September 26, 2005

Gulliver International Co., Ltd.

Gulliver International Co., Ltd. Revises Consolidated and Non-Consolidated Interim and Full Year Forecasts

Gulliver International Co., Ltd. ("Gulliver") today issued revised consolidated and non-consolidated interim and full year forecasts for the fiscal year ending February 2006 (March 1, 2005 – February 28, 2006). Details of the revised forecasts are as follows, along with the previous forecasts issued on April 19, 2005.

1. Revised consolidated forecasts

(1) Interim forecasts (March 1, 2005 – August 31, 2005)

(¥ million)

	Net sales	Ordinary income	Net Income
Previous (A)	79,600	4,500	2,500
Revised (B)	86,910	3,500	1,650
Change (A) – (B)	7,310	(1,000)	(850)
Change in percent	9.2	(22.2)	(34.0)
Interim period ended August 31, 2004	66,154	3,907	2,192

(2) Full-year forecasts (March 1, 2005 – February 28, 2006)

(¥ million)

	Net sales	Ordinary income	Net income
Previous (A)	179,600	11,800	6,550
Revised (B)	181,900	10,300	5,000
Change (A) – (B)	2,300	(1,500)	(1,550)
Change in percent	1.3	(12.7)	(23.7)
Fiscal year ended February 2005	156,696	10,219	5,652

2. Revised non-consolidated forecasts

(1) Interim forecasts (March 1, 2005 – August 31, 2005)

(¥ million)

	Net sales	Ordinary income	Net income
Previous (A)	73,500	4,100	2,300
Revised (B)	80,460	3,780	2,100
Change (A) – (B)	6,960	(320)	(200)
Change in percent	9.5	(7.8)	(8.7)
Interim period ended August 31, 2004	62,122	3,539	2,004

(2) Full-year forecasts (March 1, 2005 – February 28, 2006)

There are no revisions to the non-consolidated full year forecasts.

3. Reason for revision of forecasts

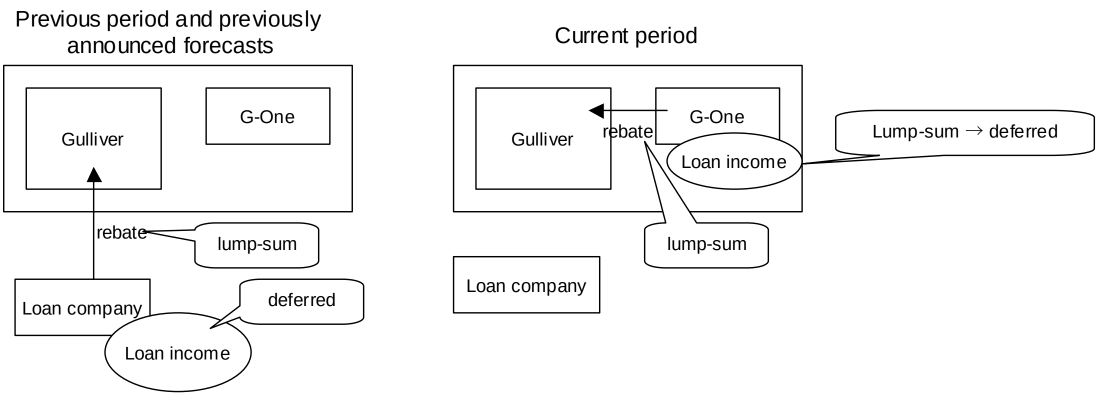
(1) Reason for revision of consolidated interim and full year forecasts

(i) G-One Financial Services Co., Ltd.

During the current financial period, consolidated subsidiary G-One Financial Services Co., Ltd. ("G-One") began full-fledged sales of automobile loan products. As a result, from the current interim period onwards Gulliver is expected to receive loan rebates from G-One for automobile loan contracts. The previous forecast was based on the expectation that Gulliver would continue to receive rebates from outside companies, through the provision of loan services from other companies.

Income from automobile loans sold by G-One (a certain proportion of the total credit provided) is recorded on a deferred basis, whereas rebates are recorded as a one-time expense. This is expected to negatively impact ordinary income. Gulliver had expected that in the case of securitization of loan receivables, income could be recorded as a lump sum, but the Company now understands that recording income on a deferred basis is the appropriate accounting treatment. Accordingly, forecast consolidated ordinary income has been revised down ¥370 million and ¥890 million for the interim and full year periods respectively.

The business development of G-One is proceeding steadily, and as of August 31, 2005 the total amount of deferred financial income has reached approximately ¥900 million.



(ii) G-One Financial Services Co., Ltd.

Consolidated subsidiary G-Trading Co., Ltd. (JASDAQ code 3384) today announced revised forecasts. The negative impact of these revisions on Gulliver's consolidated ordinary income is expected to be ¥116 million and ¥230 million for the interim and full year periods respectively. For details please see the announcement made by Gulliver regarding Revised Forecasts of Consolidated Subsidiaries.

(iii) Hucobo Co., Ltd.

Land transportation business Hucobo Co., Ltd. became a consolidated subsidiary during the current interim period. Hucobo is working to establish full-scale operations, and is likely to make a loss at the ordinary level during the current fiscal year. The negative impact of this on Gulliver's consolidated ordinary income is expected to be ¥100 million and ¥200 million for the interim and full year periods respectively.

<u>(2) Reason for revision of non-consolidated interim forecasts</u>

In the interim period, the number of cars handled at directly managed Gulliver stores increased. This was due to determined advertising activities increasing the number of cars handled per store. As a result of this, net sales are expected to be higher than previously forecast.

Ordinary income and net income for the period are expected to be lower than previously forecasts. This is primarily because although employee numbers were increased to a level higher than initially expected at the beginning of the period, staff training was insufficient in certain aspects, and the efficiency of investments in marketing and personnel costs was impaired.

The impact of the above factors on full year performance is not expected to be material, and non-consolidated full year forecasts remain unchanged.

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