



Consolidated Results of Operations

The Third Quarter, Fiscal Year Ending March 31, 2022

USS Co., Ltd.
February 2022

Results of Operations Third Quarter Fiscal Year Ending March 2022

1-3Q FY3/22 Results

- Net sales ¥59.62 billion (up 10.5% YoY)
Operating profit ¥30.46 billion (up 18.3% YoY)
 - The number of vehicles traded in decreased because of the downturn in automobile production. The number of vehicles contracted and the contract completion ratio increased due to the strong demand for used cars.
 - Used car exports were up 23.7% year-on-year and down 4.2% compared to 2019 (pre-pandemic)
 - In the used vehicle purchasing and selling segment, sales increased but earnings were down because of a decline in the number of vehicles sold despite high prices at used vehicle auctions.
 - In the recycle business, sales and earnings increased because high prices of metal scrap raised sales and gross profit and there was a large number and volume of industrial plant demolition projects.

FY3/2022 (Forecast)

- Net sales ¥77.6 billion
 - Plans 2.86 million of vehicles consigned, 1.72 million of vehicles contracted and contract completion rate 64.2%.
- Operating profit ¥38.4 billion

Earnings Distribution

- Plan to pay ¥58.4 for FY3/2022 ***aiming for the 22nd consecutive year of dividend increases**
 - Dividend policy: Increased the consolidated payout ratio to at least 55% starting in FY3/2020
- Acquisition of treasury stock in progress
 - Repurchased shares with an authorization of ¥10 billion/6 million shares
 - Company plans to promptly retire all the treasury shares leaving shares equivalent to 5% of the total number of issued shares.

1-3Q FY3/2022 – Summary of Consolidated Results of Operations

- Sales was up 10.5% YoY to ¥59.62 billion, operating profit was up 18.3% to ¥30.46 billion, and profit attributable to owners of parent up 25.4% to ¥22.21 billion.
- Record-high 1-3Q sales, operating profit, ordinary profit and profit attributable to owners of parent

(Million yen)

	1-3Q FY3/20	1-3Q FY3/21	1-3Q FY3/22	Year on year
Net sales	58,184	53,964	59,623	110.5%
Cost of sales (Per sales)	23,136 (39.8%)	20,567 (38.1%)	22,336 (37.5%)	108.6%
Gross profit (Per sales)	35,047 (60.2%)	33,397 (61.9%)	37,286 (62.5%)	111.6%
Selling, general and administrative expenses (Per sales)	8,298 (14.3%)	7,639 (14.2%)	6,824 (11.4%)	89.3%
Operating profit (Per sales)	26,748 (46.0%)	25,758 (47.7%)	30,462 (51.1%)	118.3%
Ordinary profit (Per sales)	27,233 (46.8%)	26,370 (48.9%)	31,080 (52.1%)	117.9%
Profit attributable to owners of parent (Per sales)	18,270 (31.4%)	17,715 (32.8%)	22,218 (37.3%)	125.4%

1-3Q FY3/2022 – Reasons for Change in Operating Profit (Actual)

Net sales

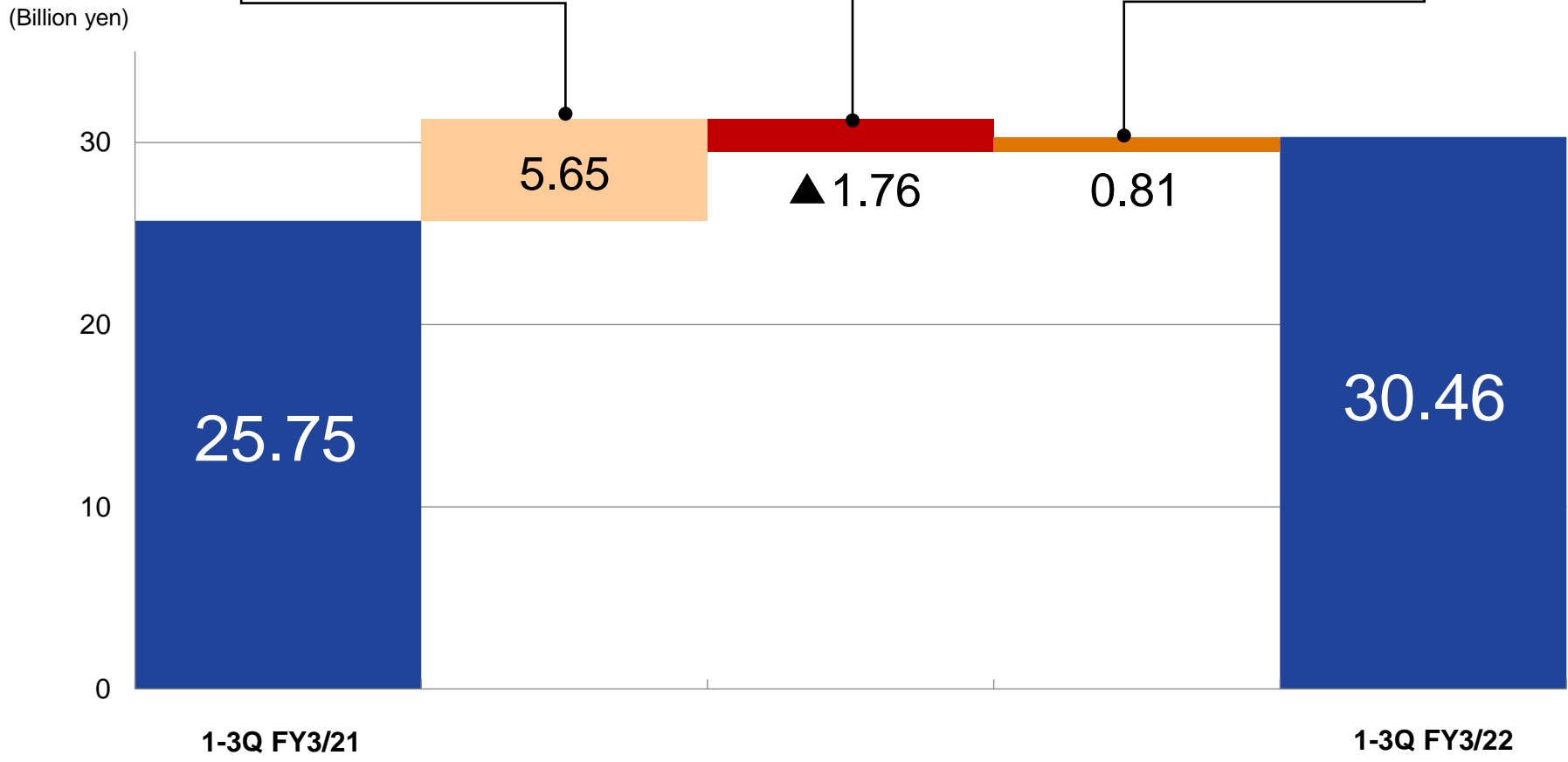
Increase in recycling	1.91bn
Increase in vehicles consigned	1.40bn
Increase in contract completion rate	1.19bn
Increase in fee rates	0.79bn
Used vehicle sales/purchases	0.50bn

Cost of sales

Increase in cost of materials purchased	▲0.64bn
Increase in purchases	▲0.55bn
Increase in cost of goods sold	▲0.33bn
Increase in employee salaries and bonuses	▲0.21bn

SG&A expenses

Decrease in goodwill amortization	0.91bn
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Net Sales and Operating Profit by Business Segment

(Million yen)

Net sales	1-3Q FY3/20	1-3Q FY3/21	1-3Q FY3/22	Year on year
Auto auction	47,133	44,111	47,593	107.9%
Used vehicle purchasing and selling	6,703	6,040	6,543	108.3%
Other	4,347	3,812	5,486	143.9%
Total	58,184	53,964	59,623	110.5%
Operating profit (operating margin)	1-3Q FY3/20	1-3Q FY3/21	1-3Q FY3/22	Year on year
Auto auction	26,220 (55.3%)	25,233 (56.8%)	29,346 (61.4%)	116.3%
Used vehicle purchasing and selling	131 (2.0%)	237 (3.9%)	161 (2.5%)	68.1%
Other	322 (7.3%)	211 (5.5%)	939 (17.1%)	444.1%
Elimination of inter-segment transactions	75	75	14	19.3%
Total	26,748 (46.0%)	25,758 (47.7%)	30,462 (51.1%)	118.3%

* Net sales are sales to external customers and operating profit is based on business segment earnings.
Operating margins (shown % in parenthesis) are calculated by dividing segment profit by segment sales.

- Proceeds from the sale of shares of subsidiaries and associates and the purchase of property, plant and equipment were the main source of cash from investing activities
- The primary use of cash in financing activities was dividends paid and acquisition of treasury shares.
- Equity ratio: 85.1%

Consolidated Balance Sheets (Summary)

	FY3/21	1-3Q FY3/22
Current assets	81,528	80,998
Cash and deposits	67,770	67,554
Receivables due from member dealers at auction, etc.	13,757	13,443
Non-current assets	129,171	126,148
Property, plant and equipment	103,302	100,941
Other	25,869	25,206
Current assets	210,699	207,146

(Million yen)

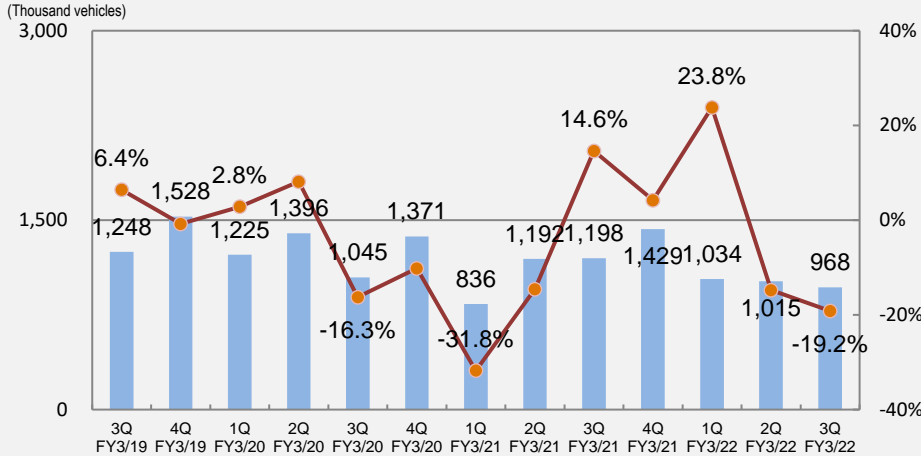
	FY3/21	1-3Q FY3/22
Current liabilities	26,922	18,860
Payables due to member dealers at auction	11,788	8,581
Other	15,133	10,279
Non-current liabilities	10,253	9,172
Total liabilities	37,175	28,032
Total net assets	173,524	179,114
Total liabilities and net assets	210,699	207,146

Consolidated Statements of Cash Flows (Summary)

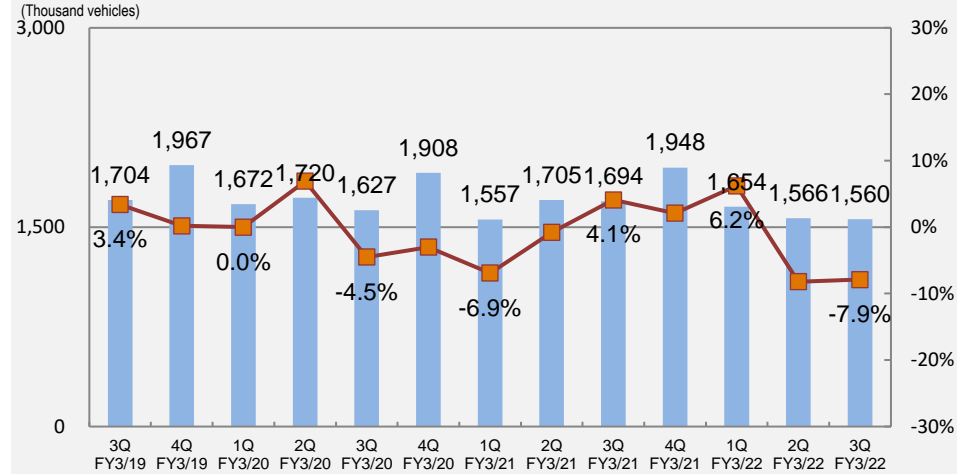
(Million yen)

