

March 26, 2002

Dear Sirs:

Name of Company: BELLUNA CO., LTD.
Code No.: 9997 1st Section of the Tokyo Stock Exchange

Notice on Determination of Convertible Bond Interest Rate
and Confirmation of Conversion Price, etc.

Notice is hereby given that at the meeting of the Board of Directors of the Company held on March 26, 2002, it was resolved that undecided conditions of The 2nd Unsecured Convertible Bonds With 120% Call Option (provisions on downward adjustment of conversion price and limited concurrent rider with convertible bond), which issuance was approved by the Board of Directors of the Company on March 19, 2002, were decided as follows:

Description

1. Conversion conditions (conversion price)	4,592 Yen per 1 share
* Conversion price calculation date	March 26, 2002
* Tokyo Stock Exchange price for the above (final value)	4,100 Yen
* Increase rate [{"conversion price / (share price (final value)) - 1} X 100]	12.0 %
* Comments	No relevant items
2. Capitalization	2,296 Yen per 1 share
3. Convertible bond interest rate	0.2% per annum
4. Other items determined	
* Application period: March 27, 2002 through April 1, 2002	

For your information:

- (1) Decision to issue made on: March 19, 2002
- (2) Issue date (payment deadline): April 15, 2002

Please note:

This text is a press announcement for general release with regard to Belluna Co., Ltd.'s second issue of unsecured convertible bonds, and was not produced with the aim of inviting investment.

We request that potential investors read, without fail, the convertible bond issuance prospectus (and amendments) put out by Belluna Co., Ltd. and make their own decisions accordingly.

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