



## Consolidated Earning Results for the Year ended March 31, 2010

May 11, 2010

Company Name : **USS Co., Ltd.**

Stock Exchanges Listings : Tokyo and Nagoya

Stock Code : 4732

Phone : +81-52-689-1129

(URL <http://www.ussnet.co.jp>)

President : Yukihiro Ando

Contact : Masafumi Yamanaka

Junior Managing Director & Officer of Supervisory Office

Date of Annual General Meeting of Shareholders (Scheduled): June 29, 2010

Starting Date of Dividend Payment (Scheduled): June 30, 2010

Date of Filing of Securities Report (Scheduled): June 30, 2010

### 1. Consolidated Results for the Year ended March 31, 2010(April 1, 2009 – March 31, 2010)

#### (1) Consolidated Operating Results

(millions of yen)

	Net sales	Operating income	Ordinary income	Net income
Year ended March 31, 2010	59,849 (10.1)%	21,940 (2.8)%	22,511 0.0%	12,717 5.9%
Year ended March 31, 2009	66,549 (4.7)%	22,568 (17.0)%	22,503 (18.1)%	12,003 (21.0)%

	Net income per share (yen)	Diluted net income per share (yen)	ROE (%)	ROA (%)	Operating margin
Year ended March 31, 2010	418.85	418.81	10.9	16.0	36.7
Year ended March 31, 2009	382.72	—	10.4	15.6	33.9

Note: Percent indication shows percentage of change from corresponding figure for annual period of the prior fiscal year.

Reference: Gain (loss) on investment by equity method (millions of yen): As of March 31, 2010: - As of March 31, 2009: -

#### (2) Consolidated Financial Position

(millions of yen)

	Total assets	Net assets	Equity ratio (%)	Equity per share (yen)
As of March 31, 2010	142,164	118,390	83.1	3,970.03
As of March 31, 2009	138,370	114,941	82.9	3,751.90

Reference: Shareholders' equity (millions of yen): As of March 31, 2010: 118,146 As of March 31, 2009: 114,771

#### (3) Consolidated Cash Flows

(millions of yen)

	Operating activities	Investing activities	Financing activities	Cash and cash equivalent at end of period
Year ended March 31, 2010	22,300	(803)	(10,260)	29,681
Year ended March 31, 2009	15,979	(7,711)	(16,102)	18,445

### 2. Dividends

(Reference date)	Dividend per share (yen)					Total dividends (Fiscal year) (millions of yen)	Dividends payout rate (Consolidated) (%)	Dividends rate for net assets (Consolidated) (%)
	First quarter	Second quarter	Third quarter	Fiscal year end	Fiscal year			
Year ended March 31, 2009	—	82.50	—	82.50	165.00	5,126	43.1	4.5
Year ended March 31, 2010	—	72.50	—	95.50	168.00	5,059	40.1	4.4
Year ending March 31, 2011 (Estimated)	—	91.00	—	91.00	182.00		40.1	

### 3. Consolidated Outlook for Fiscal 2010 (April 1, 2010 – March 31, 2011)

(millions of yen)

	Net sales		Operating income		Ordinary income		Net income		Net income per share (yen)
Second quarter	29,600	3.1%	11,100	10.7%	11,200	8.2%	6,180	6.5%	207.66
For the year	69,000	1.8%	23,600	7.6%	23,800	5.7%	13,500	6.2%	453.63

Note: Percent indication shows percentage of change from corresponding figure for annual period of the prior fiscal year.

#### 4. Other Information

- (1) Significant change of subsidiaries during the term (changes of specified subsidiaries that affected the scope of consolidated reporting): None
- (2) Changes in accounting principles, methods or reporting methods affecting the production of the consolidated financial statements (fundamental changes in main reported items for the production of the consolidated financial statements)
  - ① Changes caused by revisions to accounting standard: None
  - ② Other changes: None
- (3) Number of shares issued (common shares):
  - ① Number of shares issued (including treasury stock):  
As of March 31, 2010: 32,695,982 shares      As of March 31, 2009: 32,695,982 shares
  - ② Number of treasury stock:  
As of March 31, 2010: 2,936,474 shares      As of March 31, 2009: 2,105,687 shares

Reference: Non-consolidated Results

#### 1. Non-consolidated Results for Fiscal 2009 (April 1, 2009 – March 31, 2010)

##### (1) Non-consolidated Operating Result

(millions of yen)

	Operating revenues		Operating income		Recurring profit		Net income	
Year ended March 31, 2010	26,728	(9.4)%	15,628	(0.9)%	22,686	(11.5)%	15,718	(17.4)%
Year ended March 31, 2009	29,505	(5.1)%	15,772	(9.7)%	25,639	21.5%	19,022	39.9%

	Net income per share (yen)	Diluted net income per share (yen)
Year ended March 31, 2010	517.69	517.57
Year ended March 31, 2009	606.48	606.42

(Percent indication shows percentage of change from corresponding figures for the prior fiscal year.)

