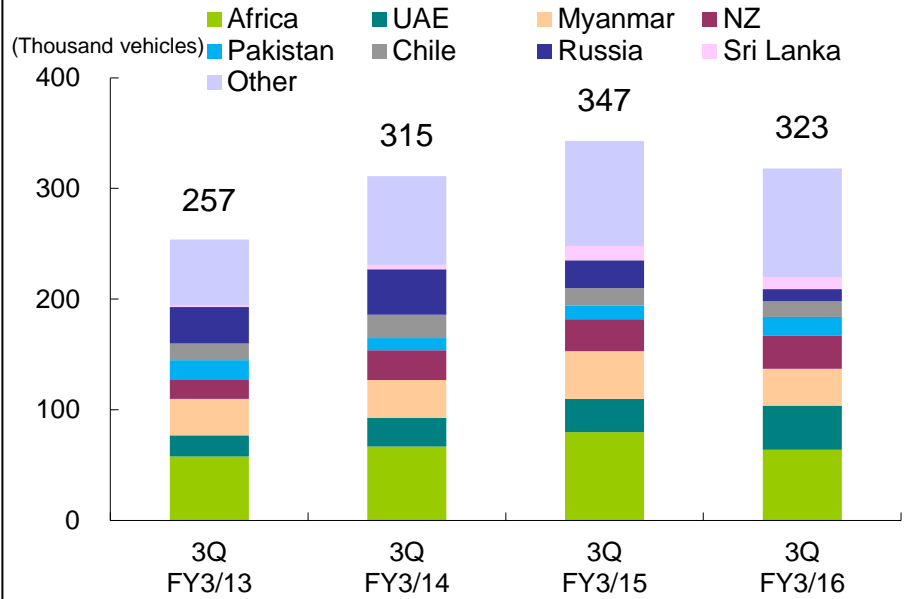
Market Overview - Automobile Trading (1) < October to December >

New car and used car registrations

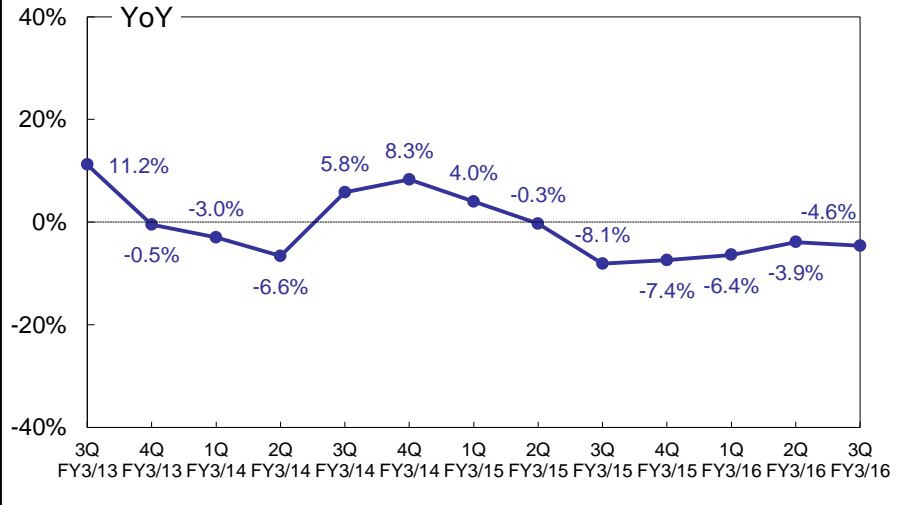
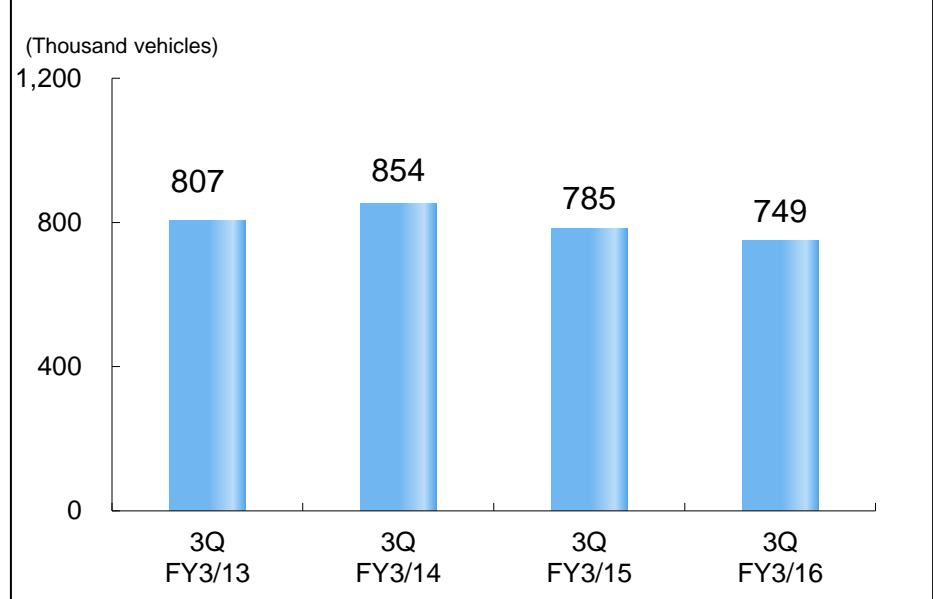


Market Overview - Automobile Trading (2) < October to December >

Used Car Exports

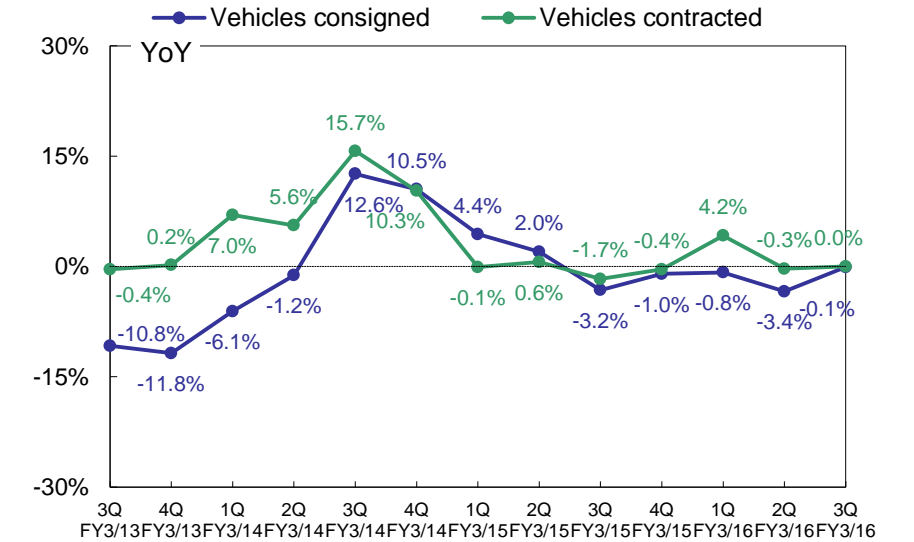
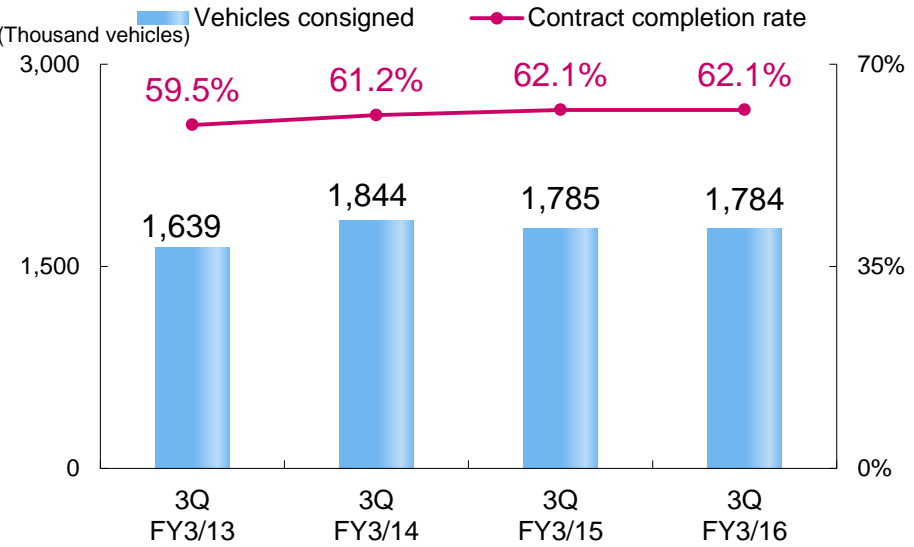


Automobiles Recycled

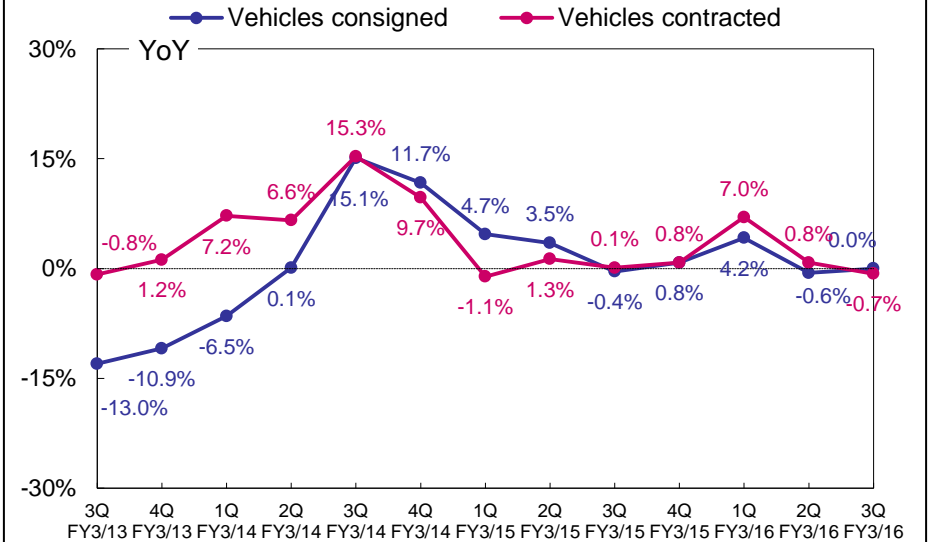
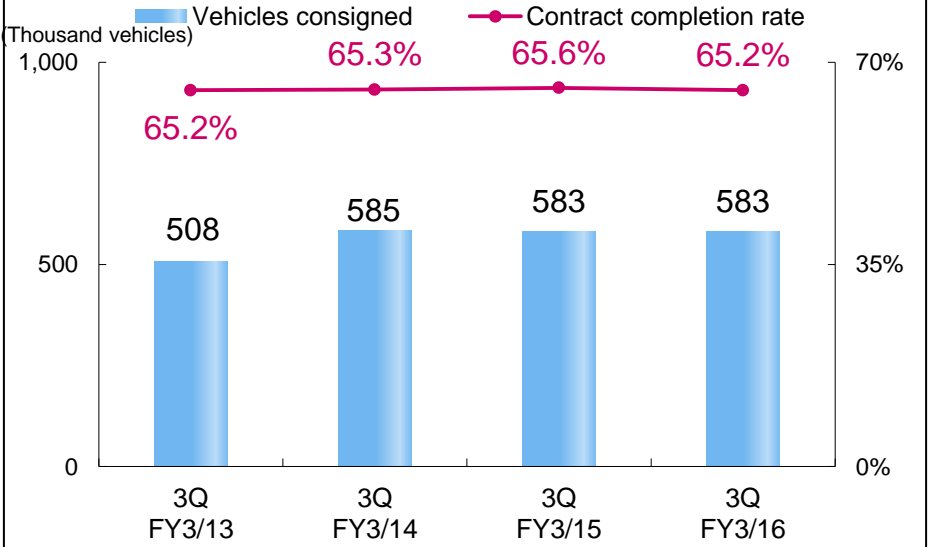


