

December 2, 2003

Dear Sirs:

Name of Company: BELLUNA CO., LTD.

Code No. 9997 1st Section of the Tokyo Stock Exchange

### Our holding of Ashikaga Financial Group stocks

Belluna Co., Ltd. (the "Company") hereby announces that the possibility has arisen that the Company may record a revaluation loss on its holding of Ashikaga Financial Group common stocks and Ashikaga Bank Ltd. preferred stocks. We believe that the effect of this on the profit and loss of the Company will be small, and there are no changes regarding our forecast for the fiscal year.

On November 29, 2003 the Prime Minister of Japan recognized the Ashikaga Bank, Ltd. as being subject to the measure stipulated in the Article 102, paragraph 1, item 3 of the Deposit Insurance Law, and the Deposit Insurance Corporation of Japan decided to acquire equities of the Ashikaga Bank, Ltd. (i.e. to start the Special Crisis Management.) Consequently, the market value of Ashikaga Financial Group common stock and Ashikaga Bank Ltd. preferred stock are expected to decline substantially.

The Company's holding of the stocks are as follows:

- 1) Ashikaga Financial Group common stocks
  - (1) Number of stocks: 100,500 shares
  - (2) Book value: 13,567,500 yen
  
- 2) Ashikaga Bank Ltd. preferred stocks
  - (1) Number of stocks: 200,000 shares
  - (2) Book value: 100,000,000 yen

- END -