	1-3Q FY3/20	1-3Q FY3/21	1-3Q FY3/22	Changes
Net cash provided by (used in) operating activities	12,223	23,054	20,544	▲2,509
Net cash provided by (used in) investing activities	▲3,711	▲8,367	297	8,664
Free cash flow	8,511	14,686	20,841	6,154
Net cash provided by (used in) financing activities	▲16,602	▲14,575	▲21,057	▲6,482
Capital expenditures (Terms of cash flows)	3,471	8,410	1,379	▲7,031
Depreciation	3,605	3,886	3,695	▲191

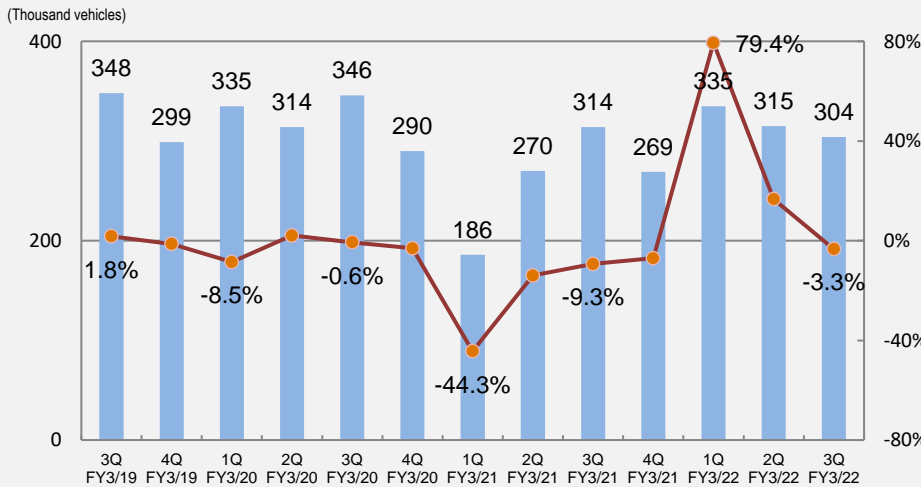
New Car Registrations and YoY Changes



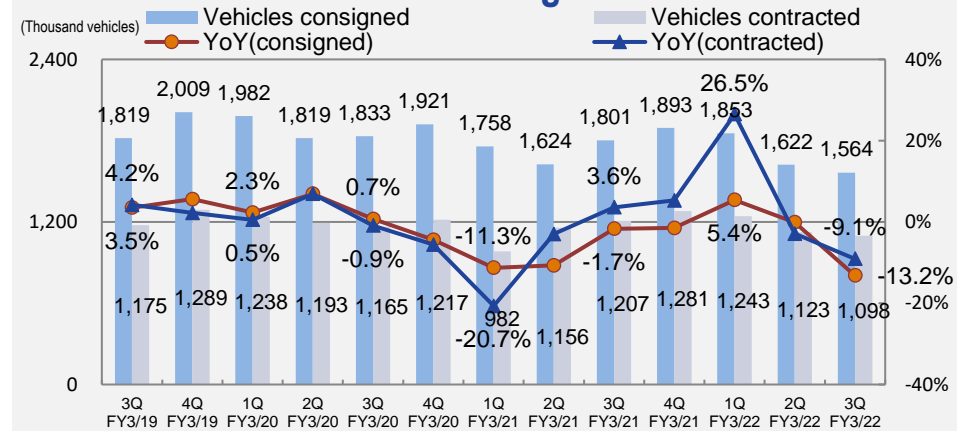
Used Car Registrations and YoY Changes



Used Car Exports and YoY Changes



AA Market: Vehicles Consigned and Contracted and YoY Changes



Auto Auction Segment (1)

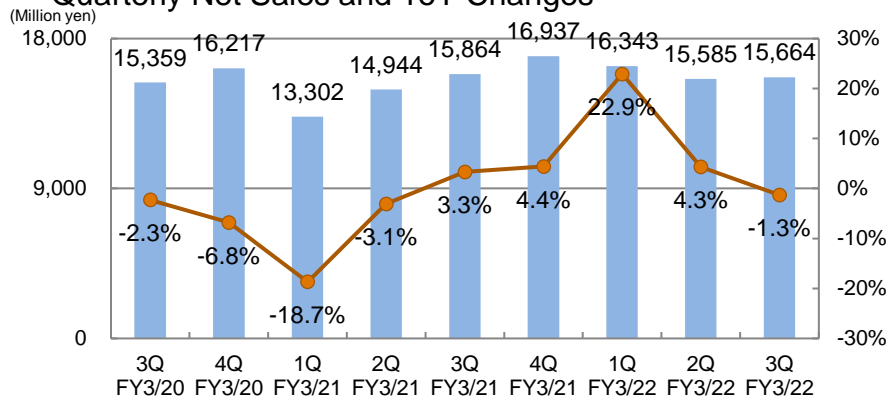
- Vehicles consigned increased 3.9% YoY to 1,998 thousand; contract completions increased 8.6% YoY to 1,308 thousand (contract completion rate: 65.5% against 62.6% in the previous fiscal year)
- Sales and earnings increased because of the larger number of vehicles handled, the higher contract completion rate and other reasons.

Auto Auction Segment Performance in 1-3Q

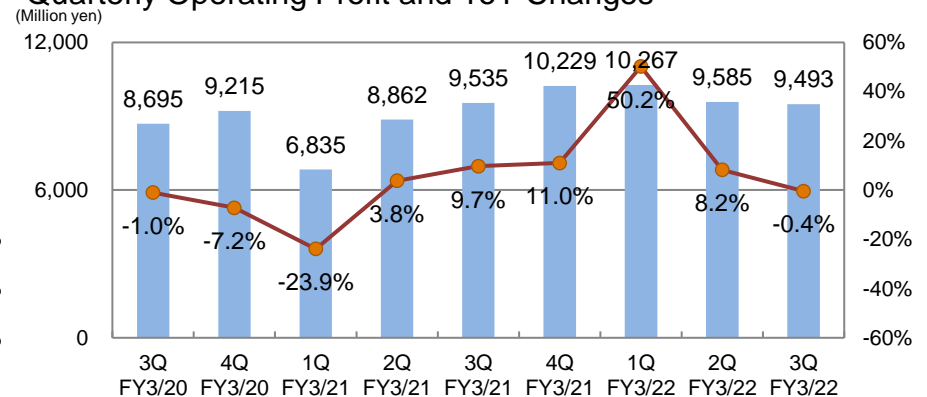
(Million yen)

	1-3Q FY3/20	1-3Q FY3/21	1-3Q FY3/22	Year on year
Net sales	47,133	44,111	47,593	107.9%
Consignment fees	11,118	10,179	11,141	109.4%
Contract completion fees	10,751	10,072	11,056	109.8%
Successful bid fees	16,128	15,455	16,907	109.4%
Other	9,134	8,402	8,487	101.0%
Operating profit	26,220	25,233	29,346	116.3%
Operating margin	55.3%	56.8%	61.4%	-

Quarterly Net Sales and YoY Changes



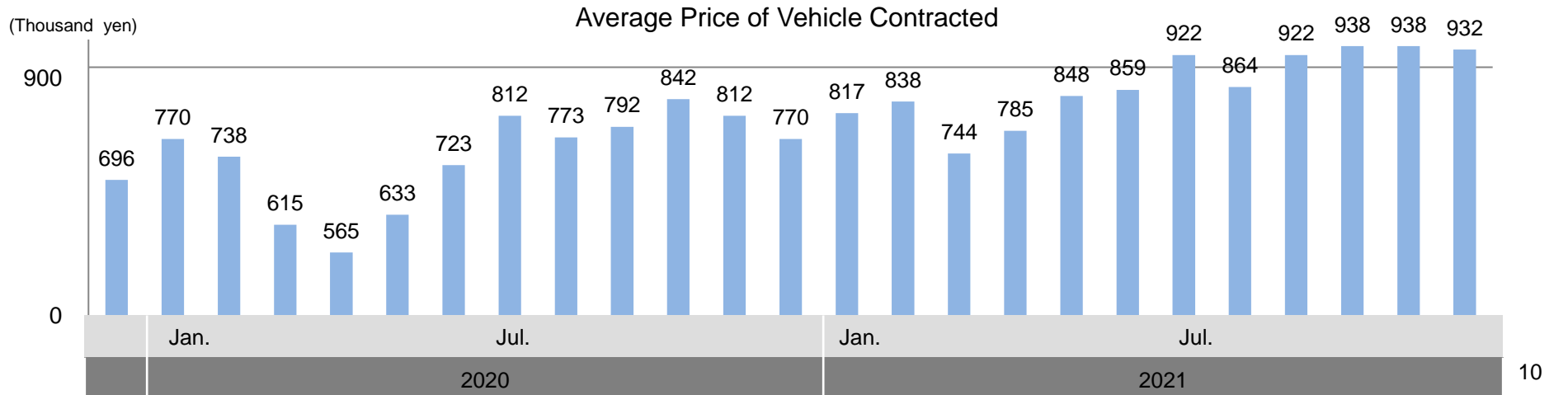
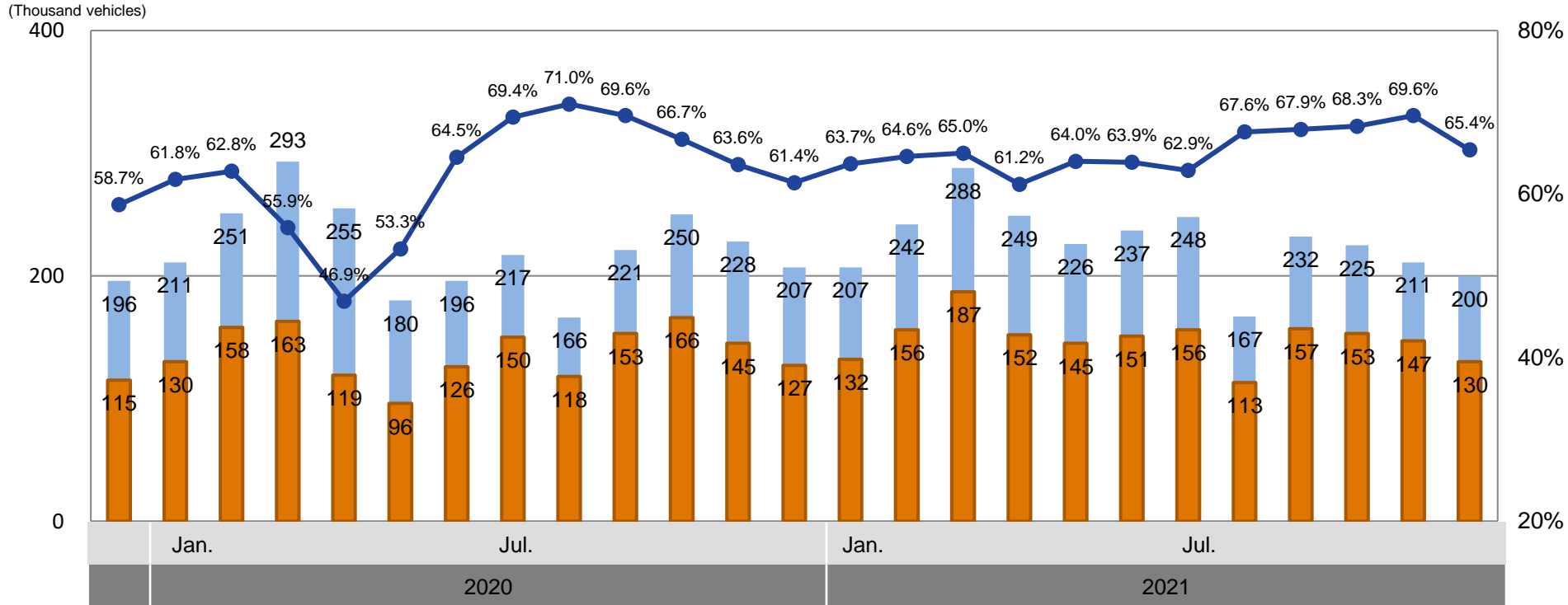
Quarterly Operating Profit and YoY Changes



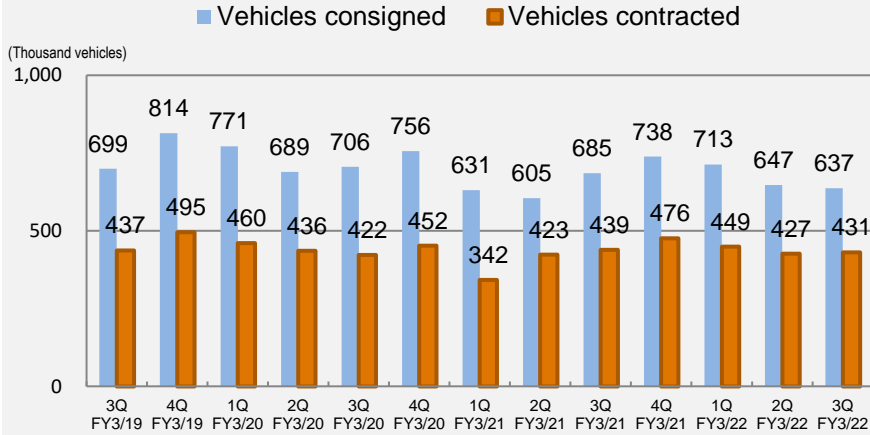
* Net sales are sales to external customers and operating profit is based on business segment earnings. Operating margins are calculated by dividing segment profit by segment sales.

