



Summary of Business Result for FY March 2020

Date: May 13, 2020

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, Director and Executive Officer General Manager of Administration
 Date of Ordinary Shareholders' Meeting June 25, 2020 Date of payment of cash dividends June 26, 2020
 Date of filing Yukashoken-Houkokusho June 26, 2020
 Drawing up of support documentation for its business result for FY March 2020 : Yes
 Taking place of analyst meeting for FY March 2020 presentation : None

1. Consolidated Business Results for FY March 2020 (April 1, 2019 – March 31, 2020)

(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. 2020 | 179,948 | 1.3 | 10,311 | -14.1 | 10,365 | -32.3 | 5,862 | -43.3 |
| FY ended Mar. 2019 | 177,648 | 9.9 | 12,005 | -7.7 | 15,309 | 15.6 | 10,343 | 7.0 |

(Note) Comprehensive income (Consolidated):

3,827 million yen for FY March 2020 (-57.3%) 8,971 million yen for FY March 2019 (1.4%)

| 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 assets | Ratio of operating income to net sales |
|--------------------|----------------------|------------------------------|--|--|--|
| | ¥ | ¥ | % | % | % |
| FY ended Mar. 2020 | 60.62 | — | 5.8 | 4.7 | 5.7 |
| FY ended Mar. 2019 | 106.39 | — | 10.8 | 7.5 | 6.8 |

(Note) Equity in net income of affiliates: 56 million yen as of Mar. 31, 2020 13 million yen as of Mar. 31, 2019

(2) Financial Position

| FY | Total assets | Net assets | Capital adequacy ratio | Net assets per share |
|------------------|--------------|------------|------------------------|----------------------|
| | ¥ Million | ¥ Million | % | ¥ |
| As of March 2020 | 223,128 | 102,525 | 45.7 | 1,054.14 |
| As of March 2019 | 213,786 | 100,533 | 46.7 | 1,028.56 |

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

101,889 million yen as of Mar. 31, 2020 99,830 million yen as of Mar. 31, 2019

(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. 2020 | 6,624 | -11,108 | 5,712 | 22,292 |
| FY ended Mar. 2019 | 8,558 | -12,724 | 3,577 | 21,351 |

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. 2019 | - | 7.50 | - | 7.50 | 15.00 |
| FY ended Mar. 2020 | - | 8.00 | - | 8.00 | 16.00 |
| FY ending Mar. 2021 (forecast) | - | 8.00 | - | 8.00 | 16.00 |

| | Total cash dividends (Annual) | Payout Ratio (Consolidated) | Ratio of cash dividends to net assets (Consolidated) |
|-----------------------------------|----------------------------------|--------------------------------|---|
| | ¥ Million | % | % |
| FY ended Mar. 2019 | 1,457 | 14.1 | 1.5 |
| FY ended Mar. 2020 | 1,546 | 26.4 | 1.5 |
| FY ending Mar. 2021 (forecast) | - | 29.8 | - |

3. Forecast of Consolidated Financial Performance in FY March 2021 (April 1, 2020 - March 31, 2021)

| FY | Net sales | | Operating income | | Ordinary income | | Net income | | Net income per share |
|---------------------|-----------|--------|------------------|--------|-----------------|--------|------------|--------|----------------------|
| | ¥ Million | %(YOY) | ¥ Million | %(YOY) | ¥ Million | %(YOY) | ¥ Million | %(YOY) | ¥ |
| Sep. 2020 Interim | 77,900 | -9.7 | -600 | - | -100 | - | -60 | - | -0.62 |
| FY ending Mar. 2021 | 175,000 | -2.8 | 7,000 | -32.1 | 7,800 | -24.8 | 5,200 | -11.3 | 53.77 |

4. Others

(1) Significant changes in scope of consolidation: None

(2) Changes in accounting policies

1. Changes due to revision in accounting standard : None
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):

97,244,472 shares as of Mar. 31, 2020 97,244,472 shares as of Mar. 31, 2019

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

587,369 shares as of Mar. 31, 2020 186,254 shares as of Mar. 31, 2019

3. Outstanding averaged number of shares during the period:

96,705,654 shares as of Mar. 31, 2020 97,229,170 shares as of Mar. 31, 2019

[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, and a job transfer support service for nurses, etc.
- (5) Finance : Finance Business consists of consumer loan services.
- (6) Property : Rent of real estate, remodeling and development of real estate, hotel business, 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 2019 (April 1, 2018 - March 31, 2019)

(Note: Rounded down to ¥ Million)

| | General Mail Order | Specialty Mail Order | Retail Store Sales | Solution | Finance | Property |
|--|--------------------|----------------------|--------------------|----------|---------|----------|
| Net Sales | 77,603 | 47,852 | 28,146 | 6,257 | 3,829 | 8,072 |
| (1) Sales to customers | 77,062 | 47,728 | 28,146 | 6,054 | 3,829 | 7,990 |
| (2) Internal sales or transfers to/from segments | 541 | 124 | — | 203 | — | 82 |
| Segment Income / Loss | 3,816 | 3,260 | 1,000 | 2,272 | 1,759 | 244 |

| | Other | Adjustments (Note1) | Consolidated total on profit and loss statements (Note2) |
|--|-------|---------------------|--|
| Net Sales | 6,912 | -1,026 | 177,648 |
| (1) Sales to customers | 6,837 | — | 177,648 |
| (2) Internal sales or transfers to / from segments | 74 | -1,026 | — |
| Segment Income / Loss | 237 | -586 | 12,005 |

(Note)

1. Adjustments of segment income / loss: -32 million yen for Elimination and corporate amount, and -553 million yen for depreciation of goodwill.
2. Operating income on profit and loss statements was calculated from Segment Income / loss and Adjustments.

FY March 2020 (April 1, 2019 - March 31, 2020)

(Note: Rounded down to ¥ Million)

| | General Mail Order | Specialty Mail Order | Retail Store Sales | Solution | Finance | Property |
|--|--------------------|----------------------|--------------------|----------|---------|----------|
| Net Sales | 73,378 | 49,774 | 30,402 | 8,330 | 4,396 | 8,690 |
| (1) Sales to customers | 72,916 | 49,652 | 30,402 | 8,166 | 4,396 | 8,585 |
| (2) Internal sales or transfers to/from segments | 462 | 121 | — | 163 | — | 104 |
| Segment Income / Loss | 1,713 | 3,906 | 310 | 2,652 | 1,874 | 658 |

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| | Other | Adjustments (Note1) | Consolidated total on profit and loss statements (Note2) |
|--|-------|------------------------|--|
| Net Sales | 5,943 | -968 | 179,948 |
| (1) Sales to customers | 5,827 | — | 179,948 |
| (2) Internal sales or transfers to/from segments | 115 | -968 | — |
| Segment Income / Loss | -392 | -410 | 10,311 |

(Note)

1. Adjustments of segment income / loss: 200 million yen for Elimination and corporate amount, and -611 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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