USS Group Auto Auction Performance < October to December >

Auto Auction Market



USS Group Auto Auction Performance



3Q FY3/2016 Financial Highlights

Consolidated Total

(Million yen)

	3Q FY3/14	3Q FY3/15	3Q FY3/16	YoY Change
Net sales	16,870	16,759	16,717	99.8%
Operating income	8,306	8,322	8,558	102.8%

*Figures for 3Q FY3/14 are retroactively adjusted to reflect changes in accounting methods

Auto Auction Business

(Million yen)

	3Q FY3/14	3Q FY3/15	3Q FY3/16	YoY Change
Net sales	12,565	12,810	13,118	102.4%
Operating income	7,911	8,044	8,402	104.4%

*Figures for 3Q FY3/14 are retroactively adjusted to reflect changes in accounting methods

Used Vehicle Sales/Purchases Business

(Million yen)

	3Q FY3/14	3Q FY3/15	3Q FY3/16	YoY Change
Net sales	2,743	2,377	2,538	106.8%
Operating income	166	127	115	90.7%

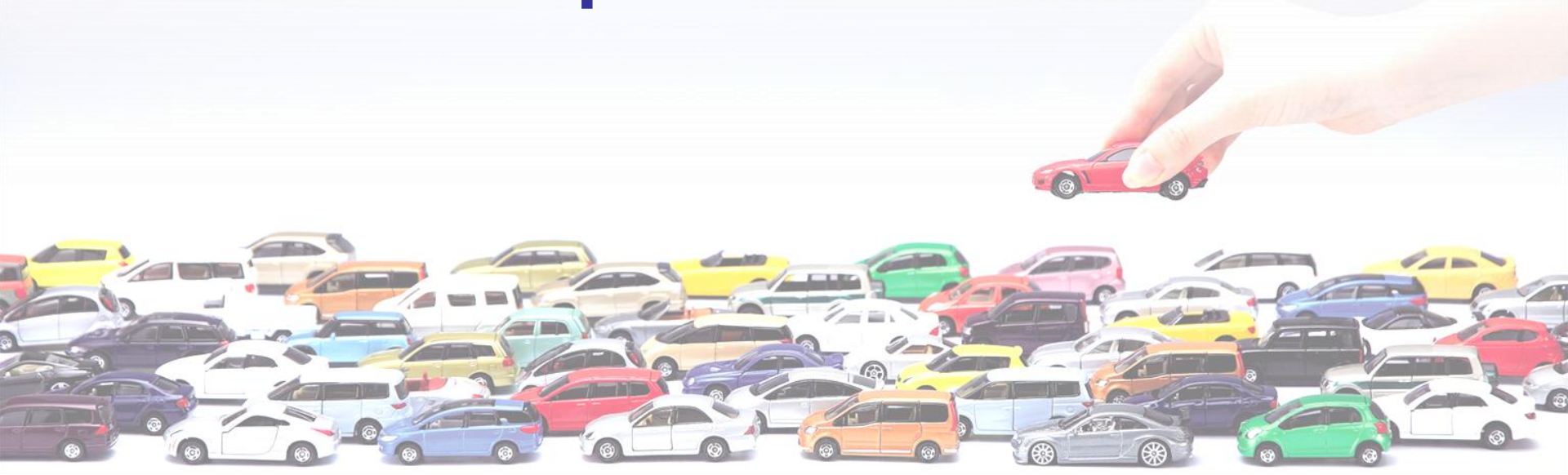
Other Business (Recycling etc.)

(Million yen)

	3Q FY3/14	3Q FY3/15	3Q FY3/16	YoY Change
Net sales	1,706	1,756	1,174	66.9%
Operating income	197	111	▲10	-

Supplemental Data (2)

Consolidated performance of FY3/2016



5 year Consolidated Performance

(Million yen)

	Results					Forecast
	FY3/2011	FY3/2012	FY3/2013	FY3/2014 ₃	FY3/2015	FY3/2016
<Auto Auction Business>						
Consignment Fees	10,822	12,154	11,817	12,241	12,636	13,176
Contract Completion Fees	10,559	10,984	10,873	11,958	12,083	12,303
Successful Bidding Fees	14,142	15,026	15,626	17,190	17,096	18,174
Revenues from Sales of Goods	848	805	624	905	1,166	1,580
Other Revenues	6,804	6,869	6,967	7,184	7,299	7,596
Auto Auction Business Total	43,177	45,840	45,909	49,479	50,281	52,831
<Used Vehicle Sales/Purchases Business>						
Revenues from Used Vehicle Sales/Purchases	8,456	8,535	8,106	7,867	6,736	7,211
Revenues from Accident-damaged Vehicle Sales/Purchases	4,038	3,940	3,438	3,754	3,347	3,434
Used Vehicle Sales/Purchases Business Total	12,494	12,476	11,545	11,621	10,083	10,645
<Other Business>						
Revenues from Recycling End-of-Life Vehicles and Other Items	4,566	4,275	4,016	4,816	5,022	5,172
Revenues from Recycling Scrap Rubbers	1,178	1,250	1,335	1,498	1,383	636
Revenues from Used Vehicle Export Clearing Service	-	166	437	500	609	628
Other Revenues	-	-	-	32	84	84
Other Business Total	5,745	5,692	5,789	6,848	7,100	6,522
Net Sales	61,417	64,009	63,243	67,949	67,466	70,000
Operating Income	24,332	27,952	29,304	32,680	33,411	35,200
Ordinary Income	24,643	28,588	29,884	33,275	34,027	35,900
Profit attributable to owners of parent	13,971	17,054	18,346	19,966	21,661	23,400

Auto Auction Business

(Vehicles, %, Yen, Companies, No. of shops)

No. of Consigned Vehicles	2,121,948	2,252,566	2,199,797	2,305,189	2,353,141	2,452,000
No. of Contracted Vehicles	1,361,599	1,414,813	1,405,072	1,541,007	1,545,233	1,562,000
Contract Completion Rate	64.2	62.8	63.9	66.8	65.7	63.7
Consignment Fees per Vehicle consigned *1	5,139	5,432	5,407	5,344	5,405	5,412
Contract Completion Fees per Vehicle Contracts completed *1	7,831	7,832	7,802	7,821	7,882	7,943
Successful Bidding Fees per Vehicle Contracts completed *1	10,393	10,626	11,124	11,157	11,067	11,638
On-site Auction Members	45,563	44,796	45,139	45,712	46,307	46,900
CIS (Internet) Members	24,688	25,957	27,072	28,007	28,815	29,487
TV (Satellite Auction) Members	4,248	3,921	3,651	3,486	3,291	3,100
Rabbit Chain Shops	176	180	180	171	170	173

Capital Expenditures and Depreciation

(Million yen)

Capital Expenditures (Terms of Cash Flows) *2	7,629	804	1,620	8,858	2,490	10,000
Depreciation	4,529	3,885	3,432	3,672	3,397	3,281

*1 Each fee per vehicle is calculated before eliminations for consolidation. *2 Capital expenditures include property, plant and equipment and intangible assets (software etc.).

*3 Figures for the fiscal year ended March 2014 are retroactively adjusted to reflect changes in accounting methods.

Major Financial Indicators

(Million yen)

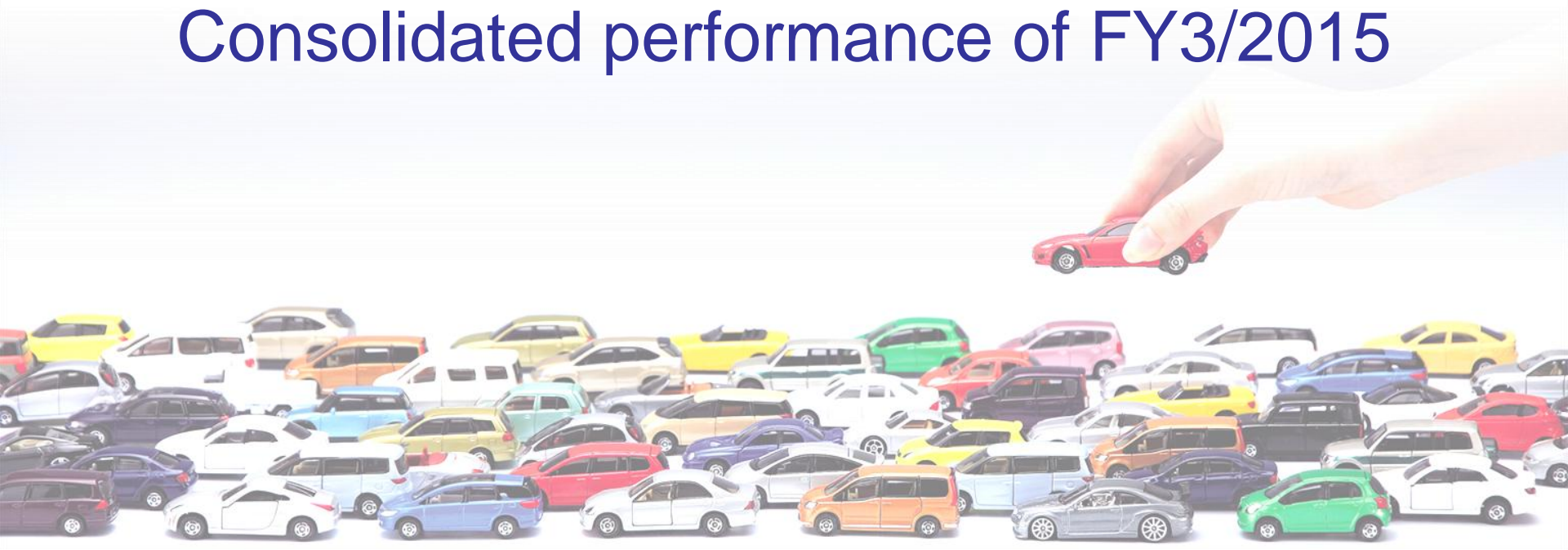
	FY3/05	FY3/06	FY3/07	FY3/08	FY3/09	FY3/10	FY3/11	FY3/12	FY3/13	FY3/14	FY3/15	YoY	10 years average of % changes
Results of Operations													
Net Sales	50,484	60,243	64,568	69,801	66,549	59,849	61,417	64,009	63,243	67,949	67,466	▲0.7%	2.9%
Operating Income	20,673	23,103	24,817	27,200	22,568	21,940	24,332	27,952	29,304	32,680	33,411	2.2%	4.9%
Ordinary Income	21,096	23,544	25,360	27,490	22,503	22,511	24,643	28,588	29,884	33,275	34,027	2.3%	4.9%
Net Income	11,814	13,203	14,390	15,200	12,003	12,717	13,971	17,054	18,346	19,966	21,661	8.5%	6.2%
Financial Position													
Total Assets	115,704	131,908	146,172	150,737	138,370	142,164	151,636	154,639	154,543	164,182	174,106	6.0%	4.2%
Cash and Deposits	15,818	19,995	21,149	26,280	18,445	29,681	30,980	36,840	37,033	46,318	49,862	7.7%	12.2%
Total Liabilities	29,901	33,841	40,184	33,159	23,428	23,773	29,689	33,541	34,866	32,080	30,067	▲6.3%	0.1%
Interest Bearing Debt	7,490	5,200	5,355	3,064	2,716	1,806	1,097	1,746	1,148	670	360	▲46.2%	▲26.2%
Total Net Assets	85,803	98,067	105,988	117,577	114,941	118,390	121,947	121,097	119,676	132,102	144,039	9.0%	5.3%
Owners' Equity	84,877	97,391	104,985	117,130	114,771	118,146	121,638	120,582	119,112	131,348	143,098	8.9%	5.4%
Per Share Information													
EPS (Yen)	37.76	40.70	44.71	47.51	38.27	41.88	47.80	60.92	69.35	77.29	83.79	8.4%	8.3%
Dividend per Share (Yen)	6.50	8.00	10.00	14.50	16.50	16.80	19.20	24.40	30.75	34.70	37.70	8.6%	19.2%
Others													
Operating Margin (%)	40.9	38.4	38.4	39.0	33.9	36.7	39.6	43.7	46.3	48.1	49.5	—	—
ROE (%)	15.5	14.5	14.2	13.7	10.4	10.9	11.7	14.1	15.3	15.9	15.8	—	—
ROA (%)	20.3	19.0	18.2	18.5	15.6	16.0	16.8	18.7	19.3	20.9	20.1	—	—
Dividend Payout Ratio (%)	17.2	19.7	22.4	30.5	43.1	40.1	40.2	40.0	44.3	45.1	45.1	—	—
Owners' Equity Ratio (%)	73.4	73.8	71.8	77.7	82.9	83.1	80.2	78.0	77.1	80.0	82.2	—	—
Treasury Stock (shs.)	17,890	1,440,060	6,717,730	6,718,010	21,056,870	29,364,740	23,647,810	41,280,210	55,067,530	54,828,566	54,691,235	▲0.3%	123.1%
On-site Auction Members (Companies)	34,420	37,157	40,959	42,751	43,307	44,317	45,563	44,796	45,139	45,712	46,307	1.3%	3.0%

*Per share information and treasury stock has been retroactively adjusted for the stock split on October 1, 2013.