Auto Auction Segment (2) Monthly Data

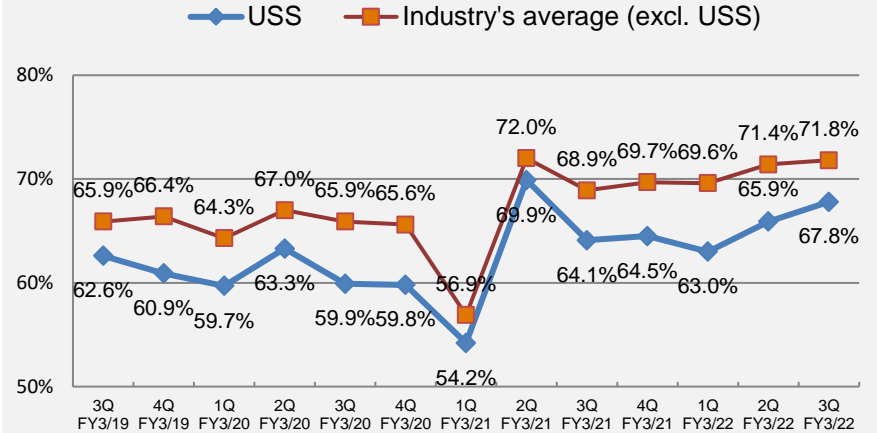
■ Vehicles consigned
 ■ Vehicles contracted
 ● Contract completion rate



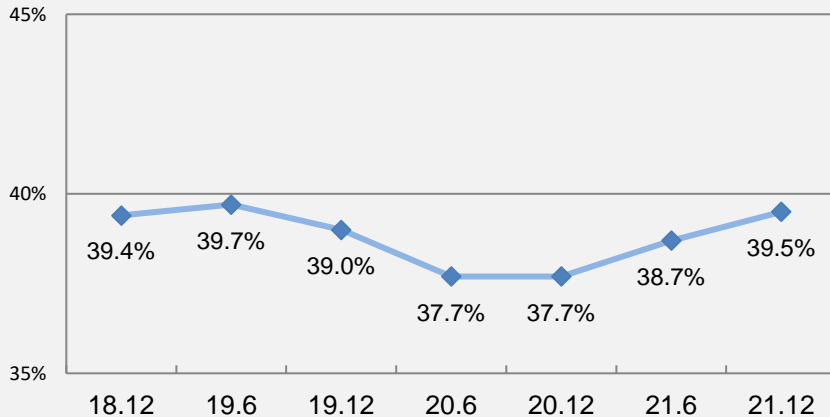
No. of Vehicles Consigned and Vehicles Contracted



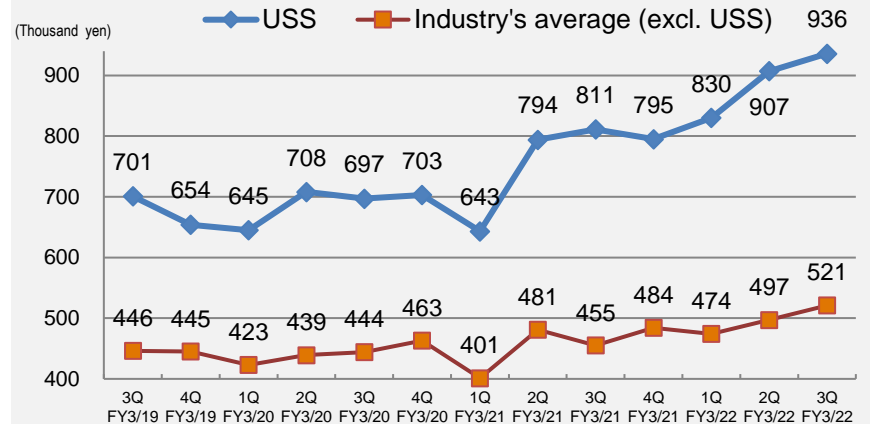
Contract Completion Rate



Market Share



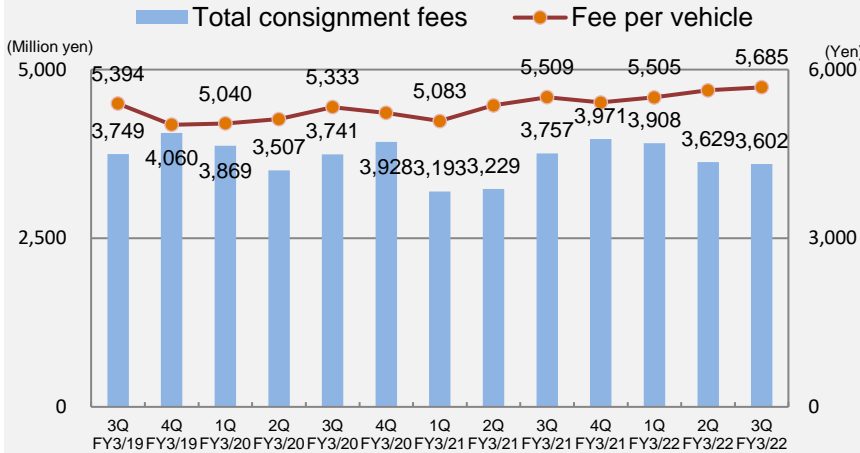
Average Price of Vehicle Contracted



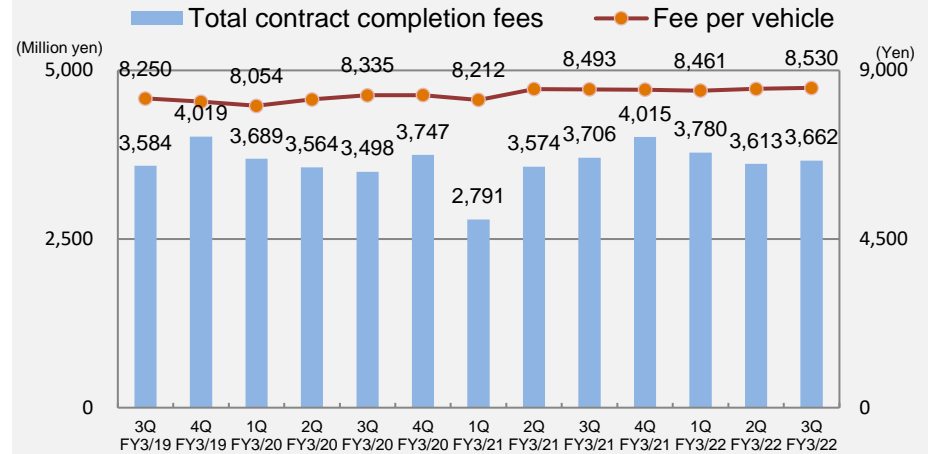
* Period ending in December: 12-month data; Period ending in June: 6-month data.

* The figures in this slide do not include JBA data.

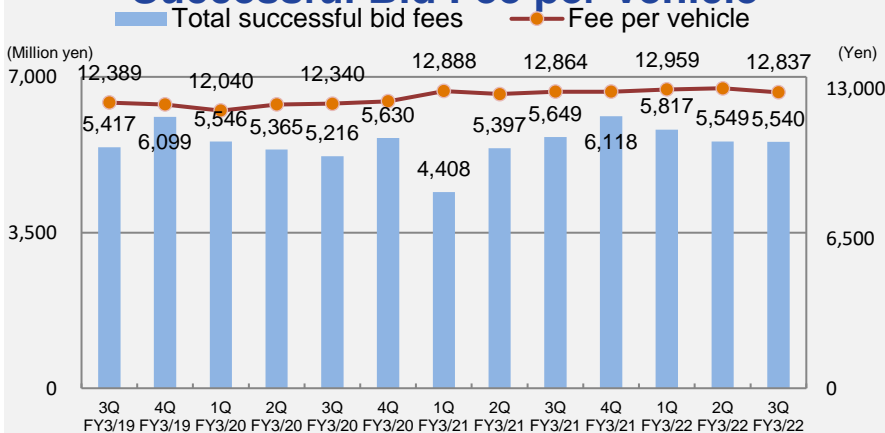
Total Consignment Fees and Consignment Fee per Vehicle



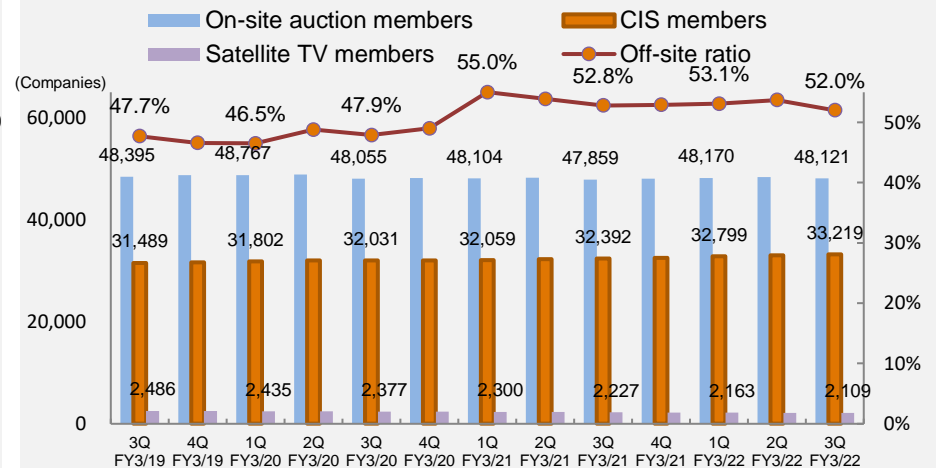
Total Contract Completion Fees and Contract Completion Fee per Vehicle



Total Successful Bid Fees and Successful Bid Fee per Vehicle



No. of Members and Off-site Ratio



* Fee per vehicle is calculated before eliminations for consolidation.

* The figures in this slide do not include JBA data.

*The method used for calculating the off-site ratio was revised in April 2019.