##### (2) Non-consolidated Financial Position

	Total assets (millions of yen)	Net assets (millions of yen)	Equity ratio (%)	Equity per share (yen)
As of March 31, 2010	122,018	108,680	89.1	3,651.33
As of March 31, 2009	118,773	102,294	86.1	3,343.75

Note: Shareholders' equity (millions of yen): As of March 31, 2010: 108,661      As of March 31, 2009: 102,286

#### \*Explanation of the appropriate use of forecasts and other related items

The above forecast has been prepared based on information available at the time of this writing. Actual performance is subject to various factors and is therefore to change.

## Consolidated Financial Statements

### (1) Consolidated Quarterly Balance Sheets

(millions of yen)

	FY 2008 (As of March 31, 2009)	FY 2009 (As of March 31, 2010)
<b>Assets</b>		
<b>Current assets:</b>		
Cash and deposits	18,445	29,681
Receivables due from member dealers at auction	6,482	5,643
Notes and accounts receivable-trade	2,804	2,885
Inventories	839	841
Prepaid expenses	203	171
Deferred tax assets	711	589
Other	1,034	493
Allowance for doubtful accounts	(92)	(84)
Total current assets	30,430	40,222
<b>Noncurrent assets:</b>		
Property, plant and equipment		
Buildings and structures, net	38,001	35,019
Machinery, equipment and vehicles, net	1,241	872
Tools, furniture and fixtures, net	3,582	2,439
Land	52,863	52,812
Lease assets, net	1,316	1,047
Construction in progress	20	13
Total property, plant and equipment	97,027	92,204
Intangible assets		
Goodwill	1,095	357
Other	1,274	1,140
Total intangible assets	2,370	1,498
Investments and other assets		
Investment securities	1,002	1,246
Long-term loans receivable	15	11
Long-term prepaid expenses	587	475
Deferred tax assets	1,003	1,097
Deferred tax assets for revaluation	3,352	3,343

(millions of yen)

	FY 2008 (As of March 31, 2009)	FY 2009 (As of March 31, 2010)
Real estate for investment, net	1,724	1,720
Other	1,017	446
Allowance for doubtful accounts	(160)	(102)
Total investments and other assets	8,543	8,238
Total noncurrent assets	107,940	101,941
Total assets	138,370	142,164
<b>Liabilities</b>		
<b>Current liabilities:</b>		
Payables due to member dealers at auction	6,530	6,454
Notes and accounts payable-trade	522	577
Short-term loans payable	787	399
Lease obligations	301	304
Income taxes payable	3,102	4,354
Deposits received	1,889	2,112
Provision for bonuses	515	445
Other	3,002	2,786
Total current liabilities	16,651	17,435
<b>Noncurrent liabilities:</b>		
Long-term loans payable	571	356
Lease obligations	1,055	746
Long-term accounts payable-other	653	684
Provision for retirement benefits	126	91
Long-term guarantee deposited	3,898	3,988
Deferred tax liabilities for revaluation	470	470
Total noncurrent liabilities	6,777	6,337
Total liabilities	23,428	23,773

(millions of yen)

	FY 2008 (As of March 31, 2009)	FY 2009 (As of March 31, 2010)
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	18,881	18,881
Capital surplus	27,992	27,992
Retained earnings	87,600	95,567
Treasury stock	(14,710)	(19,382)
Total shareholders' equity	119,763	123,058
<b>Valuation and translation adjustments</b>		
Valuation difference on available-for-sale securities	(14)	59
Revaluation reserve for land	(4,977)	(4,972)
Total valuation and translation adjustments	(4,991)	(4,912)
<b>Subscription rights to shares</b>	8	18
<b>Minority interests</b>	161	226
Total net assets	114,941	118,390
Total liabilities and net assets	138,370	142,164

**(2) Consolidated Statements of Income**

(millions of yen)

