

Gulliver International Co., Ltd.

Non-consolidated Results

Third Quarter of the Fiscal year Ending February 28, 2006

(Nine month period ended November 30, 2005)

This document has been translated from the original Japanese as a guide for non-Japanese investors. It contains forward-looking statements based on a number of assumptions and beliefs made by management in light of information currently available. Actual financial results may differ materially depending on a number of factors, including changing economic conditions and the pricing and product initiatives of new and existing competitors.

SUMMARY OF FINANCIAL STATEMENTS (Non-consolidated)

Third quarter results for the fiscal year ending February 28, 2006

Gulliver International Co., Ltd.

January 11, 2006

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1. Notes to preparation of these financial statements

Adoption of simplified accounting treatments: Yes (partial use of the simple method)
 Differences in accounting treatments applied compared to previous fiscal year: None

2. Non-consolidated financial results for the nine month period ended November 30, 2005

1) Non-consolidated Operating Results

Millions of yen, rounded down

	Nine months ended November 30, 2005		Nine months ended November 30, 2004		Fiscal Year ended February 28, 2005	
		(% change)		(% change)		(% change)
Sales	123,665	17.9	104,829	--	147,486	28.2
Operating income	6,311	(9.9)	7,009	--	9,601	33.9
Ordinary income	6,330	(9.6)	7,007	--	9,584	32.5
Net income	3,372	(10.7)	3,776	--	5,259	36.1
Earnings per share (¥)	¥337.45	--	¥372.04	--	¥510.03	--
Fully diluted earnings per share (¥)	¥333.68	--	¥362.54	--	¥499.92	--

Notes to the preparation of these financial statements:

1. Percentage figures for sales, operating income, etc. represent changes compared to the comparable period of the previous fiscal year.

2) Financial Position (non-consolidated)

Millions of yen, rounded down

	As of November 30, 2005	As of November 30, 2005	As of February 28, 2005
	Total assets	31,519	26,046
Shareholders' equity	15,534	15,653	15,327
Equity ratio (%)	49.3	60.1	52.3
Shareholders' equity per share (¥)	1,559.30	1,547.74	1,522.30

3. Forecasts for the fiscal year ending February 28, 2006 (March 1, 2005 to February 28, 2006)

Millions of yen

	FY ending February 28, 2006
Sales	167,200
Ordinary income	11,100
Net Income	6,100
Forecast earnings per share (¥)	¥612.21

Forecasts and forward-looking statements in this document are based on a number of assumptions and beliefs made by management in light of information currently available. Actual financial results may differ materially depending on a number of factors, including economic conditions, legislative and regulatory developments, delay in new product or service launches, and pricing and product initiatives of competitors.

Non-consolidated Balance Sheets

Millions of yen

	As of November 30, 2005		As of February 28, 2005		As of November 30, 2004	
ASSETS		% of total		% of total		% of total
Current assets						
Cash and deposits	3,009		2,378		4,514	
Accounts receivable.....	2,663		7,358		2,949	
Marketable securities.....	--		--		237	
Inventory	4,319		3,842		4,405	
Deferred tax assets.....	514		505		529	
Others.....	3,694		1,277		1,319	
Allowance for doubtful accounts	(77)		(68)		(22)	
Total current assets.....	14,123	44.8	15,293	52.2	13,933	53.5
Fixed assets						
Tangible fixed assets						
Buildings and structures.....	5,904		5,333		4,833	
Tools, fixtures and equipment.....	1,250		1,090		987	
Land.....	327		327		327	
Other.....	312		256		130	
Total tangible fixed assets	7,794	24.7	7,007	23.9	6,278	24.1
Intangible fixed assets						
Software.....	2,962		2,177		1,925	
Other.....	96		101		102	
Total intangible fixed assets	3,059	9.7	2,279	7.8	2,028	7.8
Investments and other assets						
Investment securities	319		373		244	
Shares held in related companies.....	494		475		375	
Long term loans to related companies	500		710		160	
Deposits and guarantee money	3,250		1,848		1,816	
Construction cooperation fund	1,636		960		822	
Deferred tax assets.....	94		135		165	
Other.....	592		517		502	
Allowance for doubtful accounts	(345)		(315)		(280)	
Total investment and other assets.....	6,542	20.8	4,705	16.1	3,805	14.6
Total fixed assets	17,395	55.2	13,991	47.8	12,112	46.5
Total Assets.....	31,519	100.0	29,285	100.0	26,046	100.0

