



## Consolidated Earning Results for the Year ended March 31, 2011

May 10, 2011

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 28, 2011

Starting Date of Dividend Payment (Scheduled): June 29, 2011

Date of Filing of Securities Report (Scheduled): June 29, 2011

Preparation of supplementary materials for quarterly financial results: Yes

Information meeting for financial results to be held: Yes

### 1. Consolidated Results for the Year ended March 31, 2011(April 1, 2010 – March 31, 2011)

#### (1) Consolidated Operating Results

(millions of yen)

	Net sales		Operating income		Ordinary income		Net income	
Year ended March 31, 2011	61,417	2.6%	24,332	10.9%	24,643	9.5%	13,971	9.9%
Year ended March 31, 2010	59,849	(10.1)%	21,940	(2.8)%	22,511	0.0%	12,717	5.9%

Note: Comprehensive Income (millions of yen): As of March 31, 2011: 13,994 +8.9% As of March 31, 2010: 12,852 -%

	Net income per share (yen)	Diluted net income per share (yen)	ROE (%)	ROA (%)	Operating margin
Year ended March 31, 2011	478.00	477.72	11.7	16.8	39.6
Year ended March 31, 2010	418.85	418.81	10.9	16.0	36.7

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, 2011: - As of March 31, 2010: -

#### (2) Consolidated Financial Position

(millions of yen)

	Total assets	Net assets	Equity ratio (%)	Equity per share (yen)
As of March 31, 2011	151,636	121,947	80.2	4,200.18
As of March 31, 2010	142,164	118,390	83.1	3,970.03

Reference: Shareholders' equity (millions of yen): As of March 31, 2011: 121,638 As of March 31, 2010: 118,146

#### (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, 2011	20,512	(9,786)	(11,127)	29,280
Year ended March 31, 2010	22,300	(803)	(10,260)	29,681

### 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, 2010	—	72.50	—	95.50	168.00	5,059	40.1	4.4
Year ended March 31, 2011	—	91.00	—	101.00	192.00	5,601	40.2	4.7
Year ending March 31, 2012 (Estimated)	—	—	—	—	—		—	

Note: The dividend forecast for fiscal year during in March 2012 has not been determined.

### 3. Consolidated Outlook for Fiscal 2011 (April 1, 2011 – March 31, 2012)

Due to the impact of the 2011 off the Pacific coast of Tohoku Earthquake that occurred on March 11, 2011, it is not possible to announce a forecast for the fiscal year ending in March 2012 at this time. An announcement will be made when it becomes possible to determine a forecast.

### 4. Other Information

- (1) Significant change of subsidiaries during the term (changes of specified subsidiaries that affected the scope of consolidated reporting): No
- (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: Yes  
Note: please refer to “Change on the Basis of Consolidated Financial Statement Preparation” at page 14.
  - ② Other changes: No
- (3) Number of shares issued (common shares):
  - ① Number of shares issued (including treasury stock):  
As of March 31, 2011: 31,325,000 shares      As of March 31, 2010: 32,695,982 shares
  - ② Number of treasury stock:  
As of March 31, 2011: 2,364,781 shares      As of March 31, 2010: 2,936,474 shares
  - ③ Average number of shares:  
As of March 31, 2011: 29,228,613 shares      As of March 31, 2010: 30,363,103 shares

Reference: Non-consolidated Results

### 1. Non-consolidated Results for Fiscal 2010 (April 1, 2010 – March 31, 2011)

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

(millions of yen)

	Operating revenues	Operating income	Ordinary income	Net income
Year ended March 31, 2011	27,587 3.2 %	16,044 2.7 %	21,009 (7.4) %	13,827 (12.0) %
Year ended March 31, 2010	26,728 (9.4) %	15,628 (0.9) %	22,686 (11.5) %	15,718 (17.4) %

	Net income per share (yen)	Diluted net income per share (yen)
Year ended March 31, 2011	473.07	472.80
Year ended March 31, 2010	517.69	517.57

Note: 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, 2011	132,370	112,039	84.6	3,867.66
As of March 31, 2010	122,018	108,680	89.1	3,651.33

Note: Shareholders' equity (millions of yen): As of March 31, 2011: 112,008      As of March 31, 2010: 108,661

\*Implementation status of quarterly review procedures

This financial results report is not subject to audit procedures based on the Financial Instruments and Exchange Act. At the time of disclosures of this report, the audit procedures for the financial statements are in progress.

