

**Translation**

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**Summary of Consolidated Financial Results  
for the Nine Months Ended November 30, 2012  
(Based on Japanese GAAP)**

January 10, 2013

Company name Gulliver International Co., Ltd.  
 Stock exchange listing Tokyo  
 Stock Code 7599 URL <http://www.glv.co.jp>  
 Representative Chairman Kenichi Hatori  
 Inquiries Business Management Division Manager Masayuki Matsumoto TEL 03-5208-5503  
 Scheduled date to file Quarterly Securities Report January 15, 2013  
 Scheduled date to commence dividend payments -  
 Preparation of supplementary material on quarterly earnings yes  
 Holding of quarterly earnings performance review no -

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended November 30, 2012 (from March 1, 2012 to November 30, 2012)

(1) Consolidated operating results (cumulative) Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended November 30, 2012	109,169	5.6	3,319	(42.0)	3,477	(39.3)	1,952	(46.1)
Nine months ended November 30, 2011	103,345	(4.9)	5,719	(4.8)	5,727	(2.2)	3,619	(30.1)

	Net income per share	Diluted net income per share
	Yen	Yen
Nine months ended November 30, 2012	192.59	192.59
Nine months ended November 30, 2011	357.09	357.05

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of November 30, 2012	50,580	28,413	56.2	2,802.75
As of February 29, 2012	54,643	27,292	49.9	2,692.16

2. Cash dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended February 29, 2012	-	74.00	-	41.00	115.00
Year ending February 28, 2013	-	41.00	-	-	-
Year ending February 28, 2013 (Forecast)	-	-	-	41.00	82.00

3. Forecast for the year ending February 28, 2013 (from March 1, 2012 to February 28, 2013)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	134,000	0.8	5,000	(20.0)	5,000	(20.9)	2,800	(26.0)	276.22

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended November 30, 2012  
 (changes in specified subsidiaries resulting in the change in scope of consolidation): no
- (2) Application of special accounting for preparing quarterly consolidated financial statements: yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections
- Changes in accounting policies due to revisions to accounting standards and other regulations: no
- Changes in accounting policies due to other reasons: no
- Changes in accounting estimates: no
- Restatement of prior period financial statements after error corrections: no

(4) Number of issued shares

Total number of issued shares at the end of the period (including treasury stock)

As of November 30, 2012	10,688,800 shares	As of February 29, 2012	10,688,800 shares
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Number of shares of treasury stock at the end of the period

As of November 30, 2012	551,971 shares	As of February 29, 2012	551,965 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended November 30, 2012	10,136,832 shares	Nine months ended November 30, 2011	10,136,841 shares
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## **1. Qualitative information on settlement of accounts for the first three quarters**

### **(1) Qualitative information on consolidated operating results**

In the first nine months of the fiscal year under review, the car sales volume at Gulliver's directly operated stores increased year on year.

However, the profitability when Gulliver sold used cars wholesale to used-car sellers through used car auctions, declined due to the eco-car subsidies that the Japanese government provided through September 2012 to help consumers buy new cars. However, this profitability has started to improve since the beginning of the third quarter.

Selling, general and administrative (SG&A) expenses increased due to higher personnel expenses and advertising expenditures made with a view to expanding the retail business in the future.

Consolidated subsidiary G-One Financial Services Co., Ltd. saw operating income decline 514 million yen year on year to 14 million yen, as operations have been scaled down.

Accounts receivable (financial credit) of G-One Financial Services Co., Ltd. stood at 7,098 million yen as of the end of the first nine months, down 2,557 million yen from the end of the previous fiscal year.

Due to the above, consolidated business results for the first nine months were as follows: consolidated net sales were 109,169 million yen (up 5.6% from the same term last year), operating income was 3,319 million yen (down 42.0% from the same term last year), ordinary income was 3,477 million yen (down 39.3% from the same term last year) and net income was 1,952 million yen (down 46.1% from the same term last year).

### **(2) Qualitative information on consolidated financial position**

#### **Assets**

Total assets at November 30, 2012 were 50,580 million yen, a decrease of 7.4% from February 29, 2012.

Current assets were 26,898 million yen, down 13.0% from the same date, mainly due to a decline in products.

Total noncurrent assets at November 30, 2012 decreased by 0.2% from February 29, 2012 to 23,681 million yen. This mainly reflected a decrease in long-term loans receivable due to the recovery of such loans.

#### **Liabilities**

Total liabilities at November 30, 2012 decreased by 19.0% from February 29, 2012 to 22,166 million yen.

Current liabilities at November 30, 2012 decreased by 1.8% from February 29, 2012 to 15,772 million yen. The primary contributing factors were decreases in accounts payable-trade and income taxes payable due to the payment of income taxes.

Total noncurrent liabilities at November 30, 2012 decreased by 43.4% from February 29, 2012 to 6,393 million yen. The major factor was a decrease due to repayment of long-term loans payable.

