

Summary of Business Result for FY March 2010

Date: May 13, 2010

Company name	BELLUNA CO., LTD.	Registered on the TSE1
Stock code	9997	URL http://www.belluna.co.jp
Representative person	Kiyoshi Yasuno, President and Representative Director	
Contact person	Shigeru Sudou, Director and General Manager of Administration Division	TEL (048) 771-7753
Date of Ordinary Shareholders' Meeting	June 29, 2010	Date of payment of cash dividends June 30, 2010
Date of filing Yukashoken-Houkokusho	June 30, 2010	

1. Consolidated Business Results for FY March 2010 (April 1, 2009 – March 31, 2010)

(1) Results of Operations

(Note: Rounded down to ¥ Million)

FY	Net sales		Operating income		Recurring income		Net income	
	¥ Million	%(YOY)	¥ Million	%(YOY)	¥ Million	%(YOY)	¥ Million	%(YOY)
FY ended Mar. 2010	100,101	-8.9	4,332	254.6	4,267	-	1,276	-
FY ended Mar. 2009	109,912	-12.2	1,221	-88.0	-2,239	-	-8,763	-

FY	Net income per share	Diluted net income per share	Ratio of net income to net assets excluding share subscription rights and minority interests	Ratio of recurring income to total asset	Ratio of operating income to net sales
	¥	¥	%	%	%
FY ended Mar. 2010	25.47	24.55	2.4	3.4	4.3
FY ended Mar. 2009	-173.72	-	-14.9	-1.5	1.1

(Note) Equity in net income of affiliates: - million yen as of Mar. 31, 2010 - million yen as of Mar. 31, 2009

(2) Financial Position

FY	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	¥ Million	¥ Million	%	¥
As of March 2010	119,703	54,217	45.3	1,081.64
As of March 2009	133,868	53,808	40.2	1,073.46

(Note) Net assets excluding share subscription rights and minority interests(Consolidated):

54,217 million yen as of Mar. 31, 2010

53,808 million yen as of Mar. 31, 2009

(3) Results of 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 fiscal year
	¥ Million	¥ Million	¥ Million	¥ Million
FY ended Mar. 2010	21,222	-2,294	-14,788	21,166
FY ended Mar. 2009	17,893	-3,854	-13,684	17,086

2. Dividends

	Annual cash dividends per share				
	at 1st quarter end	at 2nd quarter end	at 3rd quarter end	at fiscal year end	total
	yen	yen	yen	yen	yen
FY ended Mar. 2009	-	7.50	-	7.50	15.00
FY ended Mar. 2010	-	7.50	-	7.50	15.00
FY ending Mar. 2011 (forecast)	-	7.50	-	7.50	15.00

	Total cash dividends (Annual)	Payout Ratio (Consolidated)	Ratio of cash dividends to net assets (Consolidated)
	¥ Million	%	%
FY ended Mar. 2009	751	-	1.3
FY ended Mar. 2010	751	58.9	1.4
FY ending Mar. 2011 (forecast)	-	26.9	-

3. Forecast of Consolidated Financial Performance in FY March 2011 (April 1, 2010 - March 31, 2011)

FY	Net sales		Operating income		Recurring income		Net income		Net income per share
	¥ Million	%(YOY)	¥ Million	%(YOY)	¥ Million	%(YOY)	¥ Million	%(YOY)	¥ Million
Sep. 2010 Interim	48,800	6.1	2,000	31.1	1,800	8.5	1,000	-3.8	19.95
FY ending Mar. 2011	106,500	6.4	5,800	33.9	5,700	33.6	2,800	119.3	55.86

4. Others

(1) Significant changes in scope of consolidation: None

(2) Changes in accounting policies

1. Changes due to revision in accounting standard: Yes

2. Other changes: None

(3) Number of shares issued (ordinary shares)

1. Number of outstanding shares at the fiscal year end (including treasury shares):

56,592,274 shares as of Mar. 31, 2010

56,592,274 shares as of Mar. 31, 2009

2. Number of treasury shares at the fiscal year end:

6,466,696 shares as of Mar. 31, 2010

6,465,974 shares as of Mar. 31, 2009

[Reference] Non-Consolidated Financial Results

1. Non-Consolidated Business Results for FY March 2010 (April 1, 2009 – March 31, 2010)

(1) Results of Operations

(Note: Rounded down to ¥ Million)

FY	Net sales		Operating income		Recurring income		Net income	
	¥ Million	%(YOY)	¥ Million	%(YOY)	¥ Million	%(YOY)	¥ Million	%(YOY)
FY ended Mar. 2010	82,224	-4.5	2,526	74.5	2,916	105.3	-1,410	-
FY ended Mar. 2009	86,106	-12.4	1,447	-63.8	1,420	-12.0	-6,217	-

FY	Net income per share	Diluted net income per share
	¥	¥
FY ended Mar. 2010	-28.13	-
FY ended Mar. 2009	-123.26	-

(2) Financial Position

FY	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	¥ Million	¥ Million	%	¥
As of March 2010	101,472	43,028	42.4	858.41
As of March 2009	96,940	45,156	46.6	900.85

(Note) Net assets excluding share subscription rights and minority interests:

43,028 million year as of Mar. 31, 2010, 45,156 million year as of Mar. 31, 2009

2. Forecast of Financial Performance in FY March 2011 (April 1, 2010 - March 31, 2011)

FY	Net sales	Operating income	Recurring income	Net income	Net income per share
	¥ Million % (YOY)	¥ Million % (YOY)	¥ Million % (YOY)	¥ Million % (YOY)	¥ Million
Sep. 2010 Interim	38,560 4.6	670 99.6	770 76.1	450 82.2	8.98
FY ending Mar. 2011	87,850 6.8	3,270 29.4	3,570 22.4	1,760 -	35.11

