

# Summary of Consolidated Business Result

## for the First Quarter ended June 30, 2006 (Consolidated)

Date: August 8, 2006

Company name: BELLUNA CO., LTD.

URL: <http://www.belluna.co.jp>

Stock Code: 9997

Exchange: Tokyo Stock Exchange, 1<sup>st</sup> Section

Head office location: Saitama

President and Representative Director: Kiyoshi Yasuno

Contact: Ken Oya, General Manager, Administration Division

Telephone: 048-771-7753

### 1 . Notes to Quarterly Financial Statements

(1) Simplified accounting method adopted: Yes

\*on corporation and other taxes

\*on some of others in which the impact by simplified accounting method is small.

(2) Difference in accounting methods compared with most recent fiscal year: None

(3) Changes in consolidation and scope of application for equity method: Yes

\*Bell-Net Credit Co., Ltd. is consolidated from this fiscal year.

### 2 . Business Results for the First Quarter of the Fiscal Year ending March 31, 2007 (From April 1, 2006 to June 30, 2006)

(1) Results of Operations (Consolidated)

(Note: Rounded down to million yen)

| FY                                | Net Sales       |        | Operating Income |        | Recurring Income |        |
|-----------------------------------|-----------------|--------|------------------|--------|------------------|--------|
|                                   | Millions of yen | %(YOY) | Millions of yen  | %(YOY) | Millions of yen  | %(YOY) |
| First Quarter ended June 30, 2006 | 33,202          | 8.8    | 2,888            | 29.1   | 2,939            | 14.8   |
| First Quarter ended June 30, 2005 | 30,526          | 1.9    | 2,237            | 0.6    | 2,561            | 11.2   |
| Fiscal Year ended March 31, 2006  | 121,938         |        | 11,261           |        | 12,118           |        |

| FY                                | Net Income      |        | Net Income per Share | Diluted Net Income per Share |
|-----------------------------------|-----------------|--------|----------------------|------------------------------|
|                                   | Millions of yen | %(YOY) | Yen                  | Yen                          |
| First Quarter ended June 30, 2006 | 1,755           | 16.2   | 33.06                | 31.98                        |
| First Quarter ended June 30, 2005 | 1,510           | 13.7   | 59.64                | 56.43                        |
| Fiscal Year ended March 31, 2006  | 6,935           |        | 274.95               | 258.59                       |

(Note) 1. Share Split: 1:1.1 on May 20, 2005, and 1:2 on April 1, 2006

2. Net income per share is calculated as if the share splits were made at the beginning of the fiscal year.

(2)Financial Position (Consolidated)

| FY                   | Total Assets    | Shareholders' Equity | Shareholders' equity to total assets | Shareholders' equity per share |
|----------------------|-----------------|----------------------|--------------------------------------|--------------------------------|
|                      | Millions of yen | Millions of yen      | %                                    | Yen                            |
| As of June 30, 2006  | 125,729         | 60,643               | 48.1                                 | 1,140.14                       |
| As of June 30, 2005  | 101,303         | 49,690               | 49.1                                 | 1,968.31                       |
| As of March 31, 2006 | 119,253         | 57,197               | 48.0                                 | 2,220.42                       |

[Consolidated Cash Flows]

| FY                                | Net cash flows by operating activities | Net cash flows by investment activities | Net cash flows by financial activities | Balance of cash and cash equivalents at the end of year |
|-----------------------------------|--|---|--|---|
|                                   | Millions of yen                        | Millions of yen                         | Millions of yen                        | Millions of yen   |
| First Quarter ended June 30, 2006 | - 3,930                                | - 682                                   | 5,357                                  | 20,719  |
| First Quarter ended June 30, 2005 | 551                                    | - 1,209                                 | 2,351                                  | 10,272  |
| Fiscal Year ended March 31, 2006  | - 1,609                                | - 1,900                                 | 14,802                                 | 19,960  |

[Reference]

Forecast of Consolidated Financial Performance in FY ending on March 31, 2007 (From April 1, 2006 to March 31, 2007)

| FY                  | Net Sales       | Recurring Income | Net Income      |
|---------------------|-----------------|------------------|-----------------|
|                     | Millions of yen | Millions of yen  | Millions of yen |
| Sept. 2006 Interim  | 60,350          | 5,270            | 3,070           |
| FY ending Mar. 2007 | 132,000         | 13,400           | 7,700           |

(Note) Forecast net income per share for the year: 144.76 yen.

(3)Sales by Business Segment

| FY                                | Catalogue Business | Single-item Mail Order Sales | Advanced Finance Sales | BOT(Belluna Operation Trust) Sales |
|-----------------------------------|--------------------|------------------------------|------------------------|------------------------------------|
|                                   | Millions of yen    | Millions of yen              | Millions of yen        | Millions of yen                    |
| First Quarter ended June 30, 2006 | 22,398             | 6,939                        | 1,994                  | 419                                |

| FY                                | Karemu (Exhibition sales )Business Sales | Other Business  |
|-----------------------------------|--|-----------------|
|                                   | Millions of yen                          | Millions of yen |
| First Quarter ended June 30, 2006 | 779                                      | 679             |

(Note) Brackets of business segments;

- 1 . Catalogue Business: Mail order shopping services through catalogues, Internet, and other media.
- 2 . Single-item Mail Order Business: specializing in certain areas, foods, cosmetics and health-foods, as a specialized mail order company. (including former 'HANPU' business)
- 3 . Advanced Finance Business: B to C loan services mainly targeting customers of Catalogue Business, and B to B mortgage loan.
- 4 . BOT Business: Operation Trust Business including an enclosure charge business, former Belluna Direct Business.
- 5 . Karemu Business: Exhibition Sales Business.
- 6 . Other Business: including Real Estate Business and Wholesales Business

Please note that this is summary translation of the original Japanese-language document.

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