	FY2008 (April 1, 2008 through March 31, 2009)	FY2009 (April 1, 2009 through March 31, 2010)
<b>Net sales</b>	66,549	59,849
<b>Cost of sales</b>	31,798	27,120
<b>Gross profit</b>	34,751	32,728
<b>Selling, general and administrative expenses</b>		
Advertising expenses	702	534
Promotion expenses	1,885	1,439
Provision of allowance for doubtful accounts	177	104
Directors' compensations	537	517
Employees' salaries and bonuses	3,247	3,050
Provision for bonuses	245	212
Depreciation	516	482
Taxes and dues	177	156
Amortization of goodwill	784	797
Enterprise tax	163	151
Other	3,745	3,339
Total selling, general and administrative expenses	12,182	10,788
<b>Operating income</b>	22,568	21,940
<b>Non-operating income</b>		
Interest income	23	43
Real estate rent	152	158
Insurance income	10	2
Gain on valuation of compound financial instruments	-	252
Miscellaneous income	161	155
Total non-operating income	348	611
<b>Non-operating expenses</b>		
Interest expenses	29	13
Rent cost of real estate	17	15

(millions of yen)

	FY2008 (April 1, 2008 through March 31, 2009)	FY2009 (April 1, 2009 through March 31, 2010)
Loss on valuation of derivatives	330	-
Commission for purchase of treasury stock	-	6
Miscellaneous loss	37	4
Total non-operating expenses	413	40
<b>Ordinary income</b>	<b>22,503</b>	<b>22,511</b>
<b>Extraordinary income:</b>		
Gain on sales of noncurrent assets	8	35
Reversal of allowance for doubtful accounts	28	37
Other	3	0
Total extraordinary income	39	73
<b>Extraordinary losses:</b>		
Loss on sales of noncurrent assets	0	8
Loss on retirement of noncurrent assets	399	36
Loss on valuation of investment securities	-	168
Directors' retirement benefits	101	-
Impairment loss	-	294
Loss on cancellation of leasehold contracts	219	-
Other	56	50
Total extraordinary losses	777	557
<b>Income before income taxes and minority interests</b>	<b>21,765</b>	<b>22,026</b>
<b>Income taxes-current</b>	<b>10,026</b>	<b>9,259</b>
<b>Income taxes-deferred</b>	<b>(67)</b>	<b>(15)</b>
<b>Total income taxes</b>	<b>9,959</b>	<b>9,244</b>
<b>Minority interests in income (loss)</b>	<b>(198)</b>	<b>64</b>
<b>Net income</b>	<b>12,003</b>	<b>12,717</b>

**(3) Consolidated Statement of Changes in Net Assets**

(millions of yen)

	FY2008 (April 1, 2008 through March 31, 2009)	FY2009 (April 1, 2009 through March 31, 2010)
<b>Shareholders' equity</b>		
<b>Capital stock</b>		
Balance at the end of previous period	18,881	18,881
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	18,881	18,881
<b>Capital surplus</b>		
Balance at the end of previous period	27,992	27,992
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	27,992	27,992
<b>Retained earnings</b>		
Balance at the end of previous period	80,921	87,600
Changes of items during the period		
Dividends from surplus	(5,324)	(4,741)
Net income	12,003	12,717
Reversal of revaluation reserve for land	-	(8)
Total changes of items during the period	6,678	7,967
Balance at the end of current period	87,600	95,567
<b>Treasury stock</b>		
Balance at the end of previous period	(5,770)	(14,710)
Changes of items during the period		
Purchase of treasury stock	(8,940)	(4,671)
Total changes of items during the period	(8,940)	(4,671)
Balance at the end of current period	(14,710)	(19,382)



(millions of yen)

	FY2008 (April 1, 2008 through March 31, 2009)	FY2009 (April 1, 2009 through March 31, 2010)
<b>Total shareholders' equity</b>		
Balance at the end of previous period	122,024	119,763
Changes of items during the period		
Dividends from surplus	(5,324)	(4,741)
Net income	12,003	12,717
Purchase of treasury stock	(8,940)	(4,671)
Reversal of revaluation reserve for land	-	(8)
Total changes of items during the period	(2,261)	3,295
Balance at the end of current period	119,763	123,058
<b>Valuation and translation adjustments</b>		
<b>Valuation difference on available-for-sale securities</b>		
Balance at the end of previous period	83	(14)
Changes of items during the period		
Net changes of items other than shareholders' equity	(97)	73
Total changes of items during the period	(97)	73
Balance at the end of current period	(14)	59
<b>Revaluation reserve for land</b>		
Balance at the end of previous period	(4,977)	(4,977)
Changes of items during the period		
Net changes of items other than shareholders' equity	0	5
Total changes of items during the period	0	5
Balance at the end of current period	(4,977)	(4,972)
<b>Total valuation and translation adjustments</b>		
Balance at the end of previous period	(4,894)	(4,991)
Changes of items during the period		
Net changes of items other than shareholders' equity	(97)	78
Total changes of items during the period	(97)	78
Balance at the end of current period	(4,991)	(4,912)