*Figures for the fiscal year ended March 2014 are retroactively adjusted to reflect changes in accounting methods.

Supplemental Data (3)

Consolidated performance of FY3/2015



FY3/2015 – Consolidated Income Statement

Operating, ordinary and net income all reached record highs for the fourth consecutive year (Million yen)

	FY3/2014	FY3/2015	Year on year	Plan (As of Nov. 11, 2014)	VS. plan
Net Sales	67,949	67,466	99.3%	67,500	99.9%
Cost of sales (Per sales)	26,459 (38.9%)	25,774 (38.2%)	97.4%	25,868 (38.3%)	99.6%
Gross profit (Per sales)	41,489 (61.1%)	41,691 (61.8%)	100.5%	41,631 (61.7%)	100.1%
Selling, general and administrative expenses (Per sales)	8,808 (13.0%)	8,279 (12.3%)	94.0%	8,631 (12.8%)	95.9%
Operating income (Per sales)	32,680 (48.1%)	33,411 (49.5%)	102.2%	33,000 (48.9%)	101.2%
Ordinary income (Per sales)	33,275 (49.0%)	34,027 (50.4%)	102.3%	33,500 (49.6%)	101.6%
Net income (Per sales)	19,966 (29.4%)	21,661 (32.1%)	108.5%	21,300 (31.6%)	101.7%
Net income per share (yen)	77.29	83.79	108.4%	82.40	101.7%

*Figures for the fiscal year ended March 2014 are retroactively adjusted to reflect changes in accounting methods.

Net sales

- Higher fees in the auto auction business because of more vehicles consigned
- Sales down in the used vehicle purchasing and selling business mainly because of smaller volume of vehicles handled
- Sales were up in the recycling and others as the volume handled increased

Cost of sales

- Merchandise cost of sales declined in the used vehicle purchasing and selling business

SG&A expenses

- Down due to declines in taxes and dues, employee salaries and bonuses, sales promotion expenses, and other items

FY3/2015 – Consolidated Balance Sheet

Outstanding financial soundness even as substantial earnings distributions to shareholders continue

(Million yen)

	FY3/2014	FY3/2015	Changes
Current assets	60,477	73,334	12,856
Cash and deposits	46,318	49,862	3,544
Receivables due from member dealers at auction	8,701	7,885	▲816
Other	5,458	15,586	10,128
Noncurrent assets	103,704	100,771	▲2,933
Property, plant and equipment	92,337	91,388	▲948
Intangible assets	1,068	1,137	69
Investments and other assets	10,299	8,245	▲2,053
Total assets	164,182	174,106	9,923
Current liabilities	25,657	23,910	▲1,746
Payables due to member dealers at auction	11,852	9,753	▲2,099
Short-term loans payable	80	-	▲80
Other	13,724	14,157	433
Noncurrent liabilities	6,423	6,156	▲266
Long-term loans payable	549	300	▲248
Other	5,873	5,855	▲17
Total liabilities	32,080	30,067	▲2,013
Shareholders' equity	136,466	148,654	12,187
Accumulated other comprehensive income	▲5,117	▲5,555	▲437
Subscription rights to shares	242	273	31
Minority interests	510	666	155
Total net assets	132,102	144,039	11,936

Current assets

- Up 3.54 billion yen in cash and deposits
- Other current assets rose 10.12 billion yen reflecting an increase in negotiable deposits and other factors

Noncurrent assets

- Down 2.05 billion yen mainly due to the transfer of some investments to time deposits maturing within one year and to sales of securities

*Figures for the fiscal year ended March 2014 are retroactively adjusted to reflect changes in accounting methods.

FY3/2015 – Consolidated Cash Flows

(Million yen)

	FY3/2014	FY3/2015	Changes
Net cash provided by operating activities	26,642	24,287	▲2,354
Income before income taxes and minority interests	32,676	34,162	1,485
Depreciation and other amortization	3,823	3,532	▲291
Amortization of goodwill	20	5	▲14
Loss (▲gain) on sale and retirement of property, plant and equipment	199	64	▲135
Loss (▲gain) on sales and retirement of intangible assets	1	36	34
Net change in due from/to member dealers at auction	626	▲1,282	▲1,909
Income taxes paid	▲10,152	▲13,444	▲3,291
Other	▲553	1,213	1,767
Net cash provided by investing activities	▲18,751	▲19,724	▲972
Purchase of property, plant and equipment	▲8,298	▲2,121	6,176
Other	▲10,453	▲17,602	▲7,148
Net cash provided by financing activities	▲8,105	▲9,718	▲1,613
Net increase (▲decrease) in loans payable	▲326	▲329	▲3
Purchases of treasury stock	▲0	▲0	0
Cash dividends paid	▲7,918	▲9,656	▲1,738
Other	139	267	127
Net increase (▲decrease) in cash and cash equivalents	▲214	▲5,155	▲4,940
Cash and cash equivalents at beginning of period	34,833	34,618	▲214
Cash and cash equivalents at end of period	34,618	29,462	▲5,155

Operating activities

- Income before income taxes: 34.16 billion yen
- Income taxes paid: 13.44 billion yen

Investing activities

- Purchase of property, plant and equipment: 2.12 billion yen, including the cost of building the new Okayama Auction Site
- Increase in Other is due mainly to an increase of 17.60 billion yen in other fixed deposits and negotiable deposits

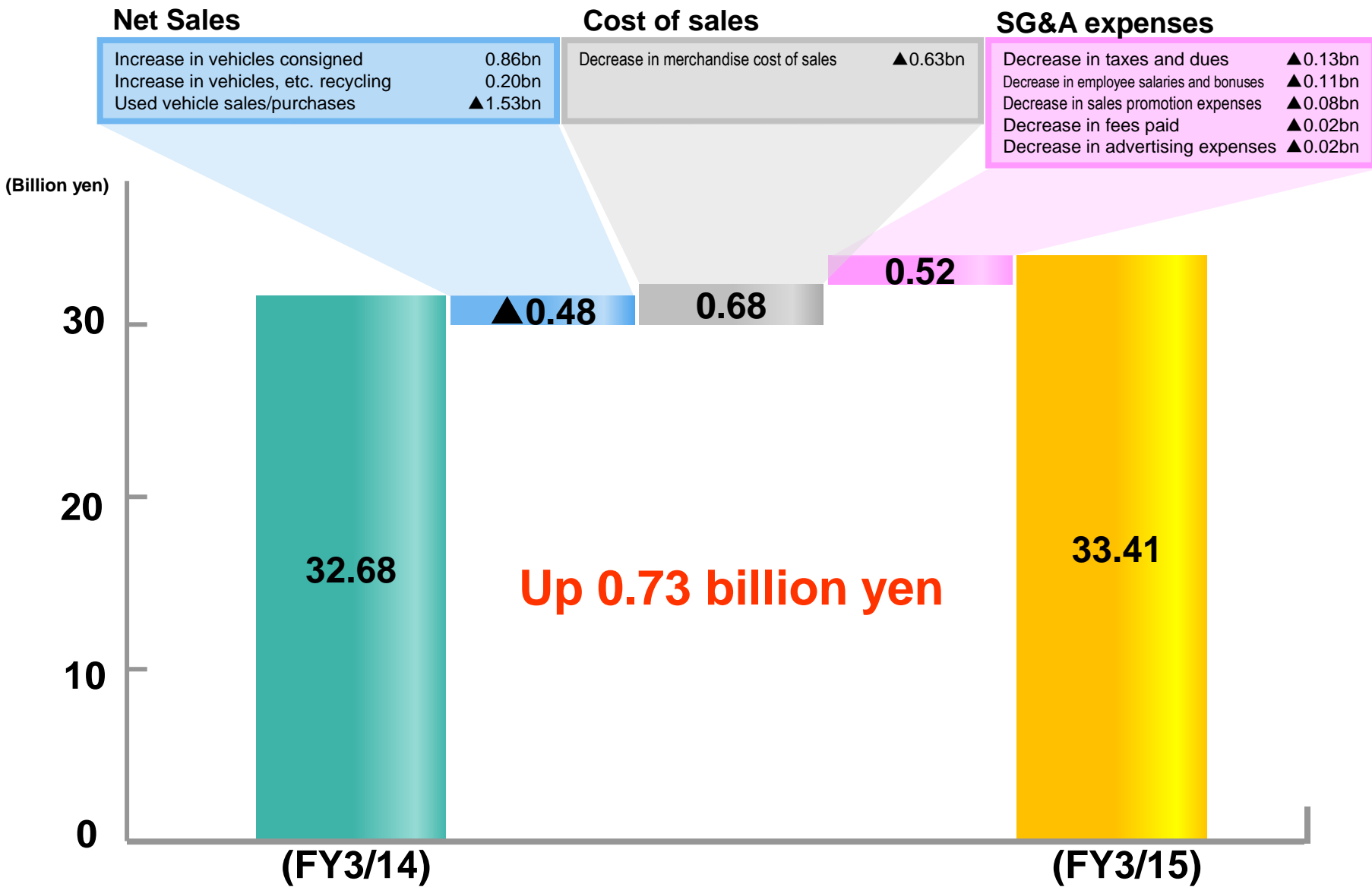
Financing activities

- Cash dividends paid: 9.65 billion yen

*Figures for the fiscal year ended March 2014 are retroactively adjusted to reflect changes in accounting methods.

