

Gulliver announces revisions to operating results forecasts

TOKYO, August 18, 2011 – In consideration of recent trends in its business performance, Gulliver International Co., Ltd. (“Gulliver”; TSE stock code 7599) today announced revisions to its forecast business results announced on June 30, 2011.

Results forecast revisions for the fiscal year ending February 29, 2012

Revisions to the consolidated interim results forecast (March 1, 2011 to August 31, 2011) *(Millions of yen)*

	Net sales	Operating income	Ordinary income	Net income	Net income per share (¥)
Previously announced forecasts (A)	63,800	3,100	3,050	1,670	164.75
Revised forecasts (B)	70,800	4,500	4,500	3,200	315.68
Change (B – A)	7,000	1,400	1,450	1,530	
Percentage change (%)	11.0	45.2	47.5	91.6	
Reference: Results for the six-month period to August 31, 2010	72,869	3,700	3,591	3,738	409.19

Revisions to the consolidated full-year results forecast (March 1, 2011 to February 29, 2012) *(Millions of yen)*

	Net sales	Operating income	Ordinary income	Net income	Net income per share (¥)
Previously announced forecasts (A)	133,000	6,600	6,500	3,500	345.28
Revised forecasts (B)	140,000	8,000	8,000	5,000	493.25
Change (B – A)	7,000	1,400	1,500	1,500	
Percentage change (%)	5.3	21.2	23.1	42.9	
Reference: Reference: Results for the fiscal year ended February 2011	142,038	8,001	7,824	5,140	544.67

Revisions to the non-consolidated interim results forecast (March 1, 2011 to August 31, 2011) *(Millions of yen)*

	Net sales	Ordinary income	Net income	Net income per share (¥)
Previously announced forecasts (A)	61,600	2,800	1,550	152.91
Revised forecasts (B)	69,000	4,100	3,050	300.88
Change (B – A)	7,400	1,300	1,500	
Percentage change (%)	12.0	46.4	96.8	
Reference: Results for the six-month period to August 31, 2010	67,781	2,903	2,183	238.97

Revisions to the non-consolidated full-year results forecast (March 1, 2011 to February 29, 2012) *(Millions of yen)*

	Net sales	Ordinary income	Net income	Net income per share (¥)
Previously announced forecasts (A)	130,000	6,200	3,400	335.41
Revised forecasts (B)	137,400	7,500	4,900	483.39
Change (B – A)	7,400	1,300	1,500	
Percentage change (%)	5.7	21.0	44.1	
Reference: Reference: Results for the fiscal year ended February 2011	133,716	6,214	3,496	370.48

Reasons for revisions

Amidst an economic environment marked by sluggish consumption stemming from the effects of the Great East Japan Earthquake, the number of cars sold at directly managed Gulliver stores is expected to be slightly below initial forecasts, however the number of cars purchased are expected to be higher than initial forecasts. Contributing to the number of cars purchased was our ability to establish well-timed purchase prices in conjunction with used car auction market rate increases stemming from the effects of the Great East Japan Earthquake. Additionally, we anticipate that continued implementation of effective gross margin controls will result in operating income that exceeds our initial forecasts.

Further, plans to transfer or consolidate head office functions related to making Gulliver a group company, for which a restructuring loss was recorded in the fiscal year ended February 28, 2011, have been reviewed in light of recent power saving and other measures following the Great East Japan Earthquake. As a result, a portion of the restructuring losses have been reversed resulting in an anticipated ¥770 million increase in extraordinary income.