Auto Auction Segment (5)

From April 1, 2021 to December 31, 2021

(Number of auctions held, Vehicles)

	Number of auctions		Number of consigned vehicles			Number of contract completions			Contract completion rate	
	1-3Q FY3/22	1-3Q FY3/21	1-3Q FY3/22	1-3Q FY3/21	YoY change	1-3Q FY3/22	1-3Q FY3/21	YoY change	1-3Q FY3/22	1-3Q FY3/21
Tokyo	37	37	480,648	443,965	108.3%	332,784	300,420	110.8%	69.2%	67.7%
Nagoya	37	37	336,222	320,398	104.9%	196,981	181,647	108.4%	58.6%	56.7%
Osaka	37	37	147,754	147,009	100.5%	84,741	79,342	106.8%	57.4%	54.0%
Kyushu	37	37	144,231	133,070	108.4%	94,180	80,179	117.5%	65.3%	60.3%
Yokohama	37	36	130,047	125,088	104.0%	88,646	81,461	108.8%	68.2%	65.1%
Sapporo	36	37	99,248	99,183	100.1%	70,640	67,799	104.2%	71.2%	68.4%
Shizuoka	37	37	79,008	72,910	108.4%	49,468	44,792	110.4%	62.6%	61.4%
R-Nagoya	37	36	75,298	85,305	88.3%	64,887	69,255	93.7%	86.2%	81.2%
Kobe	36	37	58,791	50,666	116.0%	34,413	29,422	117.0%	58.5%	58.1%
Okayama	37	37	47,483	48,197	98.5%	37,242	34,345	108.4%	78.4%	71.3%
Tohoku	36	37	38,009	36,146	105.2%	30,750	26,436	116.3%	80.9%	73.1%
Gunma	37	37	37,993	38,252	99.3%	26,771	25,366	105.5%	70.5%	66.3%
Niigata	36	37	37,844	34,970	108.2%	22,134	18,224	121.5%	58.5%	52.1%
Saitama	37	36	34,228	32,826	104.3%	20,841	18,250	114.2%	60.9%	55.6%
Fukuoka	36	37	25,011	29,300	85.4%	16,432	18,257	90.0%	65.7%	62.3%
Hokuriku	37	37	13,343	13,492	98.9%	9,635	9,251	104.2%	72.2%	68.6%
JAA	36	37	53,011	54,405	97.4%	29,234	29,875	97.9%	55.1%	54.9%
HAA Kobe	37	37	160,410	157,868	101.6%	98,733	90,392	109.2%	61.6%	57.3%
Total	660	663	1,998,579	1,923,050	103.9%	1,308,512	1,204,713	108.6%	65.5%	62.6%

* In the previous fiscal term, one auction was canceled as the Saitama Auction Site due to a lightning strike in August 2020.

* The figures in this slide do not include JBA data.

Auto Auction Segment (6)

(Vehicles, %)

		Apr.	May	Jun.	Jul.	Aug.	Sep.	First Half	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Second Half	Fiscal Year
No. of Vehicles Consigned	FY3/20	265,360	248,623	257,709	249,936	210,323	229,142	1,461,093	252,790	257,226	196,407	211,406	251,864	293,266	1,462,959	2,924,052
	YoY Change	▲0.3	7.1	1.4	11.5	2.0	▲2.1	3.1	7.7	▲0.1	▲5.1	▲5.6	▲4.0	▲10.5	▲3.3	▲0.2
	FY3/21	255,293	180,384	196,014	217,449	166,982	221,001	1,237,123	250,352	228,129	207,446	207,691	242,073	288,270	1,423,961	2,661,084
	YoY Change	▲3.8	▲27.4	▲23.9	▲13.0	▲20.6	▲3.6	▲15.3	▲1.0	▲11.3	5.6	▲1.8	▲3.9	▲1.7	▲2.7	▲9.0
	FY3/22	249,661	226,767	237,143	248,298	167,498	232,175	1,361,542	225,057	211,642	200,338	194,069			831,106	2,192,648
	YoY Change	▲2.2	25.7	21.0	14.2	0.3	5.1	10.1	▲10.1	▲7.2	▲3.4	▲6.6			-	-
No. of Vehicles Contracted	FY3/20	156,986	150,529	153,217	153,889	131,750	150,541	896,912	156,496	151,044	115,291	130,627	158,104	163,969	875,531	1,772,443
	YoY Change	▲1.3	2.1	▲3.4	7.2	▲0.2	▲1.0	0.5	3.0	▲6.5	▲6.9	▲4.2	▲2.0	▲17.2	▲6.2	▲2.9
	FY3/21	119,644	96,174	126,384	150,887	118,526	153,725	765,340	166,954	145,090	127,329	132,226	156,459	187,412	915,470	1,680,810
	YoY Change	▲23.8	▲36.1	▲17.5	▲2.0	▲10.0	2.1	▲14.7	6.7	▲3.9	10.4	1.2	▲1.0	14.3	4.6	▲5.2
	FY3/22	152,866	145,088	151,456	156,301	113,210	157,678	876,599	153,735	147,200	130,978	130,829			562,742	1,439,341
	YoY Change	27.8	50.9	19.8	3.6	▲4.5	2.6	14.5	▲7.9	1.5	2.9	▲1.1			-	-
Contract Completion Rate	FY3/20	59.2	60.5	59.5	61.6	62.6	65.7	61.4	61.9	58.7	58.7	61.8	62.8	55.9	59.8	60.6
	FY3/21	46.9	53.3	64.5	69.4	71.0	69.6	61.9	66.7	63.6	61.4	63.7	64.6	65.0	64.3	63.2
	FY3/22	61.2	64.0	63.9	62.9	67.6	67.9	64.4	68.3	69.6	65.4	67.4			-	-

* The figures in this slide do not include JBA data.

Used Vehicle Purchasing and Selling Segment

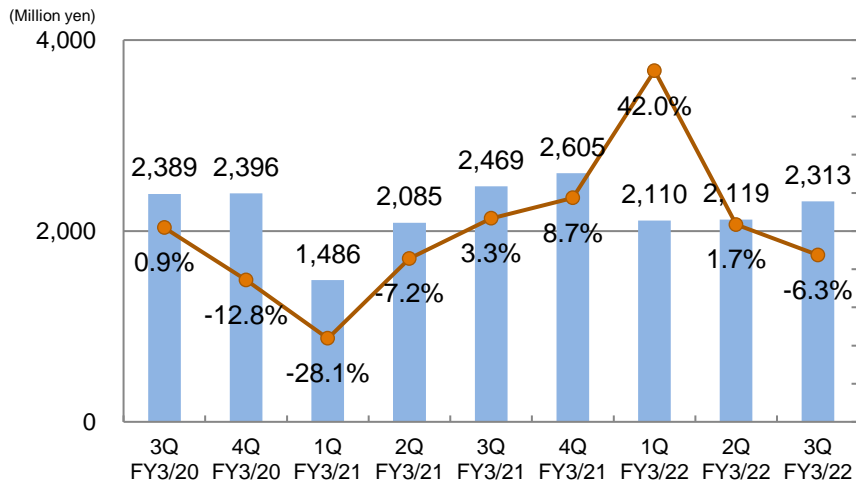
- At Rabbit, which purchases used vehicles, the gross profit per vehicle increased because of high prices at used vehicle auctions but the number of vehicles sold decreased. The result was higher sales but lower earnings. (Net sales increased 7.3% YoY to ¥3,669 million, Operating profit decreased 23.3% YoY to ¥99 million)
- In the accident-damaged vehicle purchasing and selling business, sales increased but earnings were down as the number of high-priced vehicles handled increased, but the number of vehicles sold decreased. (Net sales increased 9.6% YoY to ¥2,873 million, Operating profit decreased 42.3% YoY to ¥62 million)

Used Vehicle Purchasing and Selling Segment Performance in 1-3Q

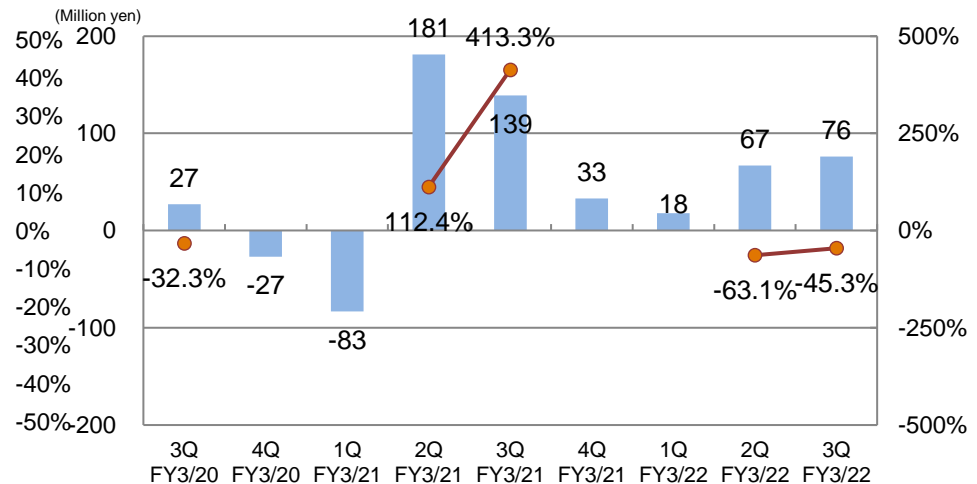
(Million yen)

	1-3Q FY3/20	1-3Q FY3/21	1-3Q FY3/22	Year on year
Net sales	6,703	6,040	6,543	108.3%
Operating profit	131	237	161	68.1%
Operating margin	2.0%	3.9%	2.5%	-

Quarterly Net Sales and YoY Changes



Quarterly Operating Profit and YoY Changes



* Net sales are sales to external customers and operating profit is based on business segment earnings. Operating margins are calculated by dividing segment profit by segment sales.

Other Segment

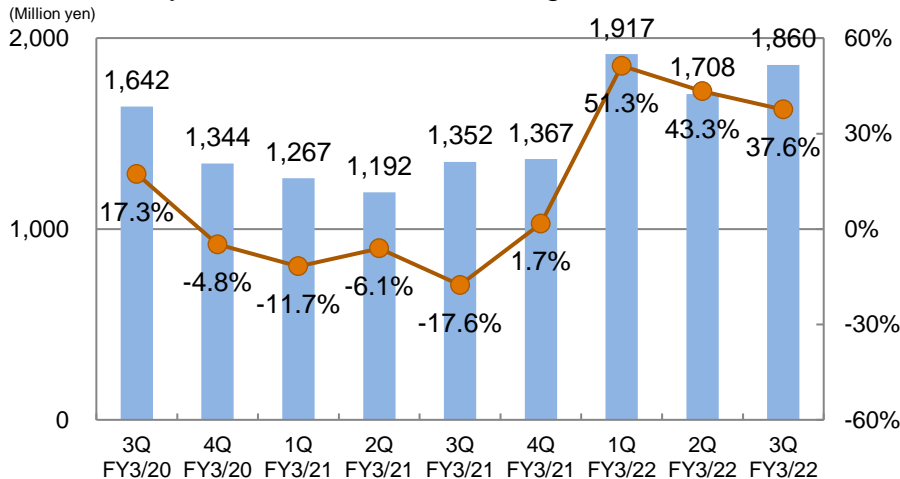
- In the recycle business, sales and earnings increased because high prices of metal scrap raised sales and gross profit, also there was a large number and volume of industrial plant demolition projects. (Net sales increased 54.7% YoY to ¥5,420 million, Operating profit increased 379.3% to ¥894 million)

Other Segment Performance in 1-3Q

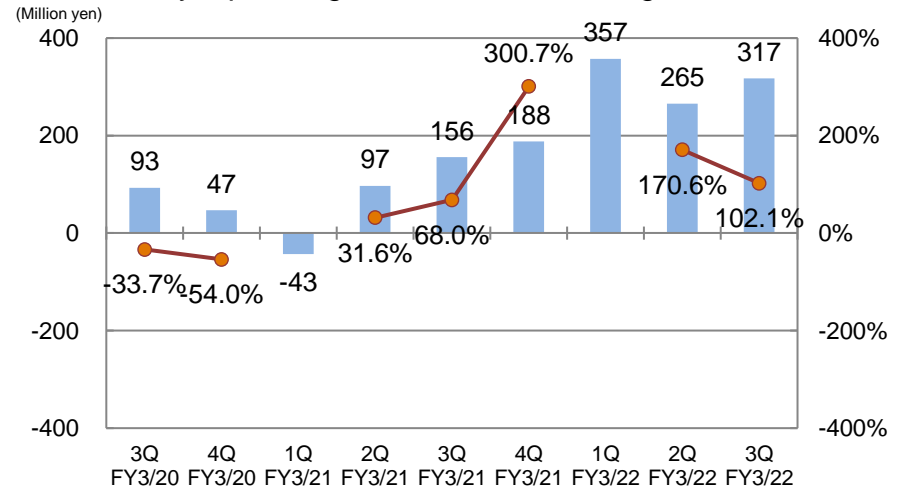
(Million yen)

	1-3Q FY3/20	1-3Q FY3/21	1-3Q FY3/22	Year on year
Net sales	4,347	3,812	5,486	143.9%
Operating profit	322	211	939	444.1%
Operating margin	7.3%	5.5%	17.1%	-

Quarterly Net Sales and YoY Changes



Quarterly Operating Profit and YoY Changes



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Consolidated Forecast for FY3/2022

- No revisions to the FY3/22 forecast announced November 8, 2021.

