

Assigned BBB+ / Stable to sr.debts of Belluna

April 13, 2006

Issuer: Belluna Co., Ltd. (securities code no.: 9997)

JCR has assigned a BBB+/Stable rating to senior debts of the issuer. It has also affirmed the preliminary BBB+ and the BBB+ ratings on shelf registration and bonds of the issuer, respectively.

Shelf Registration:

Maximum: Y20 billion

Valid: two years effective from Aug. 30, 2005

Issues Amount (bn) Issue Date Due Date Coupon

bonds no.2 Y10 Sept. 21, 2005 Sept. 21, 2010 0.96%

convertible bonds no.2 Y5 Apr. 15, 2002 Mar. 30, 2007 0.2%

<Rationale>

Belluna is a large catalog mail order service company. Expansion of the highly profitable single-item mail order sales and finance services covers stagnant catalog business. Both the revenue and profit for fiscal year ended March 31, 2006 are estimated to have increased year-on-year continually. The operating performance for fiscal year through March 31, 2007 is expected to be strong continually thanks to the increasing contributions of finance business to boosting the overall earnings, although there remains uncertainty over the earnings of catalog business. The interest-bearing debt is expected to increase along with accumulation of loans. JCR believes, however, that the Company will be able to retain the good financial structure. JCR deems it necessary to examine carefully the future developments as to whether the Company can strengthen the earnings base over the intermediate term by allocating management resources to finance services and other in the face of decreasing earnings power of catalog business.