April 6, 2009

Gulliver International Co., Ltd.

Gulliver announces revisions to financial results forecasts and dividend forecasts for the year ending February 2009

Tokyo, April 6, 2009—Today Gulliver International Co., Ltd. (“Gulliver”) announced the following revisions to its financial results forecasts and dividend forecasts for the fiscal year to February 2009 (March 1, 2008 to February 28, 2009) that were announced on January 7, 2009 with the release of the Company’s third quarter results. In addition, at a meeting of the Board of Directors held on April 6, 2009, it was decided that the board members’ bonus for the fiscal year ending February 2009 would not be paid.

Details

1. Revisions to the financial results forecasts

1) Revisions to the consolidated financial results forecasts (millions of yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (¥)
Previously announced forecasts (A)	196,300	5,600	5,600	2,500	¥260.50
Revised forecasts (B)	163,300	4,000	2,700	450	¥47.54
Change (B – A)	(33,300)	(1,600)	(2,900)	(2,050)	—
Percentage change (%)	(17.0)	(28.6)	(51.8)	(82.0)	—
Reference: Results for FY ended February 2008	190,592	8,698	8,699	4,650	¥482.27

2) Revisions to the non-consolidated financial results forecasts (millions of yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (¥)
Previously announced forecasts (A)	170,000	5,500	5,500	2,500	¥260.50
Revised forecasts (B)	139,600	4,300	4,000	1,300	¥137.42
Change (B – A)	(30,400)	(1,200)	(1,500)	(1,200)	—
Percentage change (%)	(17.9)	(21.8)	(27.3)	(48.0)	—
Reference: Results for FY ended February 2008	167,219	8,459	8,614	4,293	¥445.27

3) Reasons for revision to the financial results forecasts

(1) Non-consolidated financial results

Non-consolidated sales are expected to be lower than planned. The total number of cars sold (the sum of the number of wholesale car sales and retail car sales) was less than planned (of these, the number of retail car sales was higher than planned) since the total number of cars purchased by Gulliver’s directly managed stores was less than planned. Further, the price per car was less than planned due to a decrease in the price of used cars at auctions in comparison to the previous fiscal year.

Sales, general and administrative expenses were lower than planned due to a greater than anticipated reduction in advertising expenses. However, an additional extraordinary loss of about ¥340 million was recorded due to changes made to the accounting method for the reserve for retirement benefits for directors and to the accounting method for the merchandise warranty reserve, and from losses incurred from the disposal of fixed assets following the closure of certain stores during the fourth quarter. As a result of the above, non-consolidated operating income, non-consolidated ordinary income and non-consolidated net income are expected to be lower than planned.

(2) Consolidated financial results

In addition to the above causes for revisions to the non-consolidated financial results forecasts, consolidated financial performance has deteriorated due to factors including the recording of about ¥1,100 million in foreign exchange losses (non-operating expenses) from foreign subsidiary G-Trading-RUS following a drop in the Russian ruble, and from the poor performance of consolidated subsidiary G-TRADING Co., Ltd. due to from economic circumstances. As a result of the above, consolidated net sales, consolidated operating income, consolidated ordinary income and consolidated net income are expected to be lower than planned.

On April 6, G-TRADING Co., Ltd. announced revisions to its financial results forecasts. Further, as the treatment of certain items in the preparation of its financial report are not yet confirmed, the possibility remains that G-TRADING may make changes prior to announcing its financial results, and therefore it is also possible that there may be certain changes to the consolidated financial results of Gulliver International.

2. Revisions to dividend forecasts

1) Reasons for revisions to dividend forecast

Gulliver emphasizes the importance of its dividend payout ratio, and as a core policy, distributes profits appropriately in accordance with financial results. Specifically, Gulliver has traditionally targeted a dividend payout ratio of approximately 30% of consolidated net income.

In accordance with the policy and target stated above, and in consideration of revisions to the full year financial results forecast, we regret to inform shareholders that we do not intend to pay a year-end dividend.

2) Details of revisions

Base date	Dividend per share (¥) Interim dividend	Year-end dividend	Annual dividend
Previous dividend forecasts (Announced January 7, 2009)		¥41.00	¥82.00
Revised dividend forecasts		¥0.00	¥41.00
Actual dividends for FY ended February 28, 2009	¥41.00		
Reference: Dividends for FY ended February 2008	¥87.00	¥87.00	¥174.00

3. Nonpayment of directors' bonuses

While accepting the reasons for the revisions to the financial results forecasts and the dividend forecasts with sincerity, and in order to clearly establish management responsibility, at a meeting of the Board of Directors held on April 6, 2009 it was decided that the board members' bonus for directors and auditors for the fiscal year ending February 2009 would not be paid.

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