FY3/2015 Reasons for Change in Operating Income (Actual)

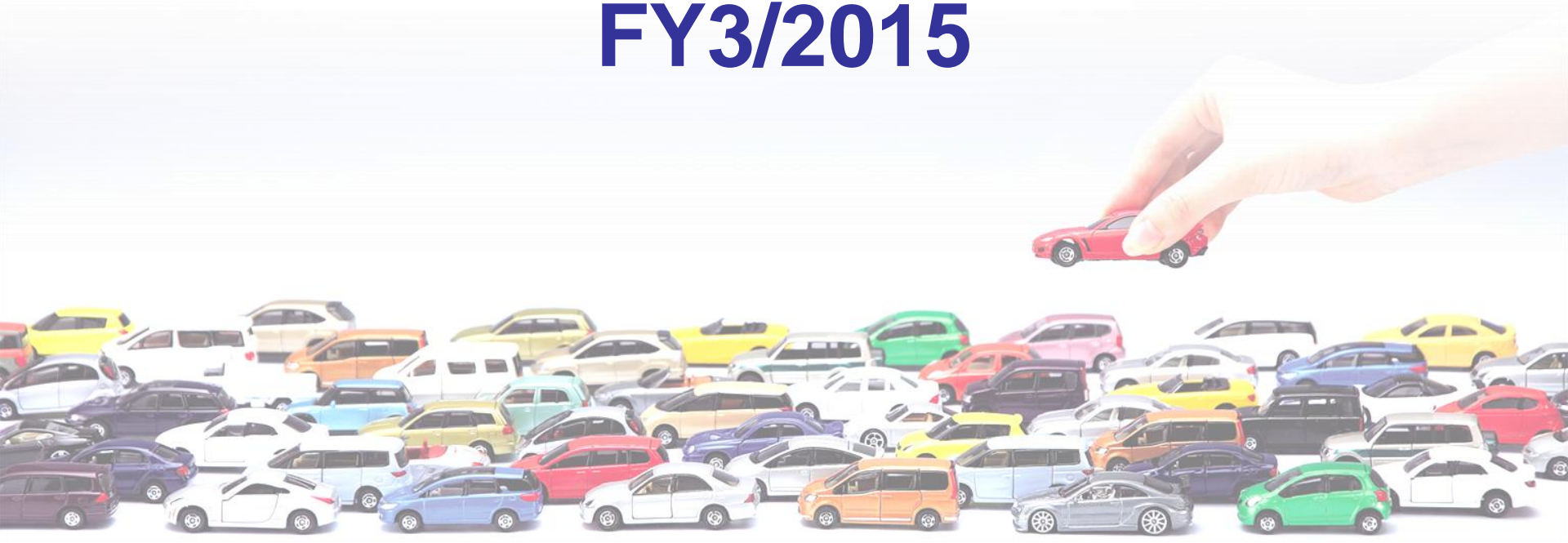
Reasons for change in operating income



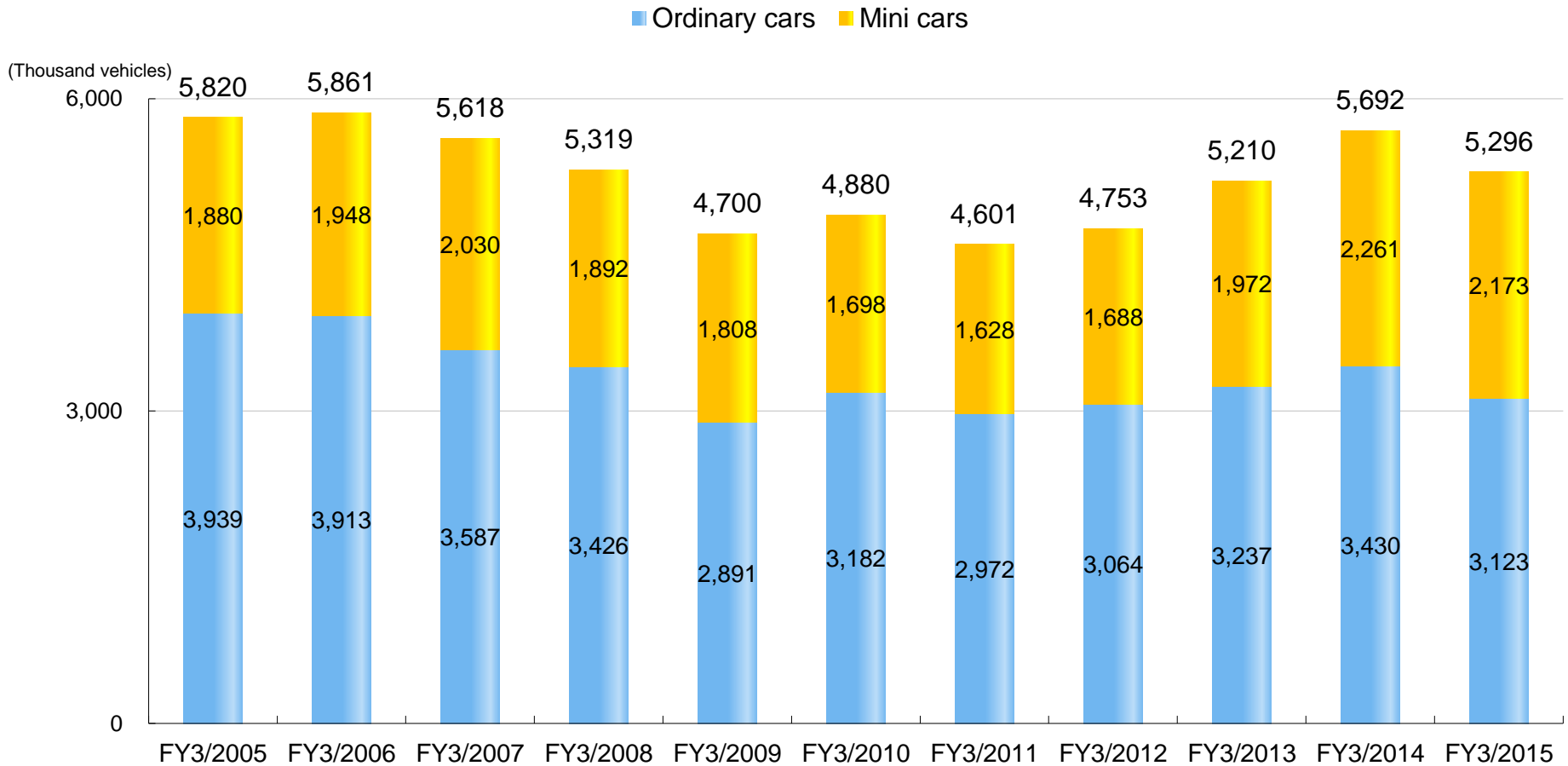
*Figures for the fiscal year ended March 2014 are retroactively adjusted to reflect changes in accounting methods.

Market Overview

FY3/2015



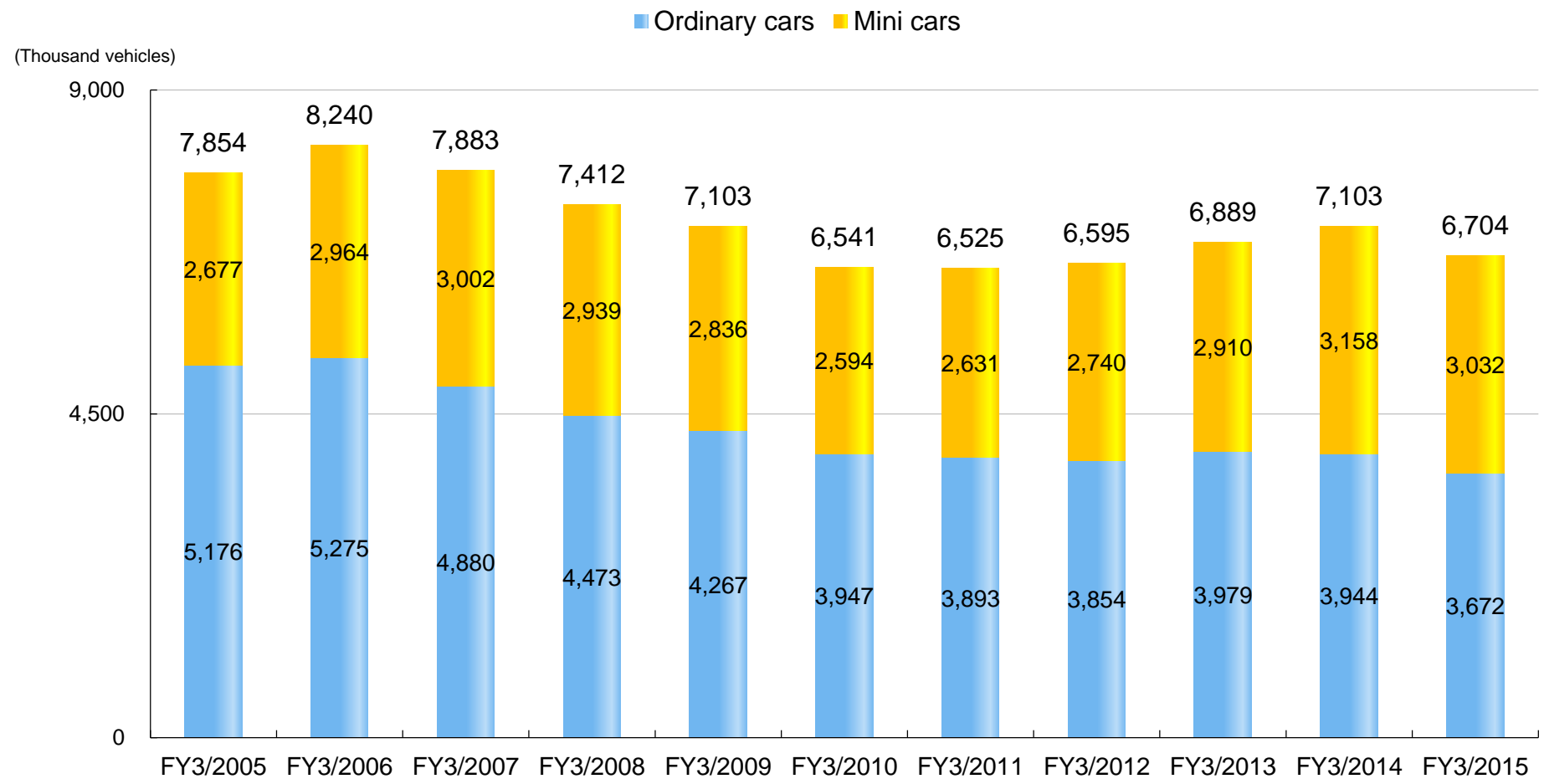
(1) New Car Registrations (April to March)



New car registrations decreased 6.9% to 5.29 million units

- The drop in demand after the rush to buy cars before the April 2014 consumption tax hike was mainly responsible for the decline in registrations.

