March 17, 2008

Gulliver International Co., Ltd.

Gulliver announces revisions to forecasts for the year ended February 2008

Tokyo, March 17, 2008—Today Gulliver International Co., Ltd. (“Gulliver”) announced the following revisions to its consolidated and non-consolidated forecasts for the fiscal year to February 2008 (March 1, 2007 to February 29, 2008) that were originally announced on January 8, 2008, with the Company’s third quarter results.

Details

1. Revisions to consolidated forecasts for the fiscal year ended February 29, 2008

(millions of yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share(¥)
Previously announced forecasts (A)	194,400	12,100	12,100	6,500	673.04
Revised forecasts (B)	189,300	9,100	9,300	5,000	518.53
Change (B – A)	(5,100)	(3,000)	(2,800)	(1,500)	(154.51)
Percentage change (%)	(2.6)	(24.8)	(23.1)	(23.1)	(23.0)
Reference (Results for FY ended February 2007)	182,166	11,123	10,998	6,566	672.19

2. Revisions to non-consolidated forecasts for the fiscal year ended February 29, 2008

(millions of yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share(¥)
Previously announced forecasts (A)	176,200	11,400	11,400	6,100	635.61
Revised forecasts (B)	167,200	8,600	8,700	4,600	477.05
Change (B – A)	(9,000)	(2,800)	(2,700)	(1,500)	(158.56)
Percentage change (%)	(5.1)	(24.6)	(23.7)	(24.6)	(24.9)
Reference (Results for FY ended February 2007)	166,466	10,715	10,509	5,645	577.92

3. Reasons for revision of forecasts

Among Gulliver’s stores that operate in the sale and purchase of cars, the number of directly operated stores opened was lower than initial plans for the year and certain stores were closed. As a result, there were 299 directly operated stores as of February 29, 2008, 8 more stores than at the end of the previous fiscal year.

In comparison to our plans at the beginning of the year, and as a result of curbing advertising expenditures in the first half of the year, the number of cars handled in directly operated stores in the first half of the fiscal year were less than our initial plans. However, due to active investment in advertising in the second half of the fiscal year, the number of cars handled at directly operated stores increased, however, despite this increase the total number of cars handled failed to meet our goals for the full year.

As a result, forecasted consolidated net sales are 189,300 million yen, about the same level as in the previous fiscal year, and forecasted consolidated operating income is 9,100 million yen for the year as a result of small rises in SG&A and expenses at certain subsidiaries.

4. Dividend forecasts

Gulliver's basic management policy concerning the return of profits to investors emphasizes the dividend payout ratio and in particular targets a dividend payout ratio of approximately 30% of non-consolidated net income for the period. Additionally, regarding our financial results, we have announced a reduction in income. However, despite this revision to the forecasted results for the fiscal year ended February 29, 2008, there will be no change to our dividends. In accordance with our initial plans, we expect to pay an annual dividend of 174.00 yen per share consisting of an interim dividend of 87.00 yen and a year-end dividend of 87.00 yen.

Reference:

The announcement of Gulliver's fiscal 2007 results is scheduled for Friday April 18, 2008.

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