

Gulliver Announces Debt-Equity Swap to Convert Loan to a Subsidiary into Shares

Tokyo, February 18, 2016—Gulliver International Co., Ltd. (“Gulliver,” TSE stock code 7599) announced a resolution of a meeting of the Board of Directors today to conduct a debt-equity swap with respect to a loan made to its consolidated subsidiary Gulliver Australia Holdings Pty Ltd (“Gulliver Australia Holdings”), as described below.

1. Overview of the Debt-Equity Swap

(1) Details

Gulliver will conduct a debt-equity swap with respect to a loan of AU\$121.7 million made to Gulliver Australia Holdings, under which it will receive 100% of an allotment of newly issued shares. The loan in question is the entire amount of a loan executed for the acquisition of the shares of Buick Holdings Pty Ltd. in September 2015.

(2) Reason

To improve the financial position of Gulliver Australia Holdings.

(3) Timing

Late February, 2016 (planned)

2. Overview of Gulliver Australia Holding

(1) Name	Gulliver Australia Holdings Pty Ltd
(2) Address	12 Malcolm Street Narrabeen NSW, Australia
(3) Name and title of representative	Yusuke Hatori (Director)
(4) Business activities	Control and management of an operating company by holding the shares or the voting rights of the respective company
(5) Paid-in capital	AU\$10 thousand
(6) Established	June 2015
(7) Major shareholders and shareholding	Gulliver International Co., Ltd. 100%

3. Impact on Operating Results

The impact of this debt-equity swap on Gulliver’s consolidated business results ending February 29, 2016 is minimal.