



October 27, 2010

Gulliver International Co., Ltd.
Kenichi Hatori, Chairman
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Notice Concerning Offering of Treasury Stock and Secondary Offering of Shares in the International Market

Gulliver International Co., Ltd. (“Gulliver”) hereby announces that its Board of Directors resolved today to commence an offering of its treasury stock and a secondary offering of its shares (collectively, the “Offering”), as set forth below.

Purpose of offering treasury stock

Despite a severe external environment due to the eco-car subsidy scheme, which ended in September 2010, Gulliver has identified an opportunity to implement its strategy for long-term growth. Gulliver has decided to raise capital to implement the following plans and further strengthen its retail operations in the used-car business, which is expected to expand:

(1) Construction of finishing facilities

Gulliver plans to use a portion of the proceeds from the offering to establish multiple finishing facilities in key locations across Japan. The facilities will handle pre-delivery tasks such as inspections, tune-ups, and finishing touches. By bringing previously outsourced processes in-house, Gulliver aims to improve and standardize quality. Gulliver plans to establish its first new facility in the Kanto region within the fiscal year ending February 2012.

(2) Construction of a large-scale showroom

Vehicles purchased through Gulliver stores are currently stored at parking lots located at each store or at central lots until they are ready to be auctioned. Gulliver plans to establish a large-scale showroom to consolidate part of these inventories within the fiscal year ending February 2012.

(3) Repayment of borrowings

In view of recent macro-economic instability in Japan, Gulliver plans to apply a portion of the proceeds to repay its borrowings to establish a more stable financial position and enable an agile implementation of its business strategy.

Note: This press release has been prepared for the sole purpose of publicly announcing certain matters relating to the Offering of the Company's treasury stock and the secondary offering of the Company's shares and not for the purpose of soliciting investment or engaging in any other similar activity. This press release does not constitute an offer of any securities for sale within or outside Japan. Additionally, this press release shall not constitute an invitation or inducement to engage in investment activity or financial promotion for purposes of the Financial Services and Markets Act 2000 of the United Kingdom. Moreover, this press release is not an offer of securities for sale in the United States. The securities have not and will not be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”) and may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. No offering of securities in the United States will be made in connection with the above mentioned transactions.

1. Offering of Treasury Stock in the International Market

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| (1) Type and Number of Shares to be Offered | A total of 1,000,000 shares of Gulliver's common stock. |
| (2) Determination of Issue Price | The amount to be paid to Gulliver per share of treasury stock (the "Issue Price") will be determined on a date (the "Pricing Date") in accordance with the book-building method, which is comparable to the method stated in Article 25 of the Regulations Concerning Underwriting of Securities, etc. established by the Japan Securities Dealers Association. |
| (3) Amount by Which Stated Capital and Capital Reserve are to be Increased | Not applicable. |
| (4) Method of Offering | The underwriter (the "Underwriter") will purchase and underwrite all of the shares to offer them outside Japan but not in the United States or Canada, mainly in Europe through its overseas affiliated securities firms.
The offer price (the "Offer Price") will be determined on the Pricing Date in accordance with the book-building method, which is comparable to the method stated in Article 25 of the Regulations Concerning Underwriting of Securities, etc. established by the Japan Securities Dealers Association, considering demand and other conditions and applying the preliminary pricing terms calculated by multiplying the closing price of the shares of Gulliver's common stock on the First Section of the Tokyo Stock Exchange, Inc. on the Pricing Date (or, if no closing price is quoted, the closing price of the immediately preceding date) by 0.90-1.00 (any fraction less than one yen to be rounded down). |
| (5) Underwriter's Consideration | Gulliver will not pay any underwriting fees to the Underwriter. The Underwriter will receive the aggregate amount of the difference between the Offer Price and the Issue Price. |
| (6) Subscription Period | The subscription period will be from the Pricing Date to 8:00 a.m. (JST) of the next business day. |
| (7) Payment Date | The payment date will be November 11, 2010. |
| (8) Subscription Unit | 10 shares |
| (9) Mr. Yusuke Hatori, the President of Gulliver, is authorized to determine the Issue Price, the Offer Price and any other matters in connection with the offering of treasury stock. No stabilization will be conducted on this transaction. | |

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2. Secondary Offering of Gulliver's Shares in the International Market

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| (1) Type and Number of Shares to be Offered | A total of 223,490 shares of Gulliver's common stock. |
| (2) Selling Shareholder | Mr. Kenichi Hatori |
| (3) Selling Price | To be determined on the Pricing Date. The selling price will be the same as the aforementioned Offer Price for treasury stock. |
| (4) Method of Offering | The Underwriter will purchase and underwrite all of the shares to offer them outside Japan but not in the United States or Canada, mainly in Europe through its overseas affiliated securities firms.
The Underwriter will receive the aggregate amount of the difference between the Selling Price and the subscription price. The subscription price will be the same as the aforementioned Issue Price for treasury stock. |
| (5) Subscription Period | The same as the offering of treasury stock. |
| (6) Delivery Date | The delivery date will be November 11, 2010. |
| (7) Subscription Unit | 10 shares |
| (8) Mr. Yusuke Hatori, the President of Gulliver, is authorized to determine the Selling Price and any other matters in connection with the secondary offering of Gulliver's shares. No stabilization will be conducted on this transaction. | |

<Reference>

1. Use of Proceeds

(1) Use of proceeds

The net proceeds from the offering of treasury stock are estimated to be approximately ¥4,100 million and will be used for capital expenditures to strengthen Gulliver's retail operations: (i) in the fiscal year ending February 2012, ¥700 million for a finishing facility in the Kanto region and ¥500 million for a large-scale showroom; and (ii) in the fiscal year ending February 2013, ¥2,900 million for additional finishing facilities. Gulliver will apply the remaining amount, if any, to repay its borrowings in the fiscal year ending February 2012.

(2) Change of use of proceeds in the previous fund raising

Not applicable.

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2. Lock-up

In connection with the Offering, Mr. Kenichi Hatori, the selling shareholder, and Forward Co., Ltd., Mr. Yusuke Hatori and Mr. Takao Hatori, Gulliver's major shareholders, have agreed with the Underwriter not to, in principle, transfer or otherwise dispose of shares of Gulliver's stock (except for the aforementioned secondary offering, lending of shares of Gulliver's common stock under a stock lending agreement to be signed on the Pricing Date, etc.) for a period beginning on the Pricing Date and ending on the date 90 days from and including the delivery date (the "Lock-up Period"), without the prior written consent of the Underwriter.

In addition, during the Lock-up Period, Gulliver has agreed with the Underwriter not to, in principle, issue any shares of Gulliver stock, any securities convertible into, exercisable or exchangeable for Gulliver stock, or any securities that represent the right to receive shares of Gulliver stock, etc. (except for the Offering, any issuance of shares of Gulliver stock for stock split, etc.), without the prior written consent of the Underwriter.

In each case above, the Underwriter has the right to, at its own discretion, partially or fully cancel the lock-up restrictions any time during the Lock-up Period.

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