[Reference] Sales by Business Segment

FY March 2009 (April 1, 2008 - March 31, 2009)

(Note: Rounded down to ¥ Million)

	Catalog	Single-item mail order	Advanced Finance	BOT	Property	Other
Net Sales	66,504	25,210	8,391	1,808	2,848	5,471
(1) Sales to customers	66,406	25,210	8,391	1,610	2,835	5,457
(2) Internal sales or transfers to/from segments	97	0	-	198	12	14
Operating cost and expense	66,210	22,471	8,265	890	5,685	5,652
Operating income (or loss)	294	2,738	126	918	-2,837	-181

	Sub total	Elimination and corporate	Consolidated total
Net Sales	110,235	-323	109,912
(1) Sales to customers	109,912	-	109,912
(2) Internal sales or transfers to/from segments	323	-323	-
Operating cost and expense	109,176	-485	108,690
Operating income (or loss)	1,059	162	1,221

(Note)

1. Business segments are classified based on business operations within the Group.

2. Description of business segments:

- (1) **Catalog:** Catalog Business consists of mail order services of daily goods and related services.
- (2) **Single-item Mail Order:** Single-item Mail Order Business consists of "specialized type" mail order services focusing on specific items, such as foods, cosmetics and supplements.
- (3) **Advanced Finance:** Advanced Finance Business consists of consumer loan services and secured loan services.
- (4) **BOT:** BOT (Outsourcing) Business consists of commission businesses on inserting leaflets for other companies into the Group's merchandise catalogs or sending them together with the Group's merchandise.
- (5) **Property:** Rent of real estate, remodeling and development of real estate, etc.
- (6) **Other:** Other Business consists of wholesale businesses and Japanese dress related items Sales Business, etc.

3. No unallocated operating expenses are included in "Elimination/Corporate."

4. Change of business segments

The Group had previously maintained seven business segments, namely: "Catalog," "Single-item Mail Order," "Advanced Finance," "BOT," "Karemu," "Property" and "Other." The Group included its operations under the "Karemu" business segment into the "Other" business segment, and reduced the number of its business segments to six in the fiscal year under review, after concluding that the Karemu segment lost its significance following the withdrawal from exhibition sales operations in June 2008. As a result of this change, in the Other segment, net sales increased by ¥3,544 million and operating loss increased by ¥243 million in the current fiscal year.

5. Changes in valuation basis and valuation method for significant assets

Goods in inventory owned for the purpose of regular sales had previously been accounted for using the moving average lower-of-cost-or-market method. Real estate for sale and real estate for sale in process, held for the purpose of regular sales, had been accounted for using the identified cost method. However, starting in the first quarter of the current fiscal year, goods in inventory owned for the purpose described above are assessed using the moving average cost method (the book value reduction method based on a decline in profitability for amounts stated in balance sheets), and real estate for sale and real estate for sale in process owned for that purpose is assessed using the identified cost method (book value reduction method based on a decline in profitability for the amounts stated in balance sheets), in accordance with the application of the "Accounting Standard for Measurement of Inventories" (ASBJ Statement No. 9 issued on July 5, 2006). The changeover caused operating loss for the "Property" business segment in the fiscal year under review to increase by ¥3,388 million.

6. Application of the "Practical Solution on the Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements"

Starting in the first quarter of the current fiscal year, the "Practical Solution on the Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements" (ASBJ Practical Issues Task Force No. 18 issued on May 17, 2006) is applied and consolidated financial results have been revised as necessary. Its application has no effect on quarterly consolidated financial statements.

FY March 2010 (April 1, 2009 - March 31, 2010)

(Note: Rounded down to ¥ Million)

	Catalog	Single-item mail order	Advanced Finance	BOT	Property	Other
Net Sales	64,524	21,707	5,771	2,225	1,353	4,823
(1) Sales to customers	64,434	21,697	5,771	2,038	1,336	4,823
(2) Internal sales or transfers to/from segments	89	10	-	186	16	-
Operating cost and expense	63,700	20,029	5,272	1,193	1,572	4,631
Operating income (or loss)	824	1,677	498	1,031	-219	191

	Sub total	Elimination and corporate	Consolidated total
Net Sales	100,404	-303	100,101
(1) Sales to customers	100,101	-	100,101
(2) Internal sales or transfers to/from segments	303	-303	-
Operating cost and expense	96,400	-631	95,768
Operating income (or loss)	4,004	328	4,332

(Note)

1. Business segments are classified based on business operations within the Group.

2. Description of business segments:

(1) Catalog: Catalog Business consists of mail order services of daily goods and related services.

(2) Single-item Mail Order: Single-item Mail Order Business consists of "specialized type" mail order services focusing on specific items, such as foods, cosmetics and supplements.

(3) Advanced Finance: Advanced Finance Business consists of consumer loan services and secured loan services.

(4) BOT: BOT (Outsourcing) Business consists of commission businesses on inserting leaflets for other companies into the Group's merchandise catalogs or sending them together with the Group's merchandise.

(5) Property: Rent of real estate, remodeling and development of real estate, etc.

(6) Other: Other Business consists of wholesale businesses and Japanese dress related items Sales Business, etc.

3. No unallocated operating expenses are included in "Elimination/Corporate."

(Note) The forecasts contained in this material reflect the judgment of the information which the Company obtains as of the time of the preparation this material, and the assumption which is deemed reasonable by the Company. The actual results may differ from the forecasts caused by some factors.

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