(Million yen)

	FY3/21 (Actual)	FY3/22 Initial plan (May 11, 2021)	Change	FY3/22 Revised plan (Nov. 8, 2021)	Revised plan vs FY3/21
Net sales	74,874	77,600	-	77,600	103.6%
Gross profit (Per sales)	46,533 (62.1%)	47,620 (61.4%)	-	47,620 (61.4%)	102.3%
Operating profit (Per sales)	36,227 (48.4%)	38,400 (49.5%)	-	38,400 (49.5%)	106.0%
Ordinary profit (Per sales)	36,996 (49.4%)	39,100 (50.4%)	-	39,100 (50.4%)	105.7%
Profit attributable to owners of parent (Per sales)	4,022 (5.4%)	26,500 (34.1%)	-	26,500 (34.1%)	658.8%
Profit per share (Yen)	16.13	106.29	▲0.29	106.58	660.8%
Capital expenditures (Terms of cash flows)	8,985	4,400	100	4,500	50.1%
Depreciation	5,334	4,909	54	4,963	93.0%

* Profit per share is restated to reflect the changes in treasury shares up to the end of December 2021.

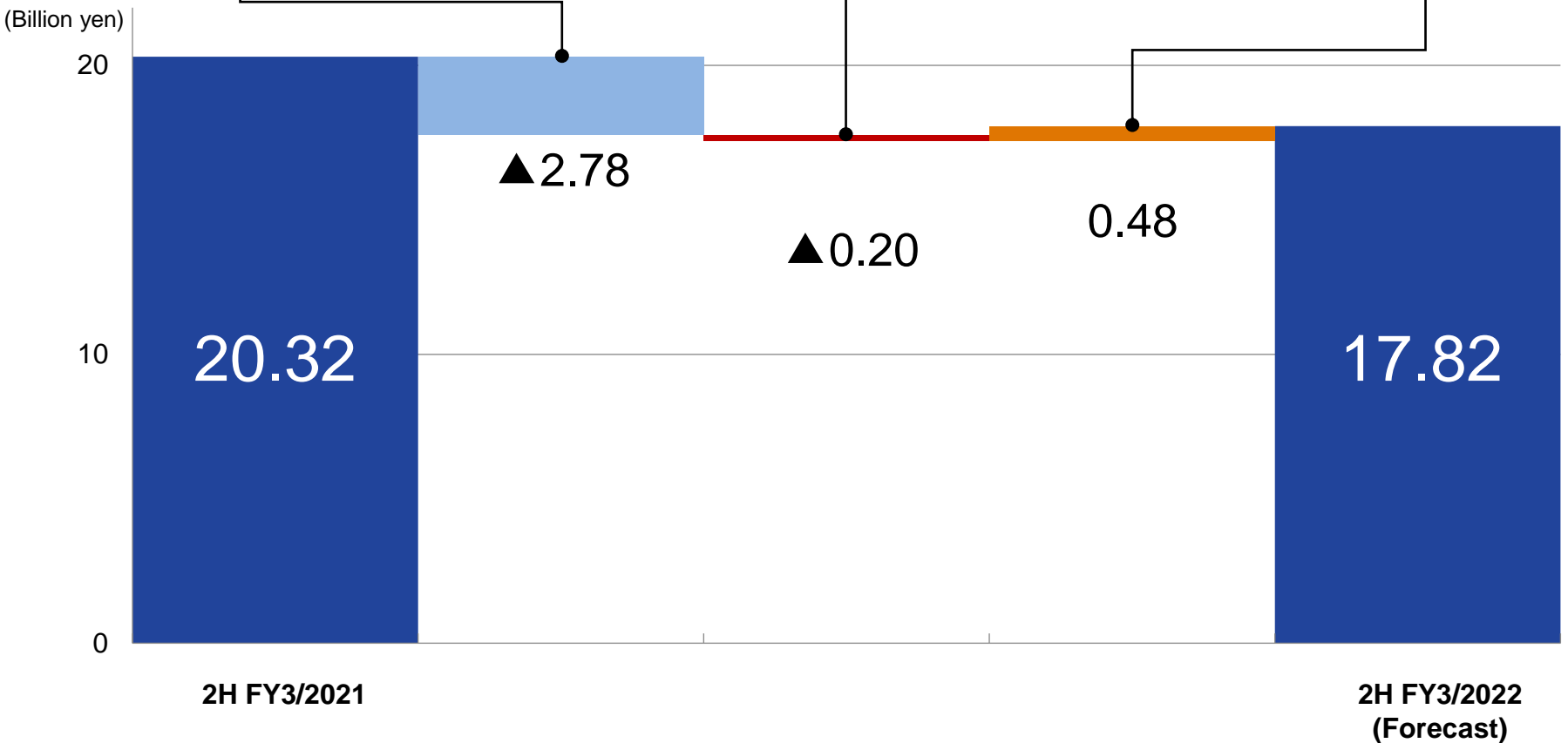
Auto Auction Business (excl. JBA)	FY3/21 (Actual)	FY3/22 Initial plan (May 11, 2021)	Change	FY3/22 Revised plan (Nov. 8, 2021)	Revised plan vs FY3/21
No. of vehicles consigned (Thousands)	2,661	2,800	▲120	2,680	100.7%
No. of vehicles contracted (Thousands)	1,680	1,708	12	1,720	102.3%
Contract completion rate	63.2%	61.0%	-	64.2%	-

2H FY3/2022 – Reasons for Change in Operating Profit (Forecast)

Net sales
 Decrease in vehicles consigned ▲2.01bn
 Used vehicle sales/purchases ▲0.51bn

Cost of sales
 Decrease in cost of goods sold 0.24bn
 Increase in employee salaries and bonuses ▲0.12bn
 Increase in purchases ▲0.10bn
 Increase in repair expenses ▲0.08bn

SG&A expenses
 Decrease in goodwill amortization 0.59bn



FY3/2022 – Reasons for Change in Operating Profit (Forecast)

Net sales

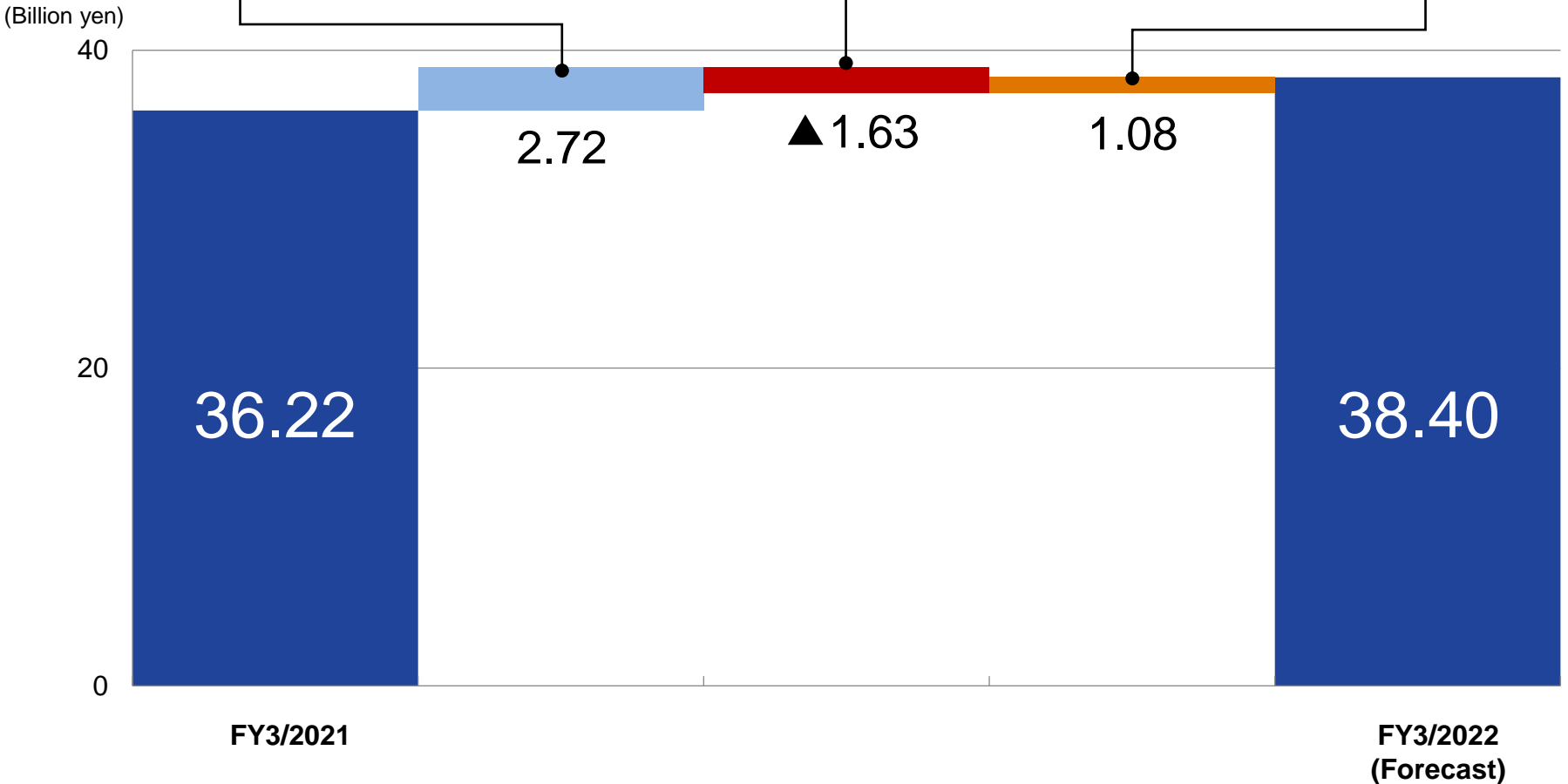
Increase in recycling	1.19bn
Increase in fee rates	0.62bn
Increase in contract completion rate	0.57bn
Increase in vehicles consigned	0.35bn

Cost of sales

Increase in purchases	▲0.45bn
Increase in cost of materials purchased	▲0.40bn
Increase in employee salaries and bonuses	▲0.24bn
Increase in cost of goods sold	▲0.08bn

SG&A expenses

Decrease in goodwill amortization	1.20bn
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(Million yen)

	FY3/20 (Actual)	FY3/21 (Actual)	FY3/22 (Forecast)	VS. previous year
Net sales				
Auto auction	63,350	61,048	62,699	102.7%
Used vehicle purchasing and selling	9,099	8,646	8,790	101.7%
Other	5,692	5,180	6,109	117.9%
Total	78,143	74,874	77,600	103.6%
Operating profit (Per sales)	36,009 (46.1%)	36,227 (48.4%)	38,400 (49.5%)	106.0%

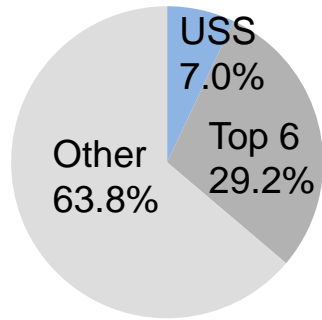
Market Overview

Strategy for Creating Value Over the Medium Term

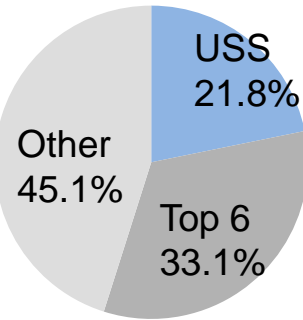
Used Car Auction Market and USS Market Share

- Maintained higher market shares and profit in the period of sluggish markets following the financial crisis of 2008-2009.
- The JAA acquisition significantly raised the USS Group's market share (Acquired Japan Automobile Auction Inc. through absorption-type merger in Oct. 2021.)

