



Summary of Business Result for FY March 2014

Date: May 14, 2014

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 TEL (048) 771-7753
 Contact person Tomohiro Matsuda, Executive Officer and General Manager of Administration Division
 Date of Ordinary Shareholders' Meeting June 27, 2014 Date of payment of cash dividends June 30, 2014
 Date of filing Yukashoken-Houkokusho June 30, 2014
 Drawing up of support documentation for its business result for FY March 2014 : Yes
 Taking place of analyst meeting for FY March 2014 presentation : Yes

1. Consolidated Business Results for FY March 2014 (April 1, 2013 – March 31, 2014)

(1) Results of Operations

(Note: Rounded down to ¥ Million)

FY	Net sales		Operating income		Ordinary income		Net income	
	¥ Million	%(YOY)	¥ Million	%(YOY)	¥ Million	%(YOY)	¥ Million	%(YOY)
FY ended Mar. 2014	125,412	6.4	7,798	10.1	10,431	17.1	7,013	19.5
FY ended Mar. 2013	117,884	6.9	7,080	-4.4	8,910	24.6	5,870	36.7

(Note) Comprehensive income (Consolidated):

7,831 million yen for FY March 2014 (15.9%)

6,758 million yen for FY March 2013 (42.3%)

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 ordinary income to total asset	Ratio of operating income to net sales
	¥	¥	%	%	%
FY ended Mar. 2014	72.12	—	10.0	8.5	6.2
FY ended Mar. 2013	60.18	—	9.2	8.3	6.0

(Note) Equity in net income of affiliates: - million yen as of Mar. 31, 2014 - million yen as of Mar. 31, 2013

The Company implemented a stock split of 2 shares for each 1 share of common stock on October 1, 2013. Accordingly, net income per share have been calculated as though the stock split had occurred at the beginning of the previous fiscal year.

(2) Financial Position

FY	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	¥ Million	¥ Million	%	¥
As of March 2014	130,648	73,480	56.2	755.67
As of March 2013	115,079	66,612	57.9	685.03

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

73,480 million yen as of Mar. 31, 2014 66,612 million yen as of Mar. 31, 2013

The Company implemented a stock split of 2 shares for each 1 share of common stock on October 1, 2013. Accordingly, net assets per share have been calculated as though the stock split had occurred at the beginning of the previous fiscal year.

(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. 2014	5,766	-15,397	10,721	14,500
FY ended Mar. 2013	7,275	-7,633	2,114	13,334

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. 2013	-	7.50	-	7.50	15.00
FY ended Mar. 2014	-	12.50	-	6.25	-
FY ending Mar. 2015 (forecast)	-	6.25	-	6.25	12.50

	Total cash dividends (Annual)	Payout Ratio (Consolidated)	Ratio of cash dividends to net assets (Consolidated)
	¥ Million	%	%
FY ended Mar. 2013	729	12.5	1.1
FY ended Mar. 2014	1,215	17.3	1.7
FY ending Mar. 2015 (forecast)	-	17.4	-

(Note)

The Company implemented a stock split of 2 shares for each 1 share of common stock on October 1, 2013. The dividend for the year ending March 31, 2014 takes the effect of this stock split into account.

3. Forecast of Consolidated Financial Performance in FY March 2015 (April 1, 2014 - March 31, 2015)

FY	Net sales		Operating income		Ordinary income		Net income		Net income per share
	¥ Million	%(YOY)	¥ Million	%(YOY)	¥ Million	%(YOY)	¥ Million	%(YOY)	¥
Sep. 2014 Interim	58,300	-3.5	1,900	-24.8	2,500	-20.2	1,500	-23.6	15.43
FY ending Mar. 2015	128,000	2.1	8,400	7.7	10,000	-4.1	7,000	-0.2	71.99

4. Others

(1) Significant changes in scope of consolidation: Yes

Excluded a subsidiary : Bell-Net Credit Co., Ltd.