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

We plan to hold an information meeting for financial results on May 12, 2011. We plan to post the materials that we distribute at this meeting on our website immediately afterward.

**Consolidated Financial Statements**

**(1) Consolidated Quarterly Balance Sheets**

(millions of yen)

	FY 2009 (As of March 31, 2010)	FY 2010 (As of March 31, 2011)
<b>Assets</b>		
<b>Current assets:</b>		
Cash and deposits	29,681	30,980
Receivables due from member dealers at auction	5,643	11,151
Notes and accounts receivable-trade	2,885	2,685
Inventories	841	973
Prepaid expenses	171	209
Deferred tax assets	589	701
Other	493	449
Allowance for doubtful accounts	(84)	(76)
Total current assets	40,222	47,074
<b>Noncurrent assets:</b>		
Property, plant and equipment		
Buildings and structures, net	35,019	32,002
Machinery, equipment and vehicles, net	872	691
Tools, furniture and fixtures, net	2,439	1,837
Land	52,812	59,100
Lease assets, net	1,047	823
Construction in progress	13	23
Total property, plant and equipment	92,204	94,479
Intangible assets		
Goodwill	357	108
Other	1,140	1,005
Total intangible assets	1,498	1,114
Investments and other assets		
Investment securities	1,246	1,148
Long-term loans receivable	11	8
Long-term prepaid expenses	475	621
Deferred tax assets	1,097	1,614
Deferred tax assets for revaluation	3,343	3,339

(millions of yen)

	FY 2009 (As of March 31, 2010)	FY 2010 (As of March 31, 2011)
Real estate for investment, net	1,720	1,899
Other	446	440
Allowance for doubtful accounts	(102)	(105)
Total investments and other assets	8,238	8,969
Total noncurrent assets	101,941	104,562
Total assets	142,164	151,636
<b>Liabilities</b>		
<b>Current liabilities:</b>		
Payables due to member dealers at auction	6,454	11,502
Notes and accounts payable-trade	577	649
Short-term loans payable	399	188
Lease obligations	304	296
Income taxes payable	4,354	4,932
Deposits received	2,112	2,176
Provision for bonuses	445	493
Other	2,786	2,755
Total current liabilities	17,435	22,994
<b>Noncurrent liabilities:</b>		
Long-term loans payable	356	167
Lease obligations	746	444
Long-term accounts payable-other	684	671
Deferred tax liabilities for land revaluation	470	469
Provision for retirement benefits	91	133
Long-term guarantee deposited	3,988	4,099
Asset retirement obligations	-	705
Other	-	4
Total noncurrent liabilities	6,337	6,695
Total liabilities	23,773	29,689

(millions of yen)

	FY 2009 (As of March 31, 2010)	FY 2010 (As of March 31, 2011)
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	18,881	18,881
Capital surplus	27,992	18,972
Retained earnings	95,567	104,012
Treasury stock	(19,382)	(15,310)
Total shareholders' equity	123,058	126,556
<b>Valuation and translation adjustments</b>		
Valuation difference on available-for-sale securities	59	43
Revaluation reserve for land	(4,972)	(4,961)
Total valuation and translation adjustments	(4,912)	(4,918)
<b>Subscription rights to shares</b>	18	31
<b>Minority interests</b>	226	278
<b>Total net assets</b>	118,390	121,947
<b>Total liabilities and net assets</b>	142,164	151,636

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

(millions of yen)