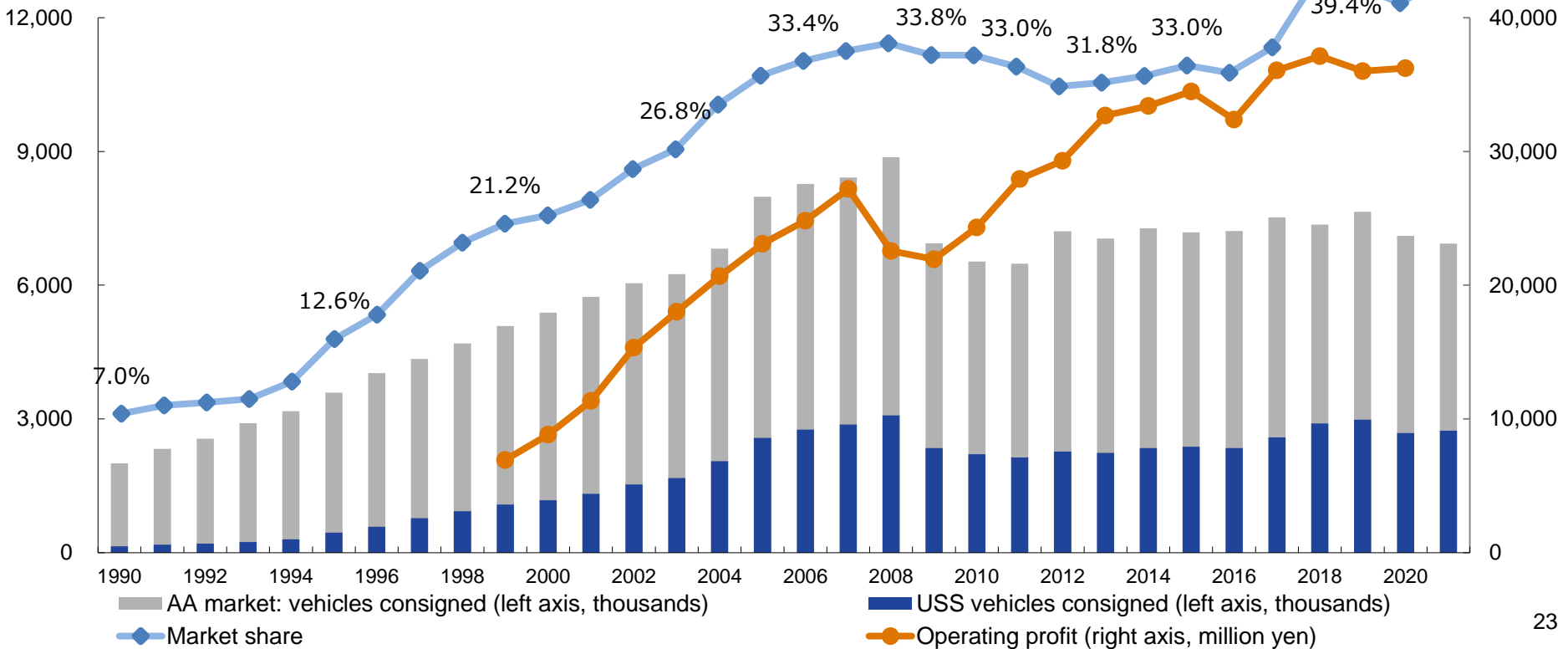
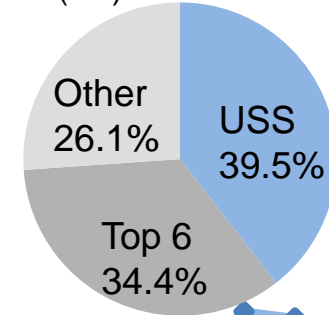
1990(CY) market share



2000(CY) market share

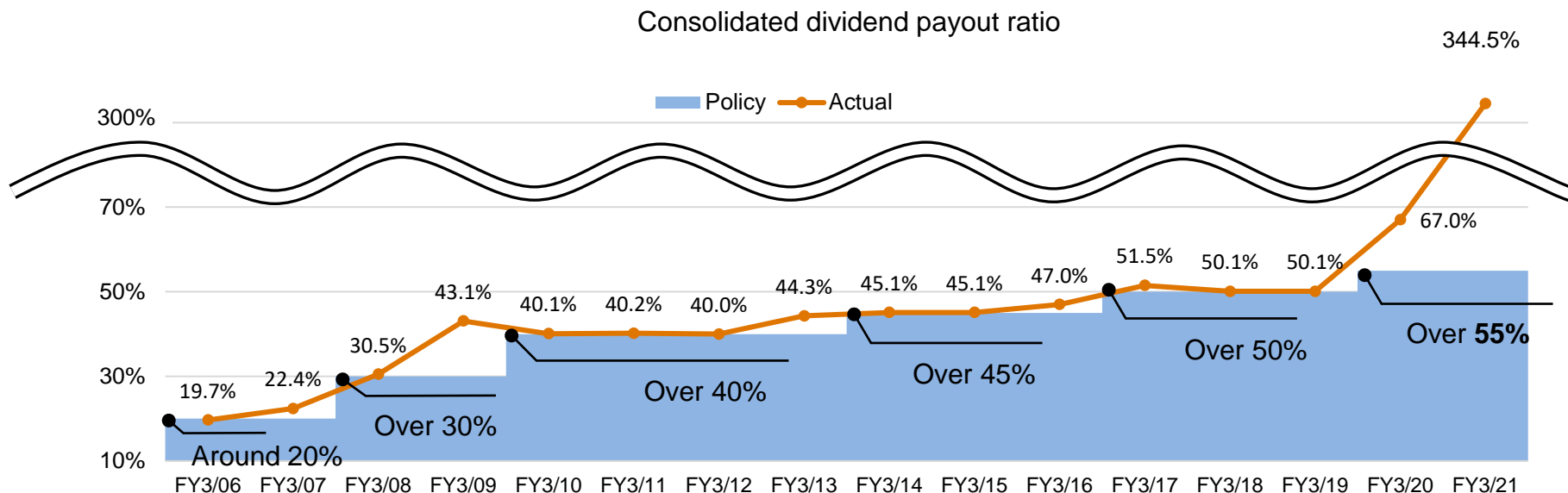


2021(CY) market share



Increase shareholder distributions while continuing investment for growth

■ Consolidated dividend payout ratio: Over **55%** from FY3/2020



■ Return on equity (ROE): Medium-term goal is at least 15%

- The Board of Directors of USS Co., Ltd. approved a resolution on November 8, 2021 to acquire and policy on retirement treasury shares.

Stock Repurchase Data (latest figures) (trade date basis)

Type of shares	Common shares
Period of acquisition	From November 9, 2021 to January 31, 2022
Aggregate number of shares repurchased	3,218,800 shares
Aggregate value of shares repurchased	5,827,488,900 yen
Method of acquisition	On the market

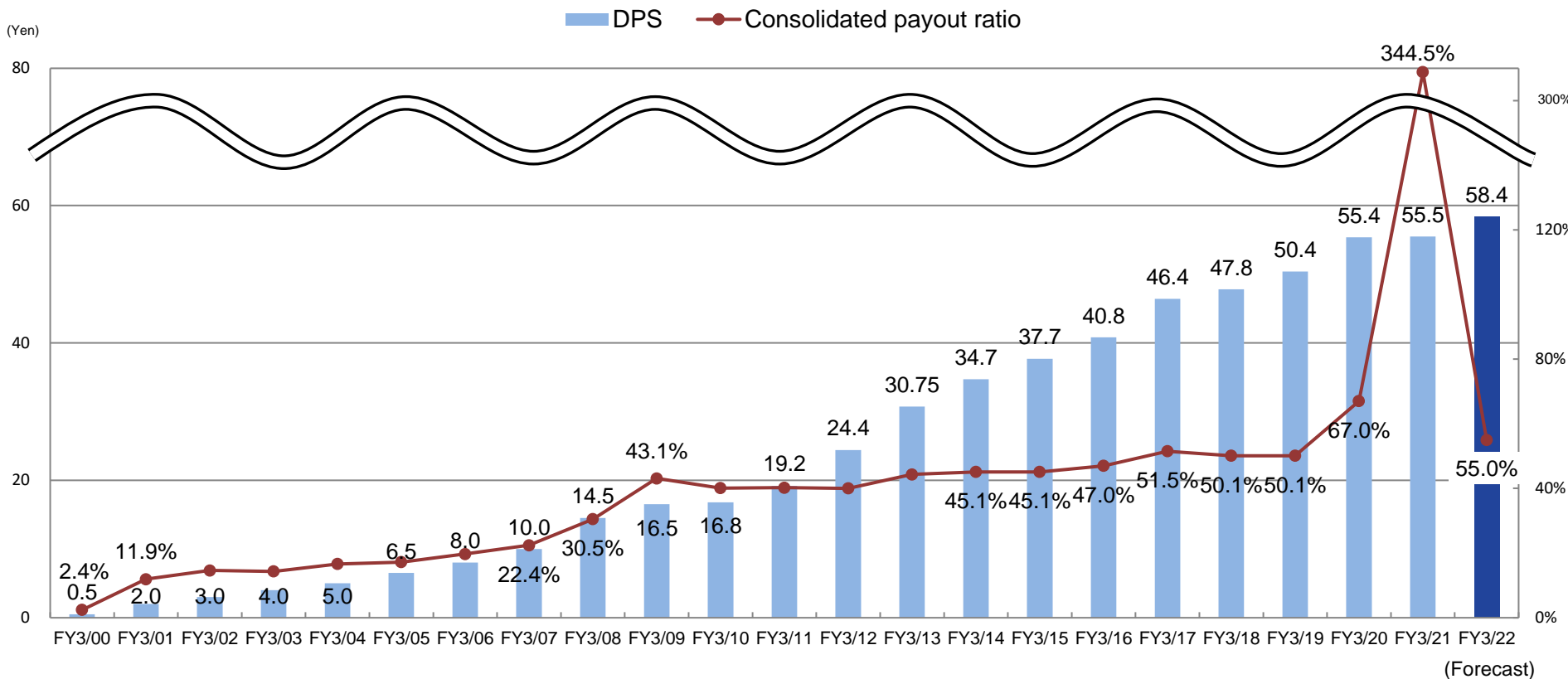
(Scheduled to repurchase 6 million shares for 10 billion yen (maximum) in the period from November 9, 2021 to May 31, 2022.)

Policy on retirement of treasury shares

As of September 30, 2021, the Company held 20.3% of the total number of issued shares as treasury stock. After completing the acquisition of treasury shares the Company plans to promptly retire all the treasury shares leaving shares equivalent to 5% of the total number of issued shares.

The Company will disclose further information when the total number of shares to be retired and the scheduled retirement date have been decided.

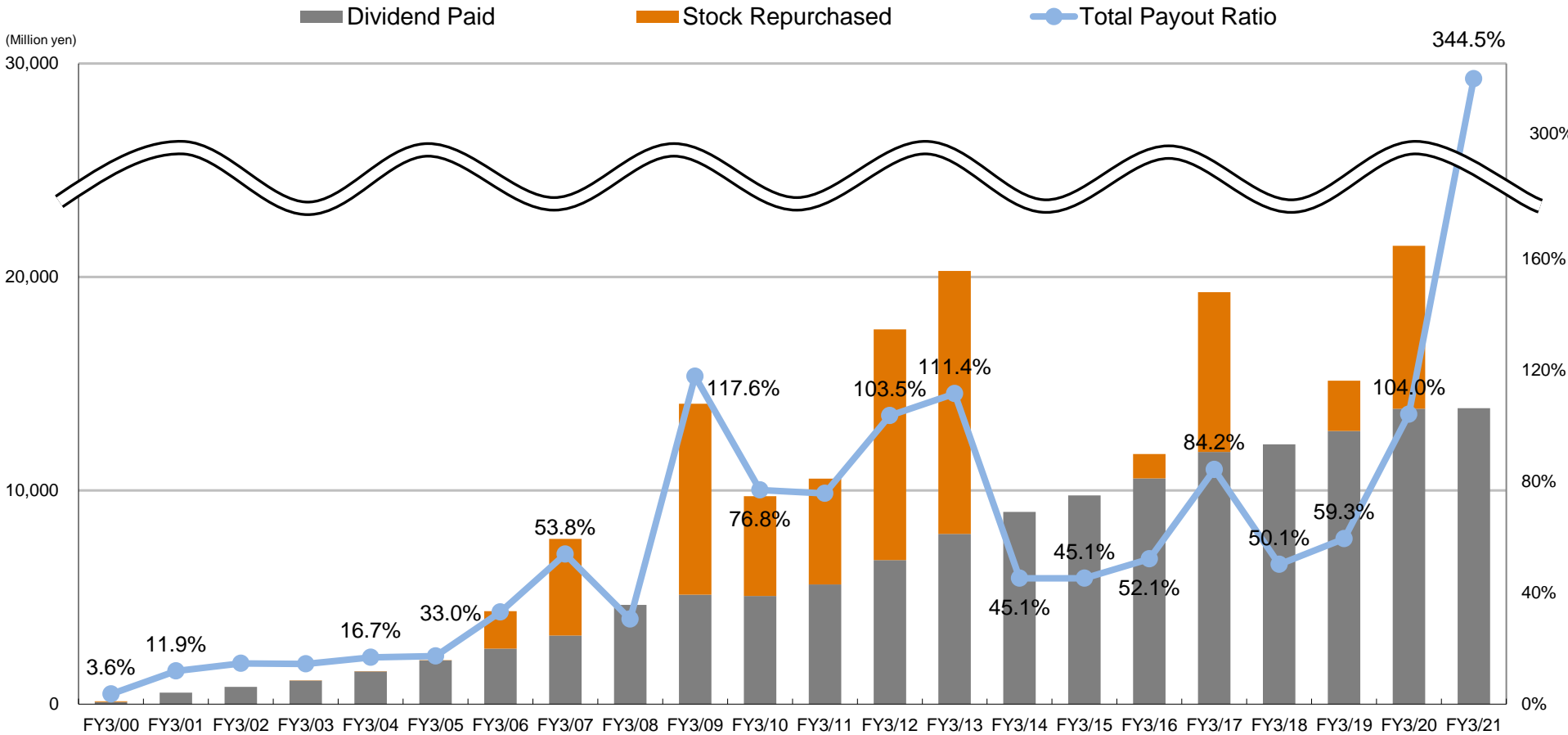
- Plan to pay **58.4 yen** dividend per share for FY3/2022 (up 2.9 yen)
- Forecasting **22 consecutive years** of dividend growth since listing