(millions of yen)

	FY2008 (April 1, 2008 through March 31, 2009)	FY2009 (April 1, 2009 through March 31, 2010)
<b>Subscription rights to shares</b>		
Balance at the end of previous period	2	8
Changes of items during the period		
Net changes of items other than shareholders' equity	6	9
Total changes of items during the period	6	9
Balance at the end of current period	8	18
<b>Minority interests</b>		
Balance at the end of previous period	444	161
Changes of items during the period		
Net changes of items other than shareholders' equity	(282)	64
Total changes of items during the period	(282)	64
Balance at the end of current period	161	226
<b>Total net assets</b>		
Balance at the end of previous period	117,577	114,941
Changes of items during the period		
Dividends from surplus	(5,324)	(4,741)
Net income	12,003	12,717
Purchase of treasury stock	(8,940)	(4,671)
Reversal of revaluation reserve for land	-	(8)
Net changes of items other than shareholders' equity	(373)	153
Total changes of items during the period	(2,635)	3,448
Balance at the end of current period	114,941	118,390

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

(millions of yen)

	FY2008 (April 1, 2008 through March 31, 2009)	FY2009 (April 1, 2009 through March 31, 2010)
<b>Net Cash provided by (used in) operating activities:</b>		
Income before income taxes and minority interests	21,765	22,026
Depreciation and other amortization	5,942	5,622
Impairment loss	-	294
Amortization of goodwill	784	797
Increase (decrease) in allowance for doubtful accounts	40	(65)
Increase (decrease) in provision for bonuses	8	(69)
Increase (decrease) in provision for retirement benefits	(15)	(34)
Increase (decrease) in provision for directors' retirement benefits	(2)	-
Interest and dividends income	(36)	(48)
Interest expenses	29	13
Loss (gain) on valuation of investment securities	-	168
Loss (gain) on valuation of compound financial instruments	-	(252)
Loss (gain) on valuation of derivatives	330	-
Loss (gain) on sales and retirement of property, plant and equipment	354	1
Loss (gain) on sales and retirement of intangible assets	37	8
Net change in due from/to member dealers at auction	(32)	761
Increase (decrease) in deposits received	(571)	223
Increase (decrease) in notes and accounts receivable-trade	722	(80)
Decrease (Increase) in notes and accounts payable-trade	(120)	55
Other, net	(219)	791
Subtotal	29,015	30,214
Interest and dividends income received	35	46
Interest expenses paid	(32)	(12)
Income taxes paid	(13,039)	(7,949)
Net cash provided by (used in) operating activities	15,979	22,300

(millions of yen)

	FY2008 (April 1, 2008 through March 31, 2009)	FY2009 (April 1, 2009 through March 31, 2010)
<b>Net cash provided by (used in) investing activities:</b>		
Net decrease (increase) in time deposits	-	500
Purchase of property, plant and equipment	(6,649)	(1,071)
Proceeds from sales of property, plant and equipment	15	144
Purchase of intangible assets	(264)	(214)
Purchase of investment securities	(500)	(150)
Proceeds from sales of investment securities	-	93
Purchase of long-term prepaid expenses	(36)	(29)
Purchase of investments in subsidiaries	-	(59)
Other, net	(276)	(17)
Net cash provide by (used in) investing activities	(7,711)	(803)
<b>Net cash provided by (used in) financing activities:</b>		
Net increase (decrease) in short-term loans payable	300	(100)
Proceeds from long-term loans payable	300	-
Repayments of long-term loans payable	(2,305)	(502)
Proceeds from guarantee deposits received from member dealers	254	214
Repayment of guarantee deposits received from member dealers	(125)	(117)
Purchases of treasury stock	(8,940)	(4,671)
The subsidiary's purchase of its own treasury stock	(84)	-
Cash dividends paid	(5,324)	(4,741)
Repayment of finance lease obligations	(175)	(340)
Net cash provided by (used in) financing activities	(16,102)	(10,260)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(7,834)</b>	<b>11,235</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>26,280</b>	<b>18,445</b>
<b>Cash and cash equivalents at end of period</b>	<b>18,445</b>	<b>29,681</b>