(2) Used Car Registrations (April to March)



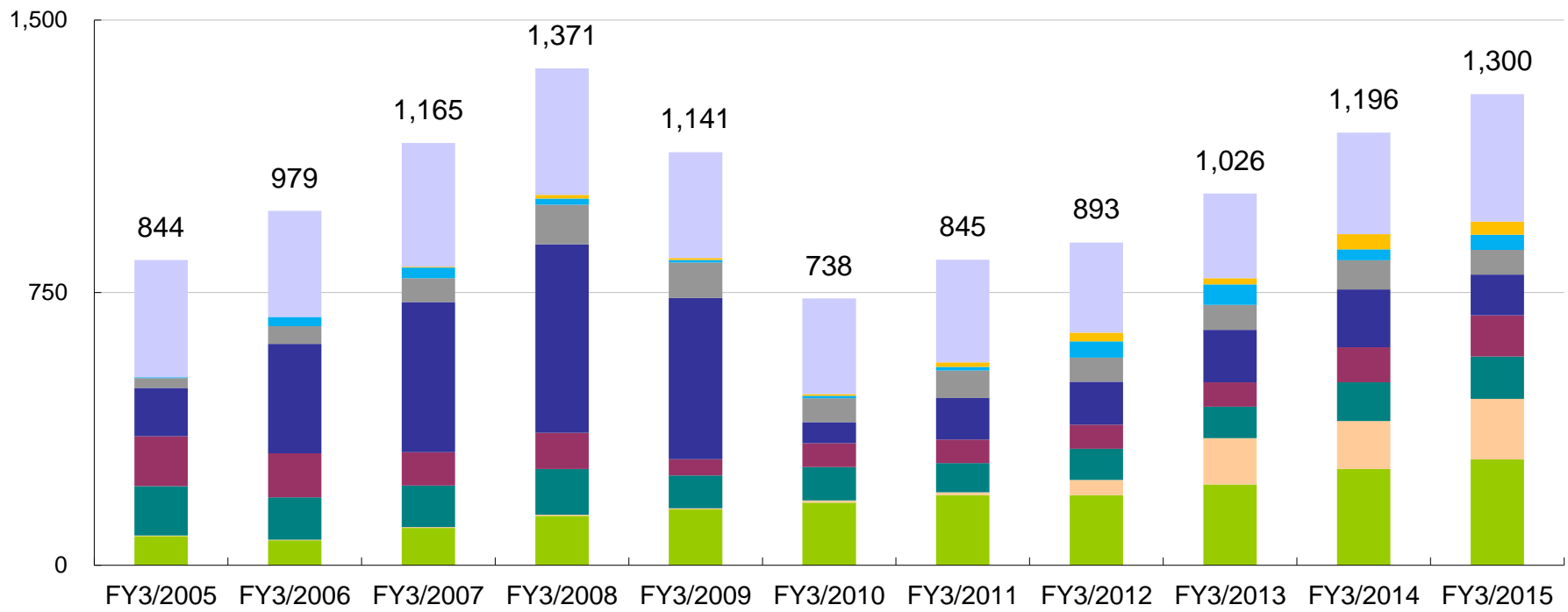
Used car registrations decreased 5.6% to 6.70 million units

- The April 2014 consumption tax hike caused registrations to decline, just as for new car registrations.

(3) Used Car Exports (April to March)

■ Africa
 ■ Myanmar
 ■ UAE
 ■ NZ
 ■ Russia
 ■ Chile
 ■ Pakistan
 ■ Kyrgyz
 ■ Other

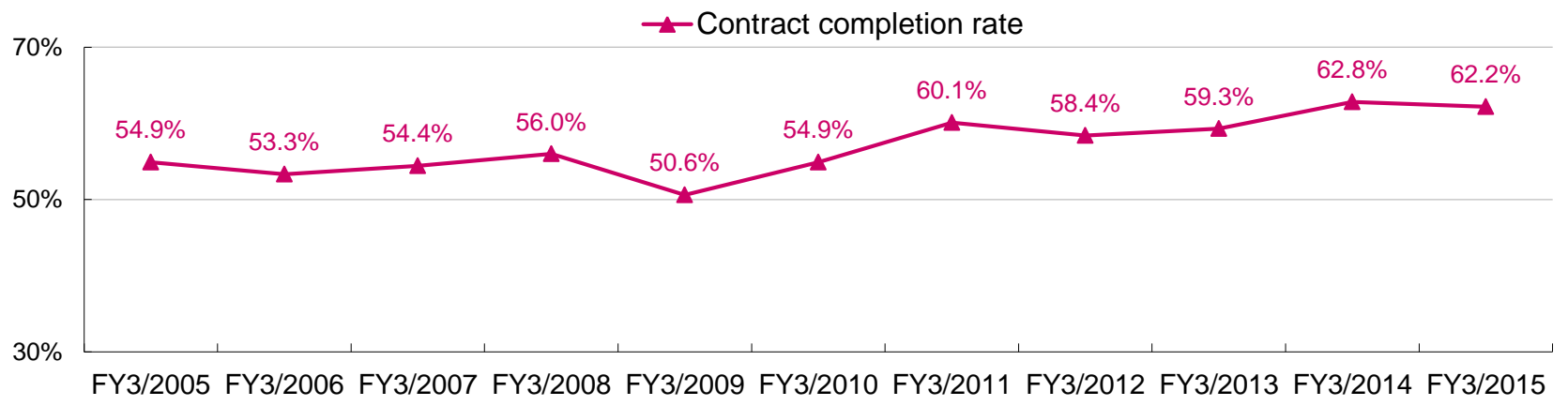
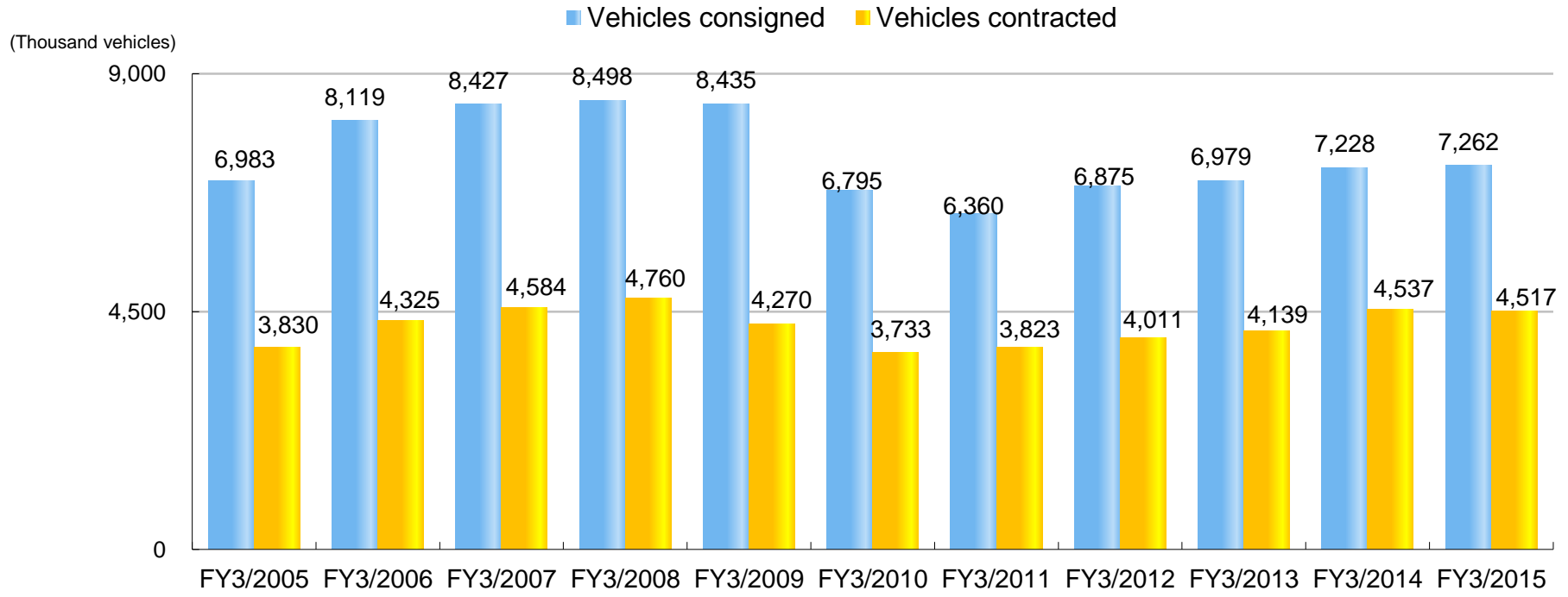
(Thousand vehicles)



Used car exports increased 8.7% to 1.30 million units

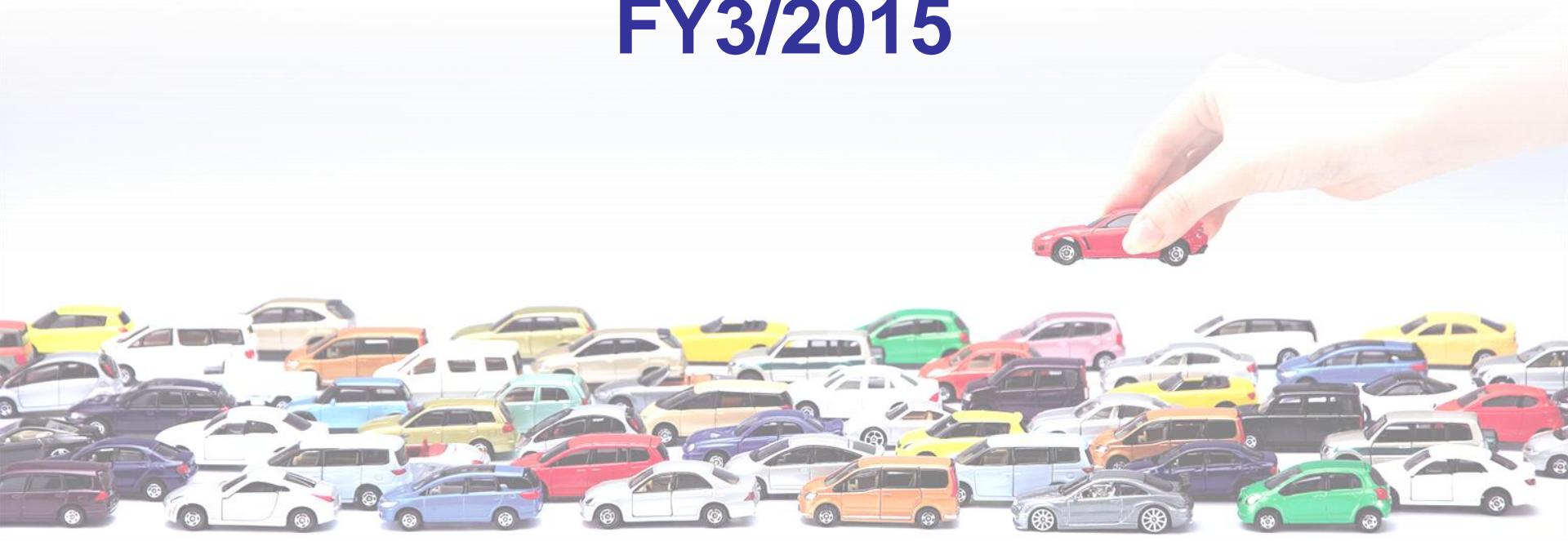
- Major destination countries**
 Africa 291,000 (up 9.8%), Myanmar 167,000 (up 25.9%), UAE 116,000 (up 9.5%), NZ 114,000 (up 17.1%), Russia 112,000 (down 29.8%)
- Countries with large increases**
 Sri Lanka 44,000 (up 122.4%), Georgia 38,000 (up 69.0%), Mongolia 35,000 (up 3.8%), Philippines 29,000 (up 11.5%), Bangladesh 22,000 (up 46.2%)

(4) Auto Auction Market (April to March)



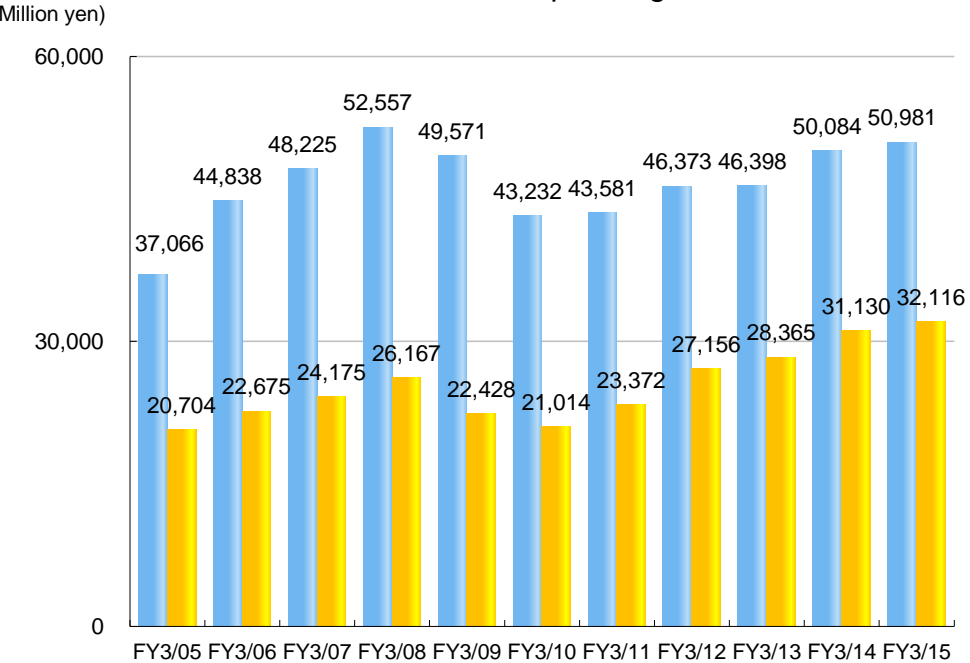
Business Segment Information

FY3/2015



Auto Auction Business (1) – Results of Operations (April to March)

■ Net sales ■ Operating income



	(Million yen)		
	FY3/14	FY3/15	YoY
Net sales	50,084	50,981	101.8%
Operating income (Per sales)	31,130 (62.2%)	32,116 (63.0%)	103.2%

*Figures for the fiscal year ended March 2014 are retroactively adjusted to reflect changes in accounting methods.