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

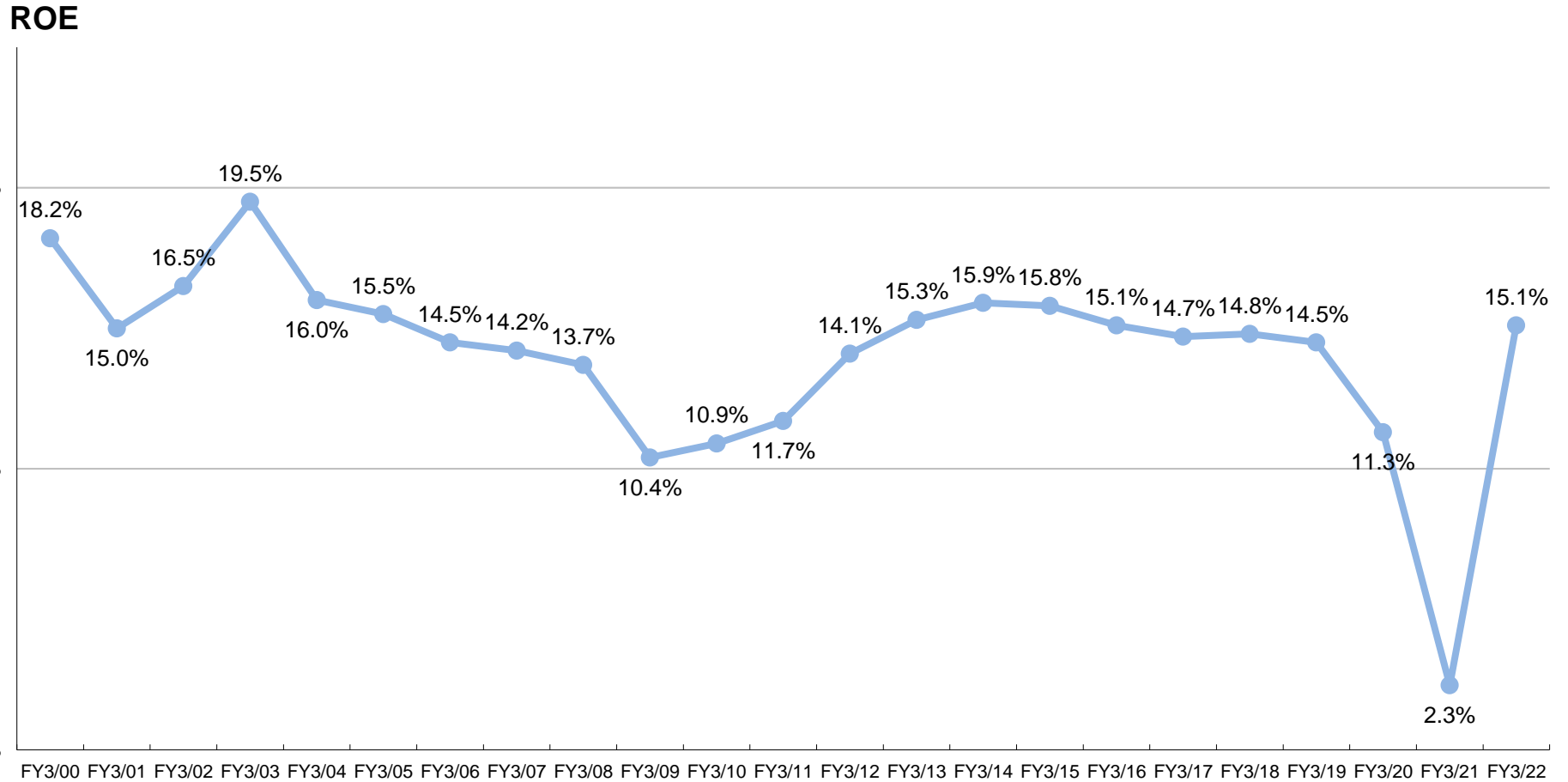
Earnings Distributions – Total Payout Ratio

■ Flexible stock repurchases while maintaining stable dividend.



Earnings Distributions – Return on Equity (ROE)

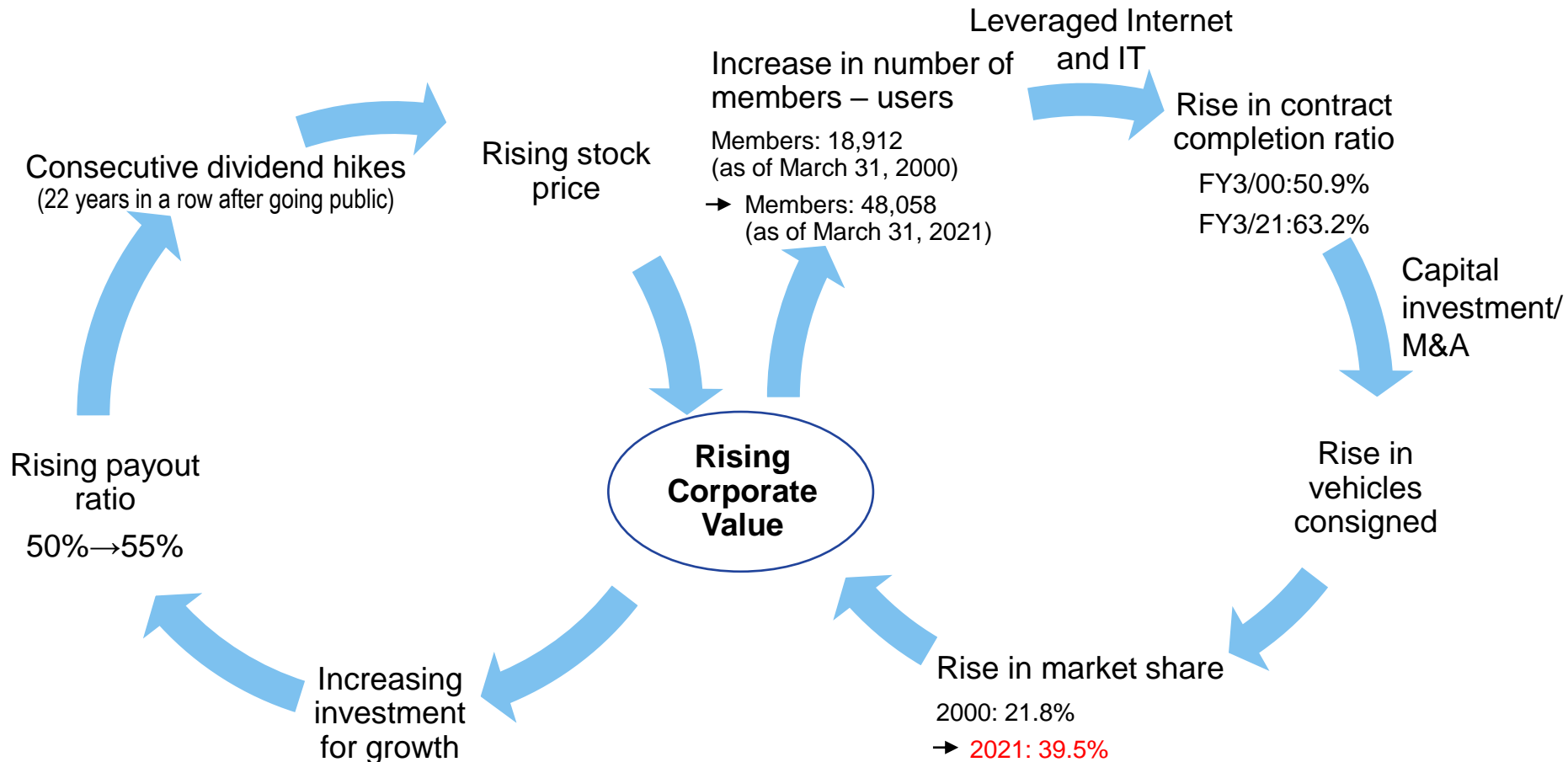
■ No change in the medium-term ROE target of at least 15%.



* ROE (FY3/22) is restated to reflect the changes in treasury shares up to the end of December 2021.

(Forecast)

■ Aim at increasing shareholder value by a two-pronged strategy of solid investments in growth and active shareholder distributions



- **Announced Scope 1 and 2 emissions and currently working on Scope 3 emissions**
 - * Scope 1: Greenhouse gases emitted directly by a business (resulting from fuel and industrial processes); Scope 2: Greenhouse gases emitted indirectly in association with electricity, steam and other sources of energy supplied by other companies; Scope 3: Indirect greenhouse gas emissions other than Scope 1 and 2 emissions (emissions of other companies involving the activities of a business)
- **Plan to disclose information in accordance with the Task Force on Climate-Related Financial Disclosures (TCFD) that will be required in the corporate governance report that will be submitted in June 2022**
- **Activities**
 - Aim to eliminate the use of paper by switching auction consignment forms to a digital format for more than 3 million vehicles every year
 - Started many activities, such as measures to reduce electricity and gas use at auction sites and to increase the use of renewable energy
- **USS received a “C” score in the climate change category based on a survey of companies conducted by the CDP, a non-profit charity that runs a global disclosure system for environmental impacts.**



Information about the USS policies and activities concerning ESG is in the Integrated Report that was issued in 2021.

Integrated Report 2021 <https://www.ussnet.co.jp/en/ir/library/annual/>

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Notes

- This document has been translated from the original Japanese as a guide for non-Japanese investors.
- Forward-looking statements in this material are based on information available to management at the time this material was prepared and assumptions that management believes are reasonable. These statements are not promises by the Company regarding future performance. Actual results may differ significantly from these statements for a number of reasons.
- The information provided in this material may include unaudited figures.
- The amounts less than the units shown are discarded.
- Percentages are rounded to the hundredths place.