#### **Net assets**

Net assets at November 30, 2012 increased by 4.1% from February 29, 2012 to 28,413 million yen, mainly due to an increase in retained earnings accompanying the posting of net income.

### **(3) Outlook for the fiscal year ending February 28, 2013**

There have been no changes made to the full-year consolidated results forecasts for the fiscal year ending February 28, 2013, as announced in the Summary of Consolidated Financial Results for the Six Months Ended August 31, 2012 (Based on Japanese GAAP) that was issued on October 10, 2012.

**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of February 29, 2012	As of November 30, 2012
Assets		
Current assets		
Cash and deposits	8,472	9,375
Notes and accounts receivable-trade	10,683	9,021
Merchandise	8,640	5,390
Deferred tax assets	1,320	1,478
Other	1,873	1,693
Allowance for doubtful accounts	(65)	(59)
Total current assets	30,925	26,898
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	11,901	12,110
Accumulated depreciation	(4,347)	(4,751)
Buildings and structures, net	7,553	7,359
Vehicles	370	269
Accumulated depreciation	(210)	(177)
Vehicles, net	160	91
Tools, furniture and fixtures	2,279	2,326
Accumulated depreciation	(1,830)	(1,912)
Tools, furniture and fixtures, net	448	413
Land	218	218
Construction in progress	22	1,473
Total property, plant and equipment	8,403	9,556
Intangible assets		
Goodwill	5	-
Software	939	905
Other	15	16
Total intangible assets	961	921
Investments and other assets		
Investment securities	14	14
Stocks of subsidiaries and affiliates	768	342
Long-term loans receivable	7,993	6,783
Lease and guarantee deposits	2,894	3,015
Construction assistance fund receivables	2,840	2,677
Deferred tax assets	235	235
Other	257	250
Allowance for doubtful accounts	(652)	(115)
Total investments and other assets	14,353	13,203
Total noncurrent assets	23,718	23,681
Total assets	54,643	50,580

(Millions of yen)

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(Millions of yen)

	As of February 29, 2012	As of November 30, 2012
Liabilities		
Current liabilities		
Accounts payable-trade	2,912	2,030
Short-term loans payable	2,000	5,000
Accounts payable-other	2,130	1,624
Income taxes payable	2,532	299
Deposits received	232	139
Provision for bonuses	489	85
Provision for merchandise warranties	1,810	2,444
Other	3,951	4,148
Total current liabilities	16,060	15,772
Noncurrent liabilities		
Long-term loans payable	9,000	4,000
Long-term guarantee deposited	807	777
Provision for directors' retirement benefits	461	484
Asset retirement obligations	1,016	1,079
Provision for loss on business of subsidiaries and affiliates	-	52
Other	5	-
Total noncurrent liabilities	11,290	6,393
Total liabilities	27,351	22,166
Net assets		
Shareholders' equity		
Capital stock	4,157	4,157
Capital surplus	4,032	4,032
Retained earnings	23,021	24,142
Treasury stock	(3,975)	(3,975)
Total shareholders' equity	27,235	28,356
Accumulated other comprehensive income		
Foreign currency translation adjustment	54	54
Total accumulated other comprehensive income	54	54
Subscription rights to shares	2	2
Total net assets	27,292	28,413
Total liabilities and net assets	54,643	50,580

**Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)**

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Nine months ended November 30, 2011	Nine months ended November 30, 2012
Net sales	103,345	109,169
Cost of sales	77,887	84,686
Gross profit	25,457	24,482
Selling, general and administrative expenses	19,738	21,163
Operating income	5,719	3,319
Non-operating income		
Interest income	99	94
Foreign exchange gains	-	7
Insurance income	19	78
Other	35	62
Total non-operating income	154	243
Non-operating expenses		
Interest expenses	124	76
Foreign exchange losses	4	-
Other	16	8
Total non-operating expenses	146	84
Ordinary income	5,727	3,477
Extraordinary income		
Reversal of allowance for doubtful accounts	117	-
Compensation income	-	6
Reversal of loss on business liquidation	779	-
Other	49	0
Total extraordinary income	946	6
Extraordinary loss		
Loss on retirement of noncurrent assets	116	51
Provision for loss on business of subsidiaries and affiliates	-	18
Loss on disaster	105	-
Loss on adjustment for changes of accounting standard for asset retirement obligations	360	-
Other	46	21
Total extraordinary losses	628	91
Income before income taxes and minority interests	6,044	3,392
Income taxes-current	2,589	1,601
Income taxes-deferred	(164)	(161)
Total income taxes	2,425	1,439
Income before minority interests	3,619	1,952
Net income	3,619	1,952

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Nine months ended November 30, 2011	Nine months ended November 30, 2012
Income before minority interests	3,619	1,952
Other comprehensive income		
Foreign currency translation adjustment	1	(0)
Total other comprehensive income	1	(0)
Comprehensive income	3,620	1,952
Comprehensive income attributable to Comprehensive income attributable to owners of the parent	3,620	1,952