	FY2009 (April 1, 2009 through March 31, 2010)	FY2010 (April 1, 2010 through March 31, 2011)
<b>Net sales</b>	59,849	61,417
<b>Cost of sales</b>	27,120	26,865
<b>Gross profit</b>	32,728	34,552
<b>Selling, general and administrative expenses</b>		
Advertising expenses	534	507
Promotion expenses	1,439	1,392
Provision of allowance for doubtful accounts	104	88
Directors' compensations	517	499
Employees' salaries and bonuses	3,050	3,084
Provision for bonuses	212	231
Depreciation	482	427
Taxes and dues	156	276
Amortization of goodwill	797	248
Enterprise tax	151	145
Other	3,339	3,318
Total selling, general and administrative expenses	10,788	10,220
<b>Operating income</b>	21,940	24,332
<b>Non-operating income</b>		
Interest income	43	45
Real estate rent	158	156
Insurance income	2	-
Gain on valuation of compound financial instruments	252	-
Miscellaneous income	155	151
Total non-operating income	611	353
<b>Non-operating expenses</b>		
Interest expenses	13	8
Rent cost of real estate	15	14

(millions of yen)

	FY2009 (April 1, 2009 through March 31, 2010)	FY2010 (April 1, 2010 through March 31, 2011)
Commission for purchase of treasury stock	6	-
Loss on valuation of compound financial instruments	-	9
Miscellaneous loss	4	10
Total non-operating expenses	40	42
<b>Ordinary income</b>	<b>22,511</b>	<b>24,643</b>
<b>Extraordinary income:</b>		
Gain on sales of noncurrent assets	35	23
Reversal of allowance for doubtful accounts	37	40
Other	0	5
Total extraordinary income	73	69
<b>Extraordinary loss:</b>		
Loss on sales of noncurrent assets	8	0
Loss on retirement of noncurrent assets	36	37
Loss on valuation of investment securities	168	56
Impairment loss	294	998
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	462
Other	50	0
Total extraordinary losses	557	1,555
<b>Income before income taxes and minority interests</b>	<b>22,026</b>	<b>23,156</b>
<b>Income taxes-current</b>	<b>9,259</b>	<b>9,757</b>
<b>Income taxes-deferred</b>	<b>(15)</b>	<b>(608)</b>
<b>Total income taxes</b>	<b>9,244</b>	<b>9,149</b>
<b>Income before minority interests</b>	<b>-</b>	<b>14,007</b>
<b>Minority interests in income</b>	<b>64</b>	<b>36</b>
<b>Net income</b>	<b>12,717</b>	<b>13,971</b>

**(Statements of Comprehensive Income)**

(millions of yen)

	FY2009 (April 1, 2009 through March 31, 2010)	FY2010 (April 1, 2010 through March 31, 2011)
<b>Income before minority interests</b>	-	14,007
<b>Other comprehensive income</b>		
Valuation difference on available-for-sale securities	-	(16)
Revaluation reserve for land	-	3
Total other comprehensive income	-	(13)
<b>Comprehensive Income</b>	-	13,994
(Comprehensive income attributable to)		
Comprehensive Income attributable owners of the parent	-	13,958
Comprehensive Income attributable to minority interests	-	36



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

(millions of yen)

	FY2009 (April 1, 2009 through March 31, 2010)	FY2010 (April 1, 2010 through March 31, 2011)
<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		
Disposal of treasury stock	-	(1)
Retirement of treasury stock	-	(9,018)
Total changes of items during the period	-	(9,019)
Balance at the end of current period	27,992	18,972
<b>Retained earnings</b>		
Balance at the end of previous period	87,600	95,567
Changes of items during the period		
Dividends from surplus	(4,741)	(5,518)
Net income	12,717	13,971
Reversal of revaluation reserve for land	(8)	(7)
Total changes of items during the period	7,967	8,445
Balance at the end of current period	95,567	104,012
<b>Treasury stock</b>		
Balance at the end of previous period	(14,710)	(19,382)
Changes of items during the period		
Purchase of treasury stock	(4,671)	(4,950)
Disposal of treasury stock	-	4
Retirement of treasury stock	-	9,018
Total changes of items during the period	(4,671)	4,072
Balance at the end of current period	(19,382)	(15,310)