Non-consolidated Balance Sheets

Millions of yen, rounded down

	As of November 30, 2005		As of February 28, 2005		As of November 30, 2004	
	% of total		% of total		% of total	
LIABILITIES						
Current liabilities						
Accounts payable	2,600		4,203		2,842	
Short-term borrowing	7,000		2,000		--	
Accrued expenses	1,657		2,014		1,840	
Accrued corporate taxes	616		2,507		1,765	
Advances received	667		338		616	
Deposits received	765		765		979	
Reserve for bonuses	940		508		768	
Other	1,198		997		947	
Total current liabilities	15,356	48.7	13,336	45.6	9,762	37.5
Long-term liabilities						
Guarantee deposits received	628		621		630	
Total long-term liabilities	628	2.0	621	2.1	630	2.4
Total liabilities	15,985	50.7	13,958	47.7	10,392	39.9
CAPITAL						
Paid-in capital	4,157	13.2	4,139	14.1	4,126	15.8
Capital surplus	4,032	12.8	4,014	13.7	4,002	15.4
Retained earnings	14,065	44.6	12,852	43.9	11,543	44.3
Unrealized gains and losses in other securities	79	0.3	10	0.0	8	0.0
Treasury stock	(6,799)	(21.6)	(5,689)	(19.4)	(4,027)	(15.4)
Total shareholders' equity	15,534	49.3	15,327	52.3	15,653	60.1
Total Liabilities and Shareholders' Equity	31,519	100.0	29,285	100.0	26,046	100.0

Non-consolidated Statements of Income

	<i>Millions of yen</i>					
	March 1, 2005 to November 30, 2005		March 1, 2004 to November 30, 2004		March 1, 2004 to February 28, 2005	
		%		%		%
Sales	123,665	100.0	104,829	100.0	147,486	100.0
Cost of goods sold	92,808	75.0	78,335	74.7	110,361	74.8
Gross profit	30,857	25.0	26,493	25.3	37,125	25.2
Sales, general & administrative expenses	24,545	19.9	19,484	18.6	27,523	18.7
Operating income	6,311	5.1	7,009	6.7	9,601	6.5
Non-operating income	56	0.0	20	0.0	25	0.0
Non-operating expenses	37	0.0	22	0.0	42	0.0
Ordinary income	6,330	5.1	7,007	6.7	9,584	6.5
Extraordinary profit	47	0.1	46	0.0	7	0.0
Extraordinary losses	365	0.3	--	--	249	0.2
Net income before taxes, etc.	6,013	4.9	7,053	6.7	9,342	6.3
Corporate income tax, inhabitants tax and enterprise tax	2,656		3,395		4,150	
Corporate tax adjustments	(15)		(119)		(67)	
Net income	3,372	2.7	3,776	3.6	5,259	3.5

Additional Information

From the first quarter of the current fiscal year the proportionate amounts of corporation tax on value added and capital have been included in Selling, General and Administrative expenses. This¹ follows the promulgation from March 31, 2004 of the Partial Revisions to the Law Concerning Regional Tax. As a result Selling, General and Administration expenses increased by ¥87 million and operating income, ordinary income and income before taxes, etc. each decreased by ¥87 million.

¹ (2003 Article 9) For fiscal years commencing on or after April 1, 2004, along with the introduction of the tax system based on business size 'Treatment of the tax based on business size portion of corporate taxes in the Statements of Income' (February 13, 2004, Corporate Accounting Standards Committee Practice Report 12).