Net sales increased 1.8% to 50,981 million yen from one year earlier

- Vehicles consigned up 2.1% to 2,353 thousand; contracted vehicles up 0.3% to 1,545 thousand; contract completion rate decreased from 66.8% to 65.7%
- The off-site successful bid ratio was 50.1% (51.9% one year earlier)

Operating income increased 3.2% to 32,116 million yen from one year earlier

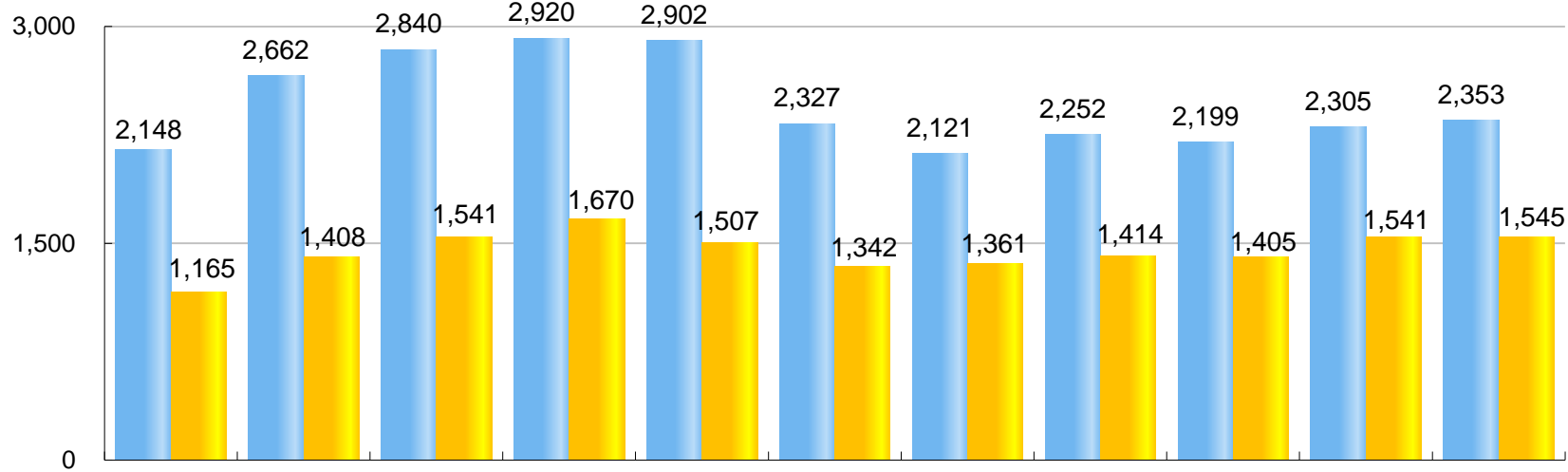
- Depreciation and sales promotion expenses decreased
- Declines in taxes and dues and supplies after the increases caused by construction of the new Nagoya Auction Site in FY3/14

*The basis of aggregating successful bids received via satellite TV for calculating the off-site successful bid ratio is changed.

Auto Auction Business (2) – USS Group Performance (April to March)

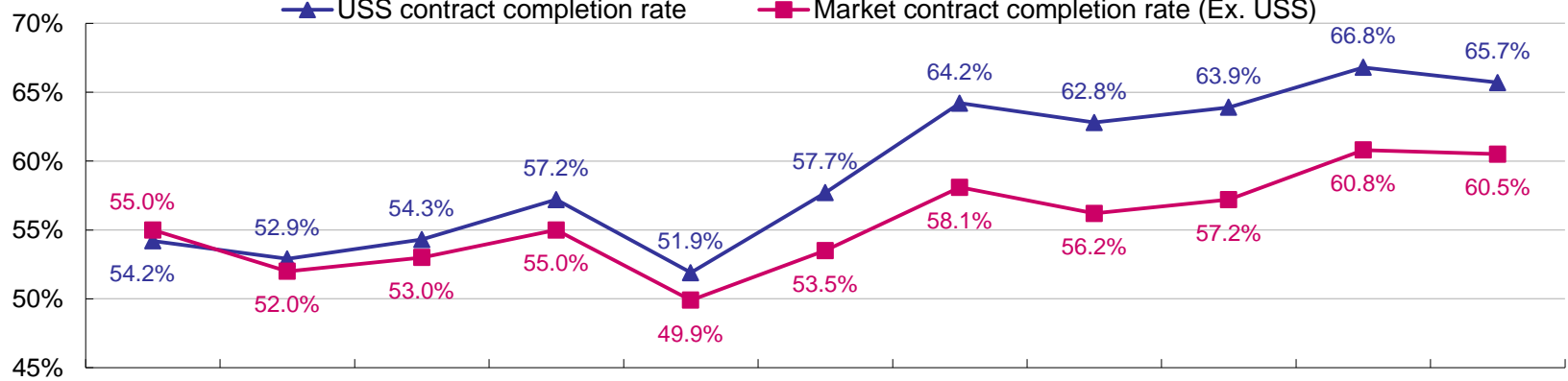
■ Vehicles consigned ■ Vehicles contracted

(Thousand vehicles)



FY3/2005 FY3/2006 FY3/2007 FY3/2008 FY3/2009 FY3/2010 FY3/2011 FY3/2012 FY3/2013 FY3/2014 FY3/2015

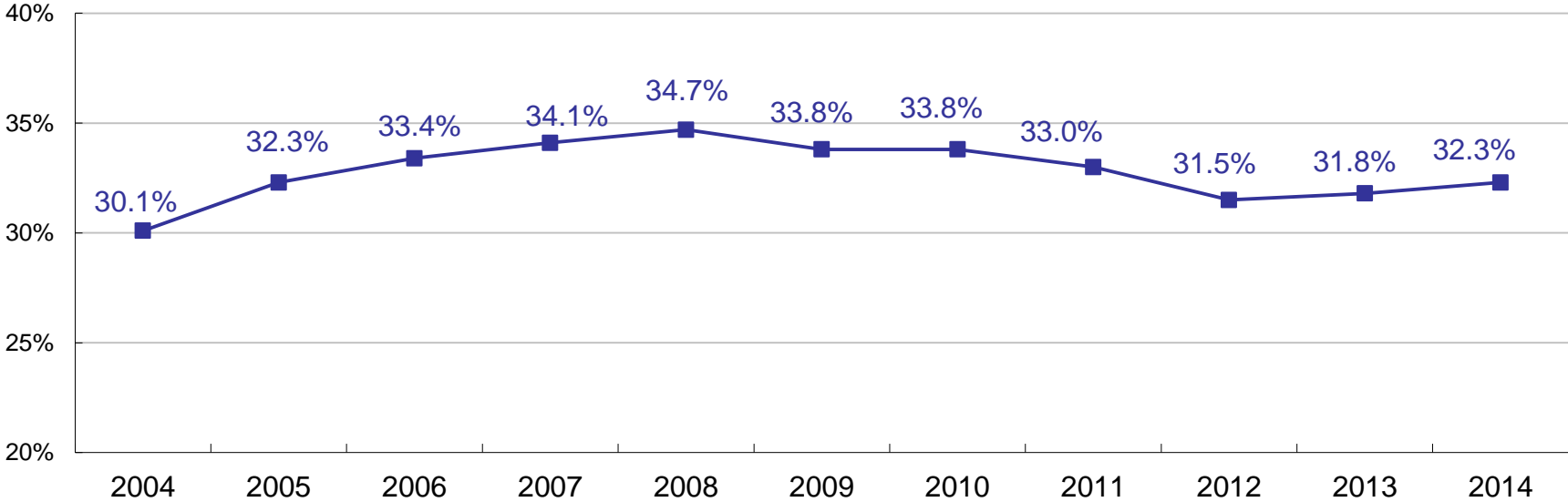
▲ USS contract completion rate ■ Market contract completion rate (Ex. USS)



FY3/2005 FY3/2006 FY3/2007 FY3/2008 FY3/2009 FY3/2010 FY3/2011 FY3/2012 FY3/2013 FY3/2014 FY3/2015

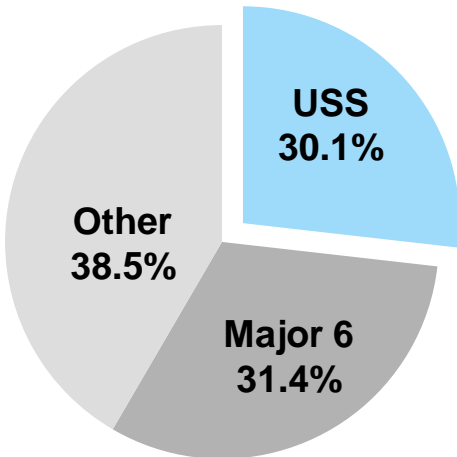
Auto Auction Business (3) – Market Share (January to December)

USS Market Share



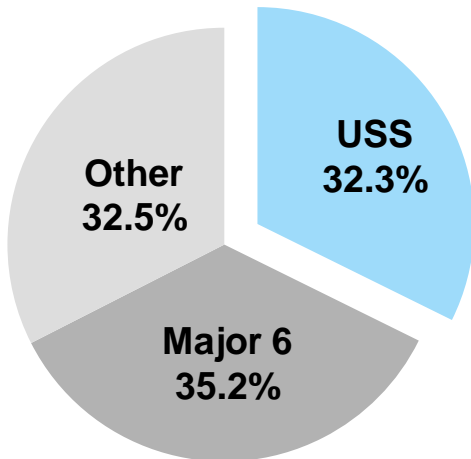
2004(CY) Market Share

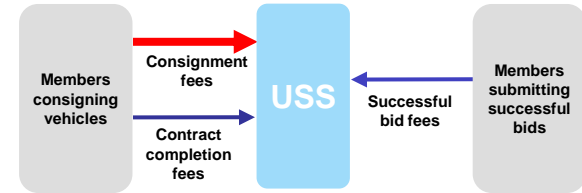
- *Major 6
- JAA (9.4%)
- TAA (6.8%)
- CAA (5.9%)
- Arai AA (4.8%)
- KCAA (2.5%)
- LAA (2.0%)