Reference materials

Japan Automobile Dealers Association, Japan Light Motor Vehicle and Motorcycle Association, USED CAR Co., Ltd., Trade Statistics of Japan Ministry of Finance

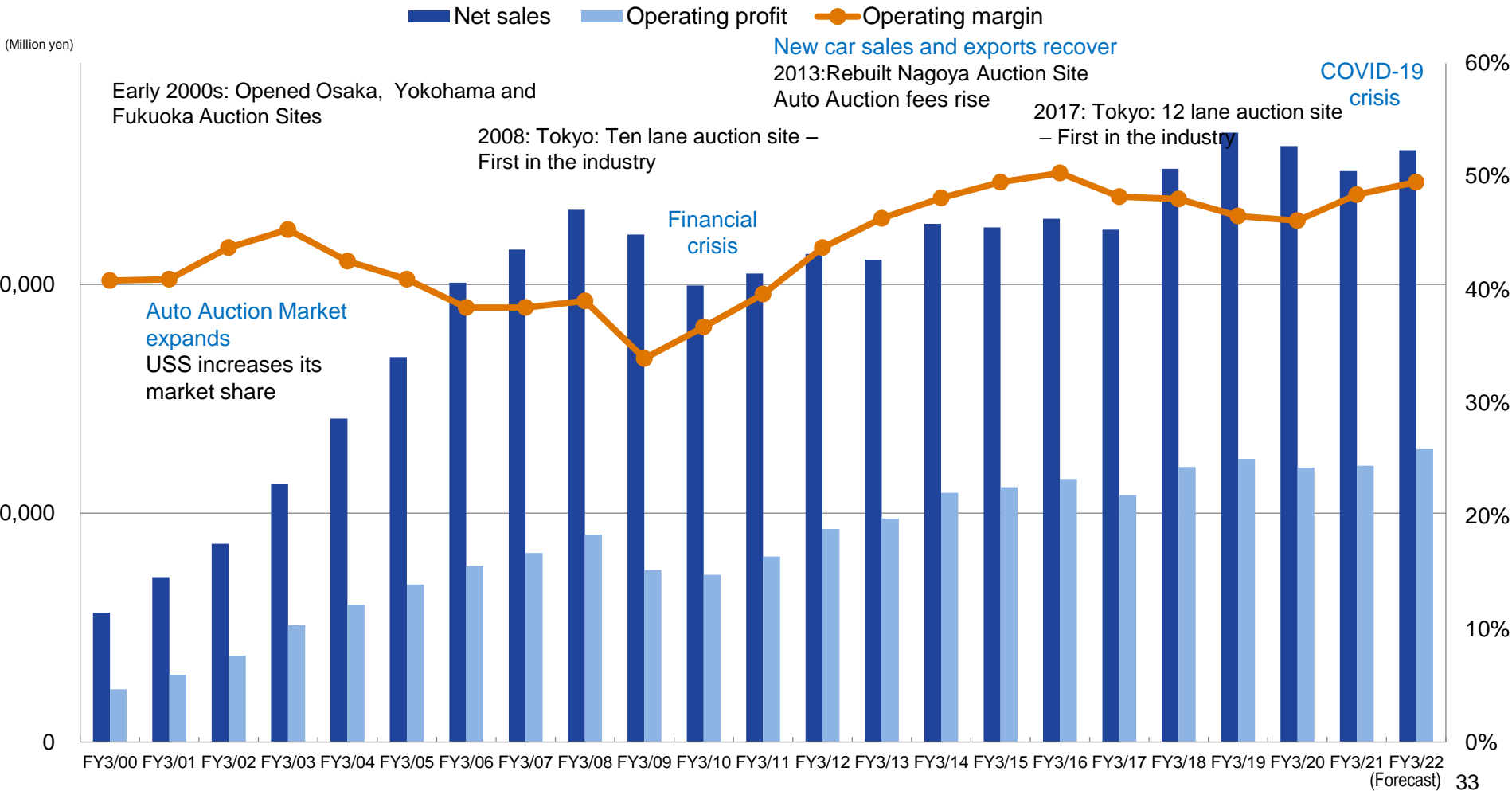
Reference

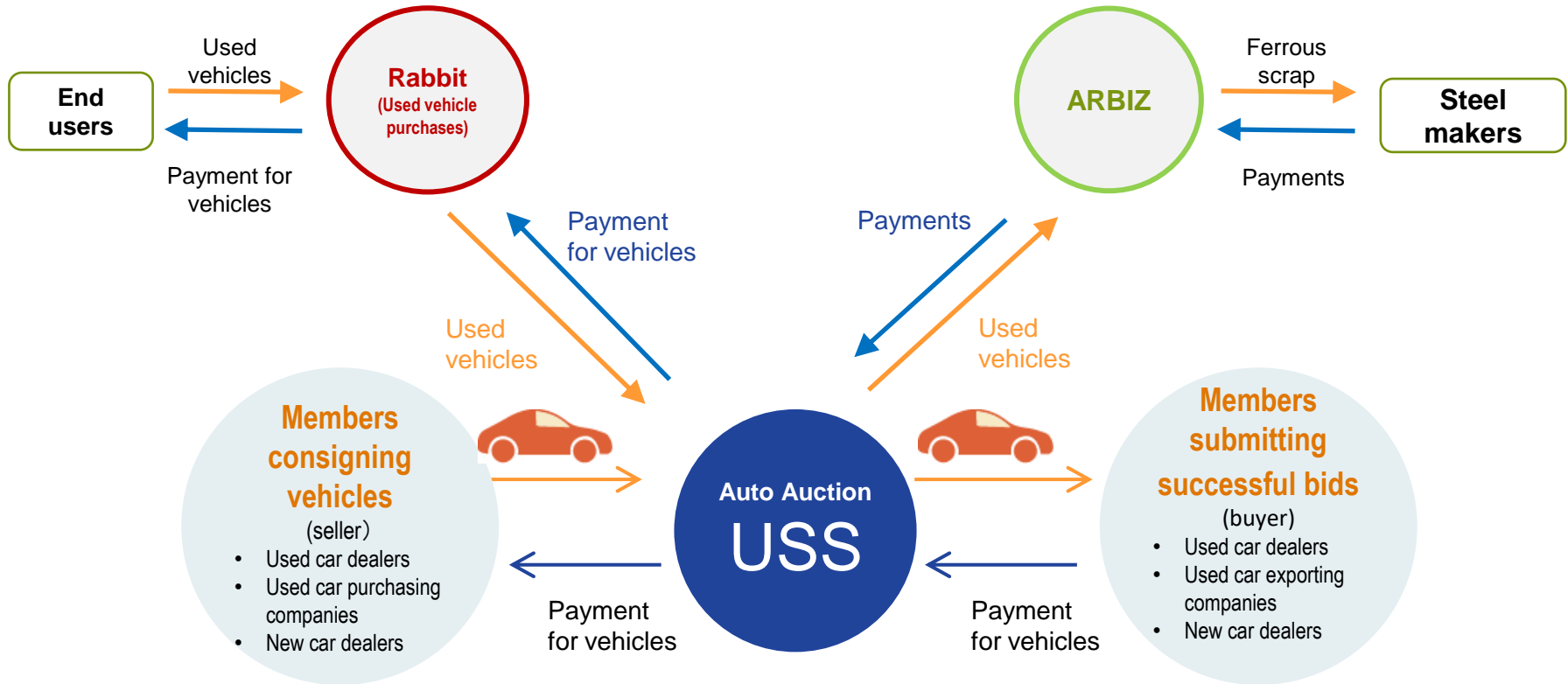
History of USS Long-term Growth

Before 2000

1982: Held the first auction with only 255 vehicles consigned
 1988: Expanded the Nagoya Auction Site. The number of POS seats was 570 (the largest in Japan).
 Early nineties: Opened Kyushu and Tokyo Auction Sites
 Late nineties: Opened Okayama, Shizuoka, Sapporo and West Tokyo (currently the Saitama auction site) Auction Sites

2017: JAA acquisition raises Tokyo/Nagoya/Osaka area market share to more than 40%





Consignment fee
Ave. **8,000yen**

Contract completion fee
Ave. **8,000yen**

Successful bid fee
Ave. **8,000yen**

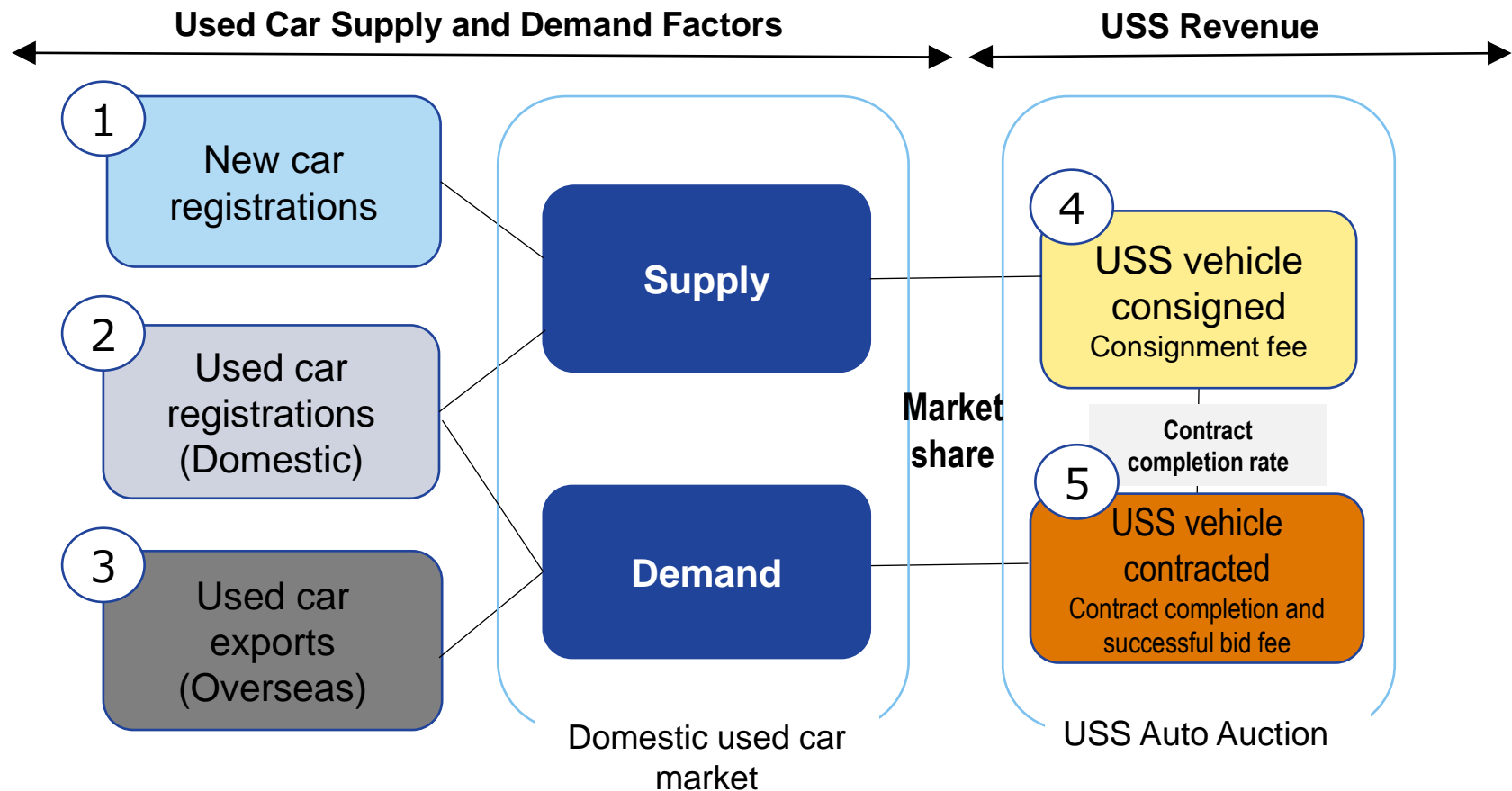
Vehicles consigned
2.66 million units/year
(FY3/2021)

USS's fee per unit
Ave. **24,000yen**

Contract completion rate
63.2% (FY3/2021)

Automobile Market and USS Revenue

- The number of vehicles consigned is correlated through trade-ins to (1) New car registrations and (2) Used car registrations
- Total demand comprises domestic demand (2) and overseas demand (3). In recent years, total demand has been driven mainly by overseas demand.
- In addition to the above, share of the used car auction market and contract ratio have an important bearing on USS auto auction profits.



New/Used Car Registrations and Auto Auction Market

- The auction market continued to expand till 2000 as the share of used vehicles sold through the auction market increased as a share of the total used vehicle market. Starting in the mid-2000s, older vehicles and vehicles with high mileage which would normally have been scrapped started flowing into auto auction sites and steadily drove up the number of vehicles consigned.
- After the financial crisis of late 2008 the auto auction market was largely correlated to new car registrations (supply) and exports (demand).

New/Used car registrations, used car exports, vehicles consigned and vehicles contracted (CY)