(millions of yen)

	FY2009 (April 1, 2009 through March 31, 2010)	FY2010 (April 1, 2010 through March 31, 2011)
<b>Total shareholders' equity</b>		
Balance at the end of previous period	119,763	123,058
Changes of items during the period		
Dividends from surplus	(4,741)	(5,518)
Net income	12,717	13,971
Purchase of treasury stock	(4,671)	(4,950)
Disposal of treasury stock	-	3
Reversal of revaluation reserve for land	(8)	(7)
Total changes of items during the period	3,295	3,497
Balance at the end of current period	123,058	126,556
<b>Valuation and translation adjustments</b>		
<b>Valuation difference on available-for-sale securities</b>		
Balance at the end of previous period	(14)	59
Changes of items during the period		
Net changes of items other than shareholders' equity	73	(16)
Total changes of items during the period	73	(16)
Balance at the end of current period	59	43
<b>Revaluation reserve for land</b>		
Balance at the end of previous period	(4,977)	(4,972)
Changes of items during the period		
Net changes of items other than shareholders' equity	5	11
Total changes of items during the period	5	11
Balance at the end of current period	(4,972)	(4,961)
<b>Total valuation and translation adjustments</b>		
Balance at the end of previous period	(4,991)	(4,912)
Changes of items during the period		
Net changes of items other than shareholders' equity	78	(5)
Total changes of items during the period	78	(5)
Balance at the end of current period	(4,912)	(4,918)

(millions of yen)

	FY2009 (April 1, 2009 through March 31, 2010)	FY2010 (April 1, 2010 through March 31, 2011)
<b>Subscription rights to shares</b>		
Balance at the end of previous period	8	18
Changes of items during the period		
Net changes of items other than shareholders' equity	9	12
Total changes of items during the period	9	12
Balance at the end of current period	18	31
<b>Minority interests</b>		
Balance at the end of previous period	161	226
Changes of items during the period		
Net changes of items other than shareholders' equity	64	51
Total changes of items during the period	64	51
Balance at the end of current period	226	278
<b>Total net assets</b>		
Balance at the end of previous period	114,941	118,390
Changes of items during the period		
Dividends from surplus	(4,741)	(5,518)
Net income	12,717	13,971
Purchase of treasury stock	(4,671)	(4,950)
Disposal of treasury stock	-	3
Reversal of revaluation reserve for land	(8)	(7)
Net changes of items other than shareholders' equity	153	59
Total changes of items during the period	3,448	3,556
Balance at the end of current period	118,390	121,947

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

(millions of yen)

	FY2009 (April 1, 2009 through March 31, 2010)	FY2010 (April 1, 2010 through March 31, 2011)
<b>Net Cash provided by (used in) operating activities:</b>		
Income before income taxes and minority interests	22,026	23,156
Depreciation and other amortization	5,622	4,685
Impairment loss	294	998
Amortization of goodwill	797	248
Increase (decrease) in allowance for doubtful accounts	(65)	(5)
Increase (decrease) in provision for bonuses	(69)	47
Increase (decrease) in provision for retirement benefits	(34)	41
Interest and dividends income	(48)	(48)
Interest expenses	13	8
Loss (gain) on valuation of investment securities	168	56
Loss (gain) on valuation of compound financial instruments	(252)	9
Loss (gain) on sales and retirement of property, plant and equipment	1	1
Loss (gain) on sales and retirement of intangible assets	8	11
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	462
Net change in due from/to member dealers at auction	761	(458)
Decrease (Increase) in notes and accounts receivable-trade	(80)	250
Increase (decrease) in notes and accounts payable-trade	55	71
Increase (decrease) in deposits received	223	62
Other, net	791	(102)
Subtotal	30,214	29,498
Interest and dividends income received	46	47
Interest expenses paid	(12)	(7)
Income taxes paid	(7,949)	(9,026)
Net cash provided by (used in) operating activities	22,300	20,512

