

# Supplementary Information for Financial Results of the First Quarter ended June 30, 2018

***BELLUNA***

Tuesday, July 31, 2018

# 1. Consolidated Statement of Income

BELLUNA

Net sales: Up 2.0% year on year.

Operating income: Decreased, but exceeded the overall forecast because Specialty Mail Order and General Mail Order, etc. exceeded the forecast.

Ordinary income: Exchange rate-related gains largely exceeded the previous year.

Unit: Billion Yen

Consolidated	FY March 2018/1Q	FY March 2019/1Q		FY March 2019
	Actual	Actual	YoY Change	Plan
Net Sales	41.15	41.98	2.0%	180.00
Cost of Sales	17.96	17.97	0.1%	78.00
Selling, General & Administrative Expenses	20.32	21.53	5.9%	87.00
Operating Income	2.87	2.48	-13.7%	15.00
Non-operating Income and Expenses	0.67	2.04	3.0times	0.50
(Exchange rate-related gains and losses)	0.54	1.71	3.2times	-
Ordinary income/ loss	3.54	4.52	27.4%	15.50
Net income/ loss	3.11	2.87	-7.7%	10.50

## 2. Profitability by segment

BELLUNA

Net sales: Increased excluding the Retail Store Sales and Solution segments.

Operating income: Increased in the Specialty Mail Order and Finance segments.

In addition to General Mail Order Sales, four segments declined.

- In the Specialty Mail Order segment, income increased in businesses whose income decreased in the previous quarter.

- The amount of Elimination and Corporate increased due to M&A costs.

### Consolidated Net Sales and Operating Income by Segment

Unit: Billion Yen

	FY March 2019/1Q								
	General Mail Order	Specialty Mail Order	Retail Store Sales	Solution	Finance	Property	Other	Elimination or Corporate	Total
Net Sales	22.65	11.18	3.50	1.45	0.91	1.21	1.40	-0.32	41.98
YoY Change (%)	+0.6%	+5.3%	-3.9%	-3.1%	+9.8%	+20.1%	+7.4%	+29.1%	+2.0%
Operating Income	1.30	0.67	0.06	0.57	0.36	0.05	-0.17	-0.35	2.48
YoY Change (billion yen)	-0.25	0.31	-0.10	-0.08	0.08	-0.03	-0.03	-0.29	-0.39
Operating Income Ratio	5.7%	6.0%	1.8%	39.1%	39.0%	3.8%	-12.1%	108.4%	5.9%