(2) Changes in accounting policies

1. Changes due to revision in accounting standard : Yes
2. Other changes : None
3. Change in accounting estimate : None
4. Re-statement : None

(3) Number of shares issued

1. Number of outstanding shares at the fiscal year/period end (including treasury shares):
113,184,548 shares as of Mar. 31, 2014 113,184,548 shares as of Mar. 31, 2013
2. Number of treasury shares at the fiscal year/period end:
15,945,918 shares as of Mar. 31, 2014 15,944,506 shares as of Mar. 31, 2013
3. Outstanding averaged number of shares during the period:
97,239,290 shares as of Mar. 31, 2014 97,544,631 shares as of Mar. 31, 2013

The Company implemented a stock split of 2 shares for each 1 share of common stock on October 1, 2013. Accordingly, earnings per share have been calculated as though the stock split had occurred at the beginning of the previous fiscal year.

[Reference] Segment Information

1. Description of Business Segments

- (1) General Mail Order : General Mail Order Business consists of mail order service and other related services of daily goods including apparel, household goods and furniture.
- (2) Specialty Mail Order : Specialty Mail Order Business consists of “specialized type” mail order services and other related services focusing on specific customer and items, such as foods, cosmetics and supplements.
- (3) Retail Store Sales : Retail Store Sales Business consists of retail shop of casual clothing and Japanese clothing.
- (4) Solution : Solution 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) Finance : Finance Business consists of consumer loan services and secured loan services.
- (6) Property : Rent of real estate, remodeling and development of real estate, etc.
- (7) Other : Other Business consists of wholesale businesses, etc.

2. Methods of Calculation for Sales and Income (or Loss) by Business Segments

Segment income (or loss) indicates operating income (or loss) before depreciation for goodwill.

Internal revenue or transfers from segments are classified based on current market price.

3. Sales and Income (or Loss) by Business Segments

FY March 2013 (April 1, 2012 - March 31, 2013)

(Note: Rounded down to ¥ Million)

	General Mail Order	Specialty Mail Order	Retail Store Sales	Solution	Finance	Property
Net Sales	78,006	23,539	4,999	3,840	3,134	1,686
(1) Sales to customers	77,885	23,538	4,999	3,558	3,134	1,686
(2) Internal sales or transfers to/from segments	120	0	-	281	-	-
Segment Income (Loss)	2,606	1,869	317	1,625	-19	520

	Other	Adjustments (Note1)	Consolidated total on profit and loss statements (Note2)
Net Sales	3,109	-430	117,884
(1) Sales to customers	3,081	-	117,884
(2) Internal sales or transfers to/from segments	27	-430	-
Segment Income (Loss)	21	139	7,080

(Note)

1. Adjustments of segment income (loss): 271 million yen for Elimination and corporate amount, and -131 million yen for depreciation of goodwill.
2. Operating income on profit and loss statements was calculated from Segment Income (Loss) and Adjustments.

FY March 2014 (April 1, 2013 - March 31, 2014)

(Note: Rounded down to ¥ Million)

	General Mail Order	Specialty Mail Order	Retail Store Sales	Solution	Finance	Property
Net Sales	75,388	27,266	6,123	4,643	3,880	5,553
(1) Sales to customers	75,302	27,265	6,123	4,304	3,880	5,553
(2) Internal sales or transfers to/from segments	86	1	-	338	-	-
Segment Income (Loss)	1,581	1,544	246	2,039	1,067	1,661

	Other	Adjustments (Note1)	Consolidated total on profit and loss statements (Note2)
Net Sales	3,009	-452	125,412
(1) Sales to customers	2,982	-	125,412
(2) Internal sales or transfers to/from segments	27	-452	-
Segment Income (Loss)	-236	-107	7,798

(Note)

1. Adjustments of segment income (loss): 236 million yen for Elimination and corporate amount, and -344 million yen for depreciation of goodwill.
2. Operating income on profit and loss statements was calculated from Segment Income (Loss) and Adjustments.

(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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