(millions of yen)

	FY2009 (April 1, 2009 through March 31, 2010)	FY2010 (April 1, 2010 through March 31, 2011)
<b>Net cash provided by (used in) investing activities:</b>		
Net decrease (increase) in time deposits	500	(1,700)
Purchase of property, plant and equipment	(1,071)	(7,303)
Proceeds from sales of property, plant and equipment	144	33
Purchase of intangible assets	(214)	(326)
Purchase of investment securities	(150)	-
Proceeds from sales of investment securities	93	-
Purchase of long-term prepaid expenses	(29)	(302)
Purchase of investments in subsidiaries	(59)	-
Other, net	(17)	(187)
Net cash provide by (used in) investing activities	(803)	(9,786)
<b>Net cash provided by (used in) financing activities:</b>		
Net increase (decrease) in short-term loans payable	(100)	(200)
Repayments of long-term loans payable	(502)	(199)
Proceeds from guarantee deposits received from member dealers	214	206
Repayment of guarantee deposits received from member dealers	(117)	(83)
Purchases of treasury stock	(4,671)	(4,950)
Cash dividends paid	(4,741)	(5,518)
Repayment of finance lease obligations	(340)	(396)
Other, net	-	15
Net cash provided by (used in) financing activities	(10,260)	(11,127)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>11,235</b>	<b>(401)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>18,445</b>	<b>29,681</b>
<b>Cash and cash equivalents at end of period</b>	<b>29,681</b>	<b>29,280</b>

## Change on the Basis of Consolidated Financial Statement Preparation

(Changes caused by revisions to accounting standard)

### Adoption of the “Accounting Standard for Asset Retirement Obligations”

Effective with the consolidated fiscal year ended March 31, 2011, the “Accounting Standard for Asset Retirement Obligations” (ASBJ Statement No. 18, March 31, 2008) and the “Guidance on Accounting Standard for Asset Retirement Obligations” (ASBJ Guidance No. 21, March 31, 2008) are adopted.

As a result of this change, operating income and ordinary income decreased by ¥22million, and income before income taxes decreased by ¥484 million.

### Adoption of the “Accounting standard for Business Combinations”

Effective with the consolidated fiscal year ended March 31, 2011, the Company adopted the “Accounting standard for Business Combinations”(ASBJ statement No.21, December 26, 2008), “Accounting standard for Consolidated Financial Statements”(ASBJ statement No.22, December 26, 2008), “Partial amendments to Accounting standard for Research and Development Costs” (ASBJ statement No.23, December 26, 2008), “Accounting standard for Business Divestitures” ASBJ statement No.7, December 26, 2008), “Accounting standard for Equity Method of Accounting for Investments”(ASBJ statement No.16, December 26, 2008), and “Guidance on Accounting standard for Business Combinations and Accounting standard for Business Divestitures” (ASBJ Guidance No.10, December 26, 2008).

## Notes Pertaining to Consolidated Financial Statements

(Consolidated statements of comprehensive income information)

Year ended March 31, 2010

1. Comprehensive income:	millions of yen
Comprehensive income attributable to owners of the parent	12,787
Comprehensive income attributable to minority interests	64
Total	12,852
2. Other comprehensive income:	millions of yen
Valuation difference on available-for-sale securities	73
Revaluation reserve for land	(3)
Total	70

## Significant Subsequent Events

(Repurchase of stock)

On May 10, 2011, the Board of Directors approved an authorization for the open-market repurchase of the Company’s stock pursuant to the provisions of Article 156 of the Corporation Law of Japan as applied pursuant to Article 165, Paragraph 3 of this law.

Details of repurchase of stock:

- (1) Class of stock to be repurchased: Common stock
- (2) Total number of shares authorized for repurchase: Up to 500,000

- (3) Repurchase period: May 11, 2011 to June 23, 2011
- (4) Aggregate cost of stock to be repurchased: Up to 3,250 million yen
- (5) Method of repurchase: Open market