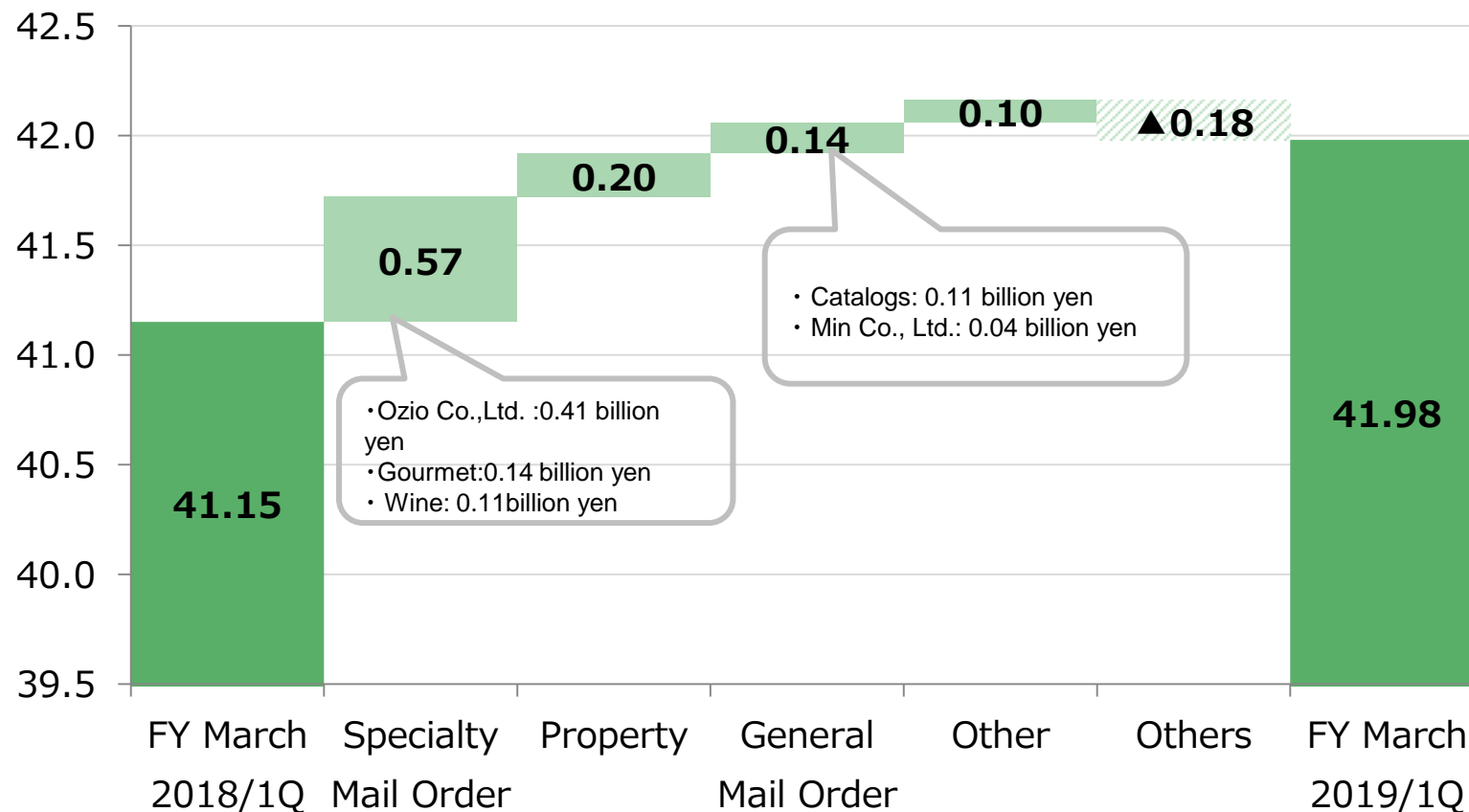
### 3. Analysis of increases and decreases in sales

BELLUNA

In Specialty Mail Order, the sales increase was led by Ozio Co., Ltd. in the cosmetics business, gourmet business, and wine business, etc.