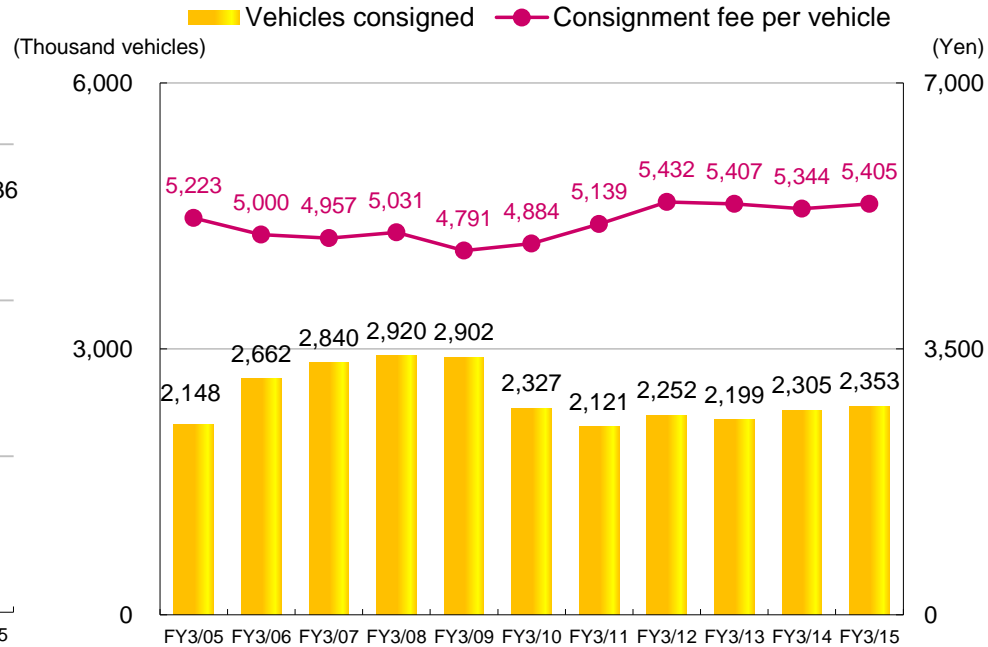
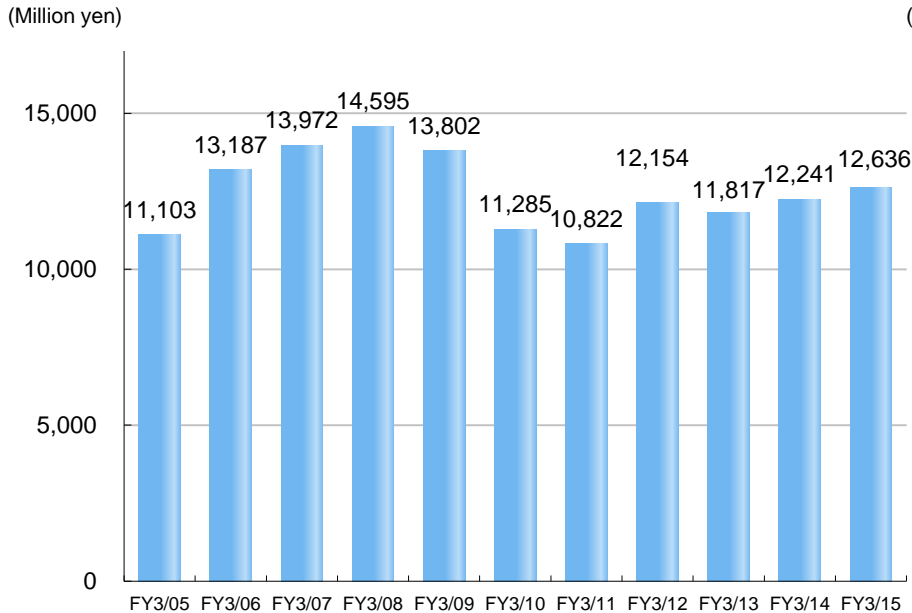
2014(CY) Market Share

- *Major 6
- TAA (9.9%)
- JAA (8.2%)
- CAA (5.9%)
- Arai AA (4.9%)
- Honda (3.2%)
- KCAA(3.1%)





Total of Consignment Fees

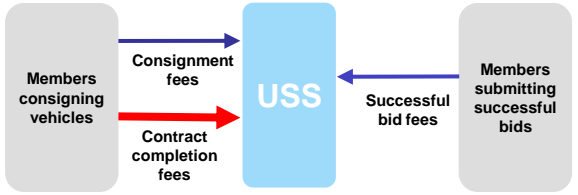


*Consignment fee per vehicle is calculated before eliminations for consolidation.

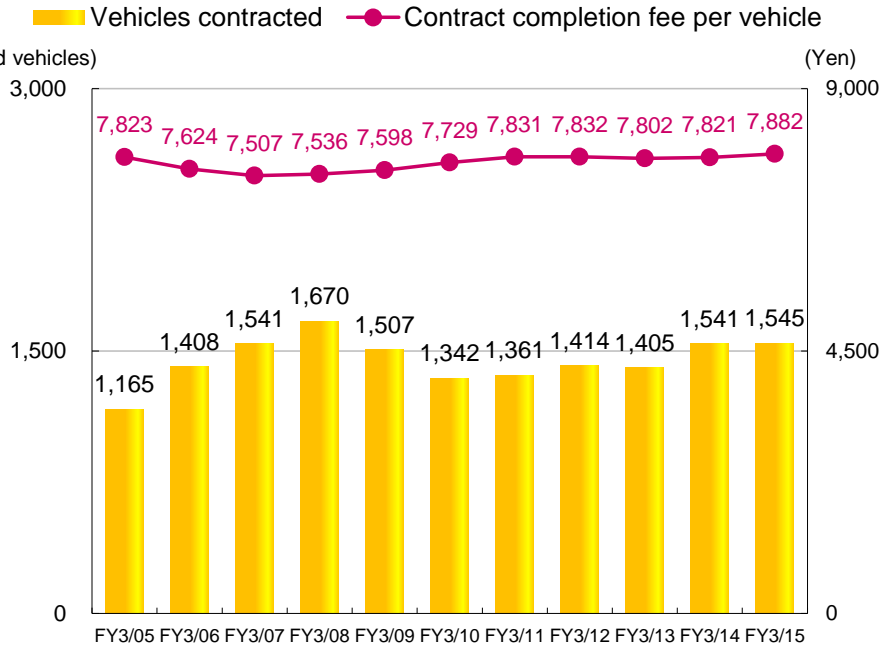
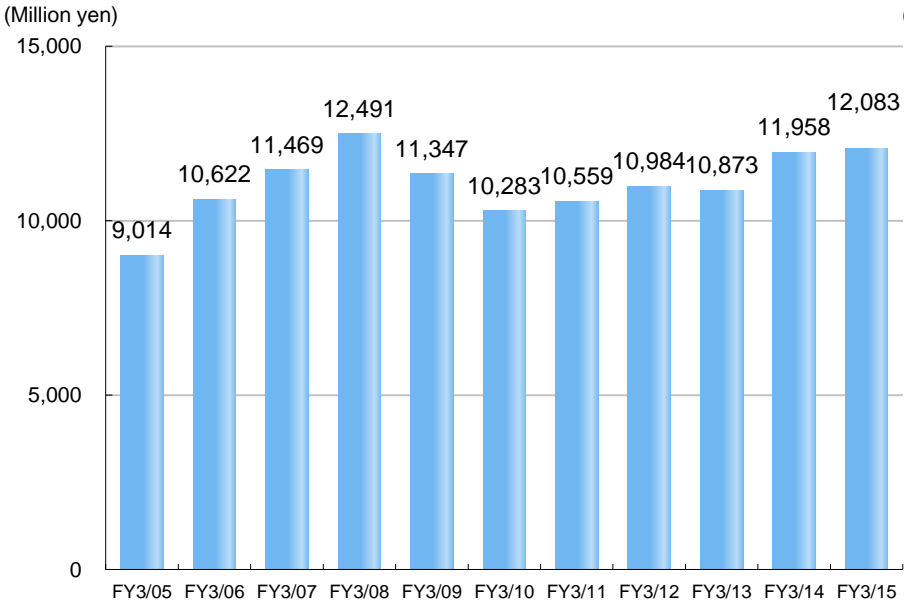
Consignment fee per vehicle increased by 61 yen to 5,405 yen from one year earlier

- Fewer discounted fee events at some auction sites and a review of the fee rebate system for high-volume members (positive effect)
- Increased share of vehicle consignment of major members who pay lower consignment fees (negative effect)

Auto Auction Business (5) – Vehicles Contracted and Contract Completion Fees



Total of Contract Completion Fees

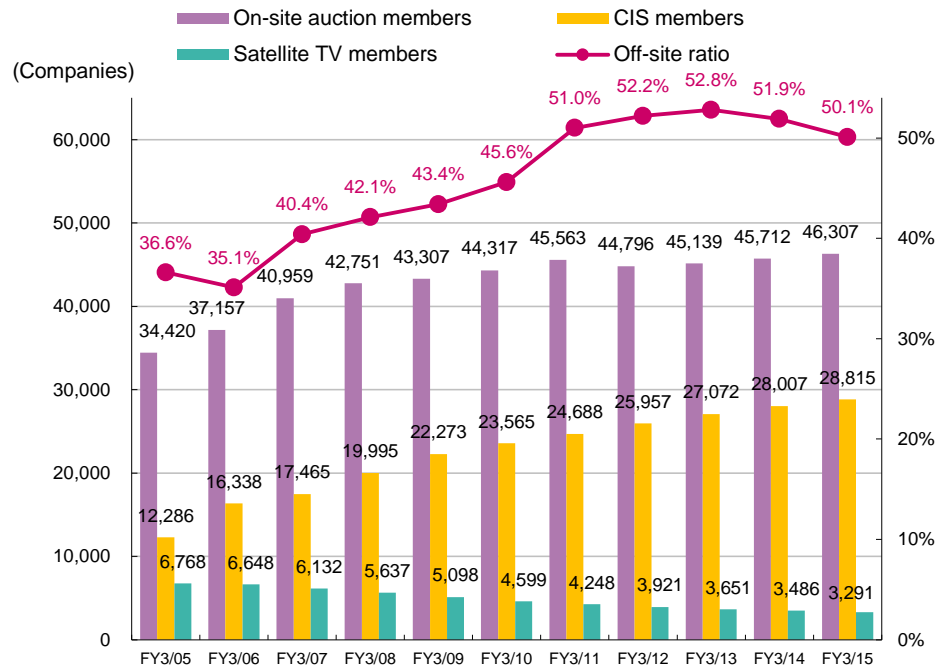
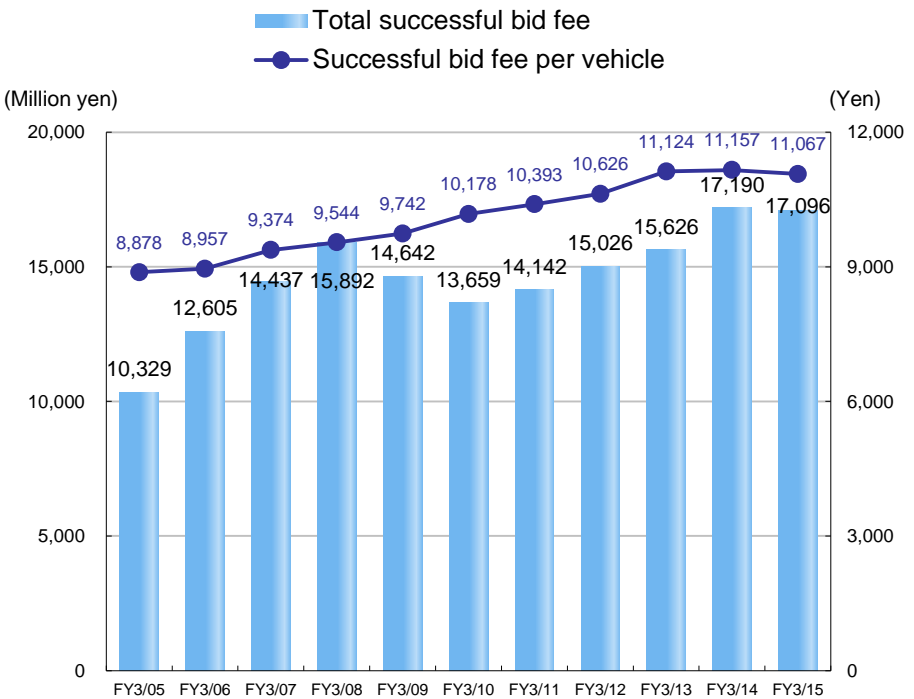
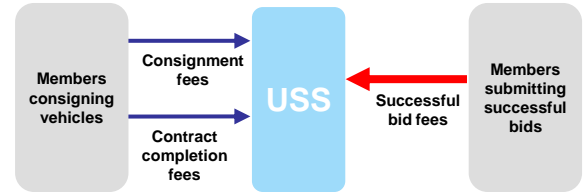


*Contract Completion fee per vehicle is calculated before eliminations for consolidation.