Factors for change in net sales

Unit: Billion Yen



## 4. Analysis of increases and decreases in operating income

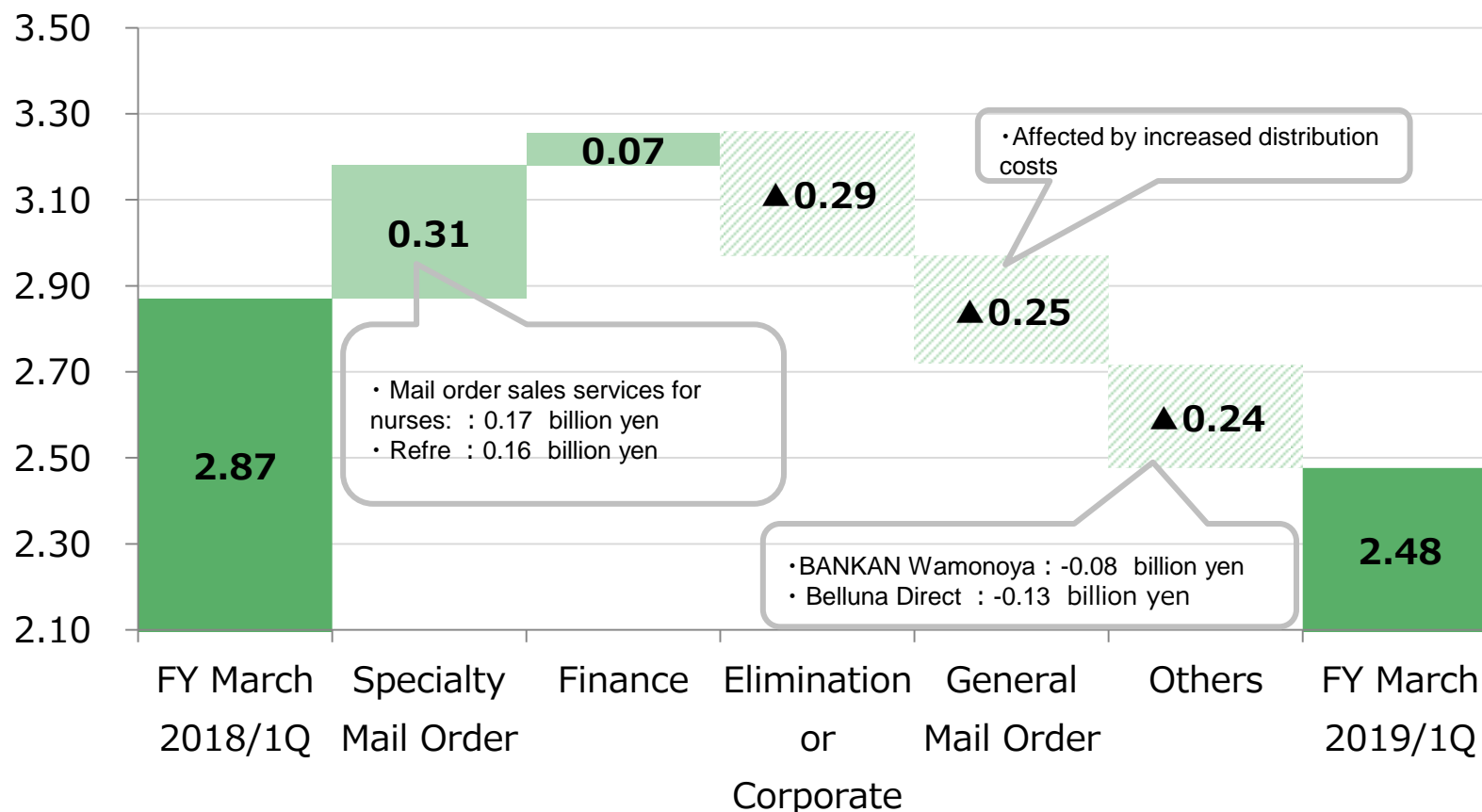
BELLUNA

In Specialty Mail Order, income increased thanks to improved profitability in the nursing and health food products businesses.

Increase in Elimination and Corporate was caused by costs associated with M&A.

Factors for change in operating income

Unit: Billion Yen



## 5. Consolidated Balance Sheet

BELLUNA

Current assets rose, reflecting an increase in merchandise and finished goods. Fixed assets also increased, mainly reflecting an increase in tangible fixed assets. Meanwhile, liabilities were higher as well, mainly reflecting increases in notes and accounts payable-trade and interest-bearing liabilities.

	FY March 2018	FY March 2019/1Q	Change	Unit: Billion Yen
Current Assets	89.99	93.16	3.17	
Notes and accounts receivable - trade	10.01	11.84	1.83	
Merchandise and finished goods	17.98	21.35	3.38	
Fixed Assets	105.96	114.24	8.29	
Tangible fixed assets	75.55	81.88	6.34	
Investments and other assets	18.67	20.43	1.76	
Total Assets	195.95	207.41	11.46	
Liabilities	102.89	111.30	8.41	
Notes and accounts payable - trade	18.38	22.21	3.83	
Interest bearing liabilities	63.12	65.40	2.27	
Net Assets	93.06	96.11	3.05	
Retained earnings	71.81	74.07	2.26	
<b>[Shareholders' Equity Ratio]</b>	<b>[47.1%]</b>	<b>[45.7%]</b>	<b>[-1.4P]</b>	

## <Important notice>

This material is prepared for the purpose of publicly disclosing information concerning the financial results of the first three months of the fiscal year ending March 31, 2019. Nothing in this document shall be considered to be an offer to sell or a solicitation of an offer to buy securities issued by the Company. It is prepared based on the data available as of July 31, 2018. The opinions and forecasts described in this document reflect the judgments of the Company at the time this document was prepared. The Company neither warrants nor promises the accuracy or completeness of this information. It may be subject to change without prior notice going forward.

## <Inquiries for IR matters>

IR Section, Executive Corporate Planning Department, Belluna Co., Ltd.

Address: 4-2 Miyamotocho, Ageo-shi, Saitama, 362-8688

TEL: 048-771-7753

FAX: 048-775-6063

E-mail: [ir-belluna@belluna.co.jp](mailto:ir-belluna@belluna.co.jp)