Contract completion fee per vehicle increased by 61 yen to 7,882 yen from one year earlier

- Reexamined the rebate system for high-volume members and fees at some auction sites

Auto Auction Business (6) – Successful Bid Fees and Off-site Successful Bid Ratio



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

*The basis of aggregating successful bids received via satellite TV for calculating the off-site successful bid ratio is changed effective from the fiscal year ended March 2011.
 *Starting in FY3/2012, the number of on-site auction members does not include sleeping members (members that have not been active for extended periods).

Successful bid fee per vehicle decreased by 90 yen to 11,067 yen from one year earlier

- The off-site successful bid ratio was 50.1% (51.9% one year earlier)

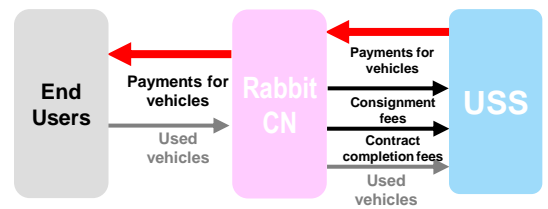
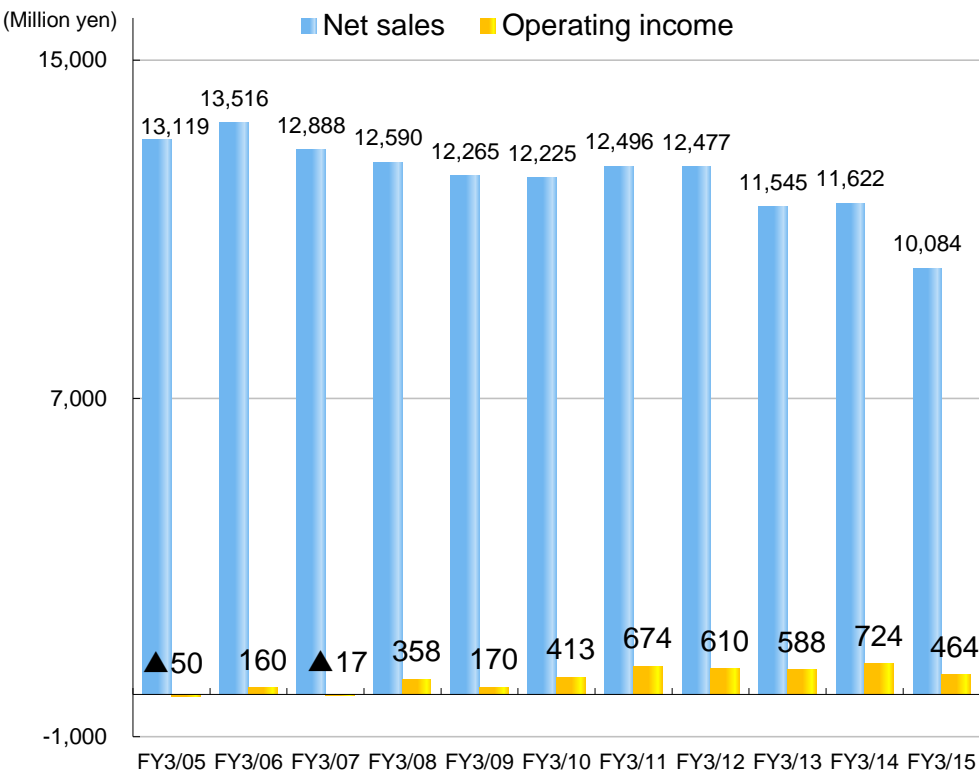
Auto Auction Business (7) – USS Group Auto Auction Results by Sites

(Number of auctions held, Vehicles)

	Number of auctions		Number of consigned vehicles			Number of contract completions			Contract completion rate	
	FY3/15	FY3/14	FY3/15	FY3/14	Changes	FY3/15	FY3/14	Changes	FY3/15	FY3/14
Tokyo	49	49	651,597	630,429	3.4%	460,240	453,989	1.4%	70.6%	72.0%
Nagoya	49	49	438,849	413,075	6.2%	268,131	263,404	1.8%	61.1%	63.8%
Kyushu	49	48	195,303	190,449	2.5%	117,854	115,921	1.7%	60.3%	60.9%
Yokohama	50	48	193,019	188,916	2.2%	135,994	133,648	1.8%	70.5%	70.7%
Sapporo	49	49	139,410	139,094	0.2%	83,660	86,673	▲3.5%	60.0%	62.3%
Osaka	49	49	127,377	123,371	3.2%	79,967	80,154	▲0.2%	62.8%	65.0%
R-Nagoya	49	50	119,204	115,956	2.8%	103,978	98,086	6.0%	87.2%	84.6%
Shizuoka	49	49	83,117	88,719	▲6.3%	48,060	52,560	▲8.6%	57.8%	59.2%
Tohoku	49	49	71,566	71,663	▲0.1%	52,939	54,752	▲3.3%	74.0%	76.4%
Okayama	49	49	70,244	71,840	▲2.2%	44,494	44,948	▲1.0%	63.3%	62.6%
Gunma	49	48	63,097	65,612	▲3.8%	43,538	43,592	▲0.1%	69.0%	66.4%
Saitama	49	49	52,172	56,291	▲7.3%	28,088	30,959	▲9.3%	53.8%	55.0%
Fukuoka	49	49	44,893	45,048	▲0.3%	19,409	21,277	▲8.8%	43.2%	47.2%
Kobe	49	49	44,794	40,531	10.5%	26,136	24,210	8.0%	58.3%	59.7%
Niigata	49	49	39,238	39,849	▲1.5%	19,652	20,472	▲4.0%	50.1%	51.4%
Hokuriku	49	49	19,261	24,346	▲20.9%	13,093	16,362	▲20.0%	68.0%	67.2%
Total	785	782	2,353,141	2,305,189	2.1%	1,545,233	1,541,007	0.3%	65.7%	66.8%

*In FY3/2014, one auction at the Gunma Auction Site was canceled because of heavy snow in February 2014.

Used Vehicle Purchasing and Selling Business – Results of Operations (April to March)



	(Million yen)		
	FY3/14	FY3/15	YoY
Net sales	11,622	10,084	86.8%
Operating income (Per sales)	724 (6.2%)	464 (4.6%)	64.2%

Rabbit sales decreased 14.4% to 6,737 million yen and operating income decreased 26.9% to 364 million yen

- A smaller number of vehicles handled and downturn of selling price were the main reasons

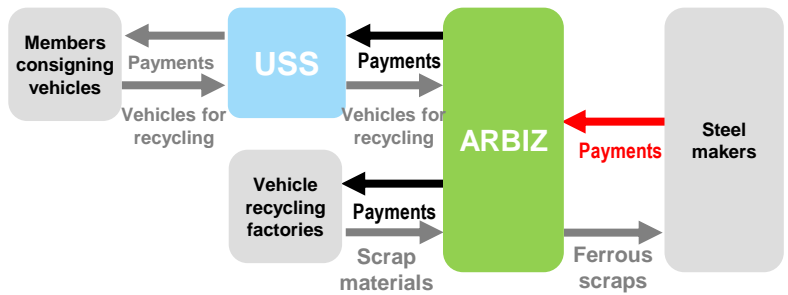
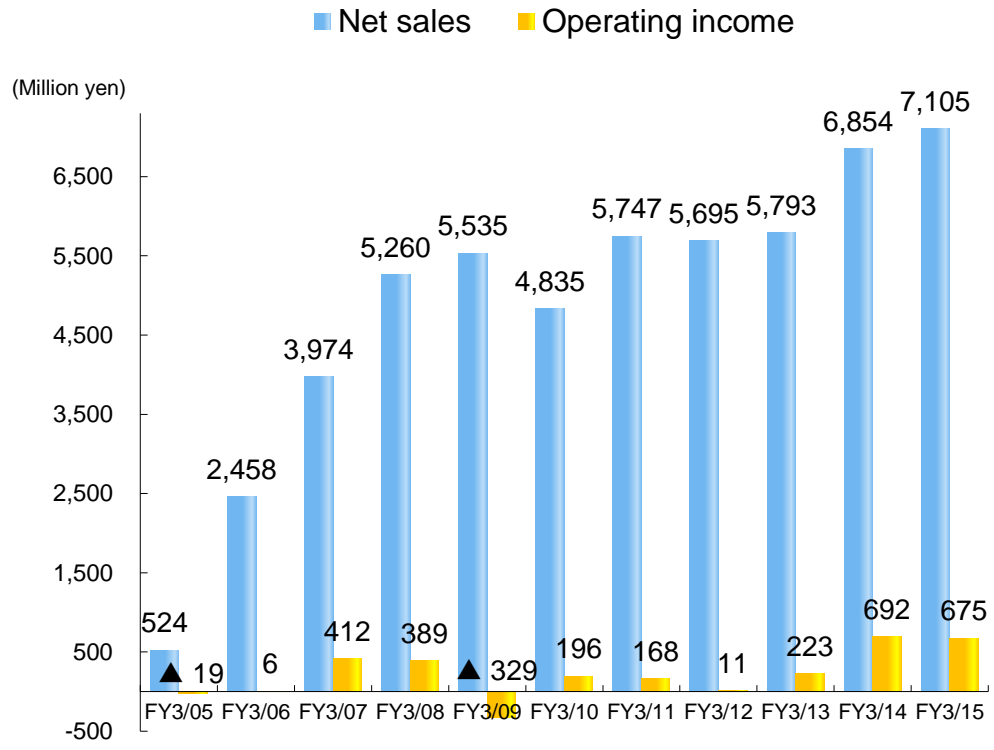
Sales of accident-damaged vehicles decreased 10.9% to 3,347 million yen and operating income decreased 55.7% to 99 million yen

- A smaller number of vehicles handled was the main cause

*On July 1, 2014, R&W Co., Ltd. conducted a company split to establish Rabbit Car Network Co., Ltd. The new entity took over the Rabbit Business Division of R&W.

*On January 1, 2015, R&W Co., Ltd. was renamed Repro World Co., Ltd.

Other Business (Recycling Business) – Results of Operations (April to March)



	(Million yen)		
	FY3/14	FY3/15	YoY
Net sales	6,854	7,105	103.7%
Operating income (Per sales)	692 (10.1%)	675 (9.5%)	97.6%

ARBIZ sales increased 4.3% to 5,027 million yen and operating income decreased 8.7% to 462 million yen

- Sales increased with the higher volume of end-of-life vehicles but the drop in prices for ferrous scrap brought down earnings

CAR QUEST Toyo sales decreased 7.7% to 1,383 million yen and operating income decreased 38.7% to 79 million yen

- In elastic pavement products category, there was a decline starting in the third quarter in the volume of color products, which have a high profit margin

USS Logistics International Service sales increased 21.4% to 609 million yen and operating income increased 126.2% to 105 million yen

- Increase in the handling volume and shifting more inspection work in-house boosted sales and income