

Supplementary Information for Financial Results of the First Quarter ended June 30, 2020

BELLUNA

Friday July 31, 2020

1. Consolidated Statement of Income

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Net sales: Up 5.2% year on year

Operating income: Up year on year driven by the General Mail Order

Ordinary income: Up year on year mainly due to the absence of exchange rate-related losses

Unit: Billion Yen

Consolidated	FY March 2020/1Q	FY March 2021/1Q		FY March 2021
	Actual	Actual	YoY Change	Plan
Net Sales	46.16	48.53	5.2%	175.00
Cost of Sales	19.06	19.87	4.2%	75.00
Selling, General & Administrative Expenses	25.14	26.20	4.2%	93.00
Operating income	1.95	2.47	26.5%	7.00
Non-operating income and Expenses	-0.18	0.20	-	0.80
(Exchange rate-related gains and losses)	(-0.37)	(0.0)	-	-
Ordinary income	1.78	2.67	50.3%	7.80
Net income	1.11	1.49	34.0%	5.20

2. Profitability by segment

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Net sales : Increased in General Mail Order, Specialty Mail Order and two other segments.

Operating income: Operating income increased in General Mail Order, Specialty Mail Order and two other segments. It decreased in Retail Store Sales and two other segments.

- The General Mail Order and Specialty Mail Order segments performed strongly, reflecting an increase in demand from stay-at-home consumers, among other factors.
- Sales and income both decreased in Retail Store Sales and Property mainly due to business suspension.

Consolidated Net Sales and Operating Income by Segment

Unit: Billion Yen

	FY March 2021/1Q								Total
	General Mail Order	Specialty Mail Order	Retail Store Sales	Solution	Finance	Property	Other	Elimination or Corporate	
Net Sales	24.67	14.30	3.89	2.57	1.16	1.11	1.21	-0.38	48.53
YoY Change(%)	+14.9%	+25.1%	-45.8%	+31.4%	+12.5%	-43.6%	-13.2%	+46.1%	+5.2%
Operating Income	1.90	1.14	-1.28	0.75	0.62	-0.30	-0.25	-0.10	2.47
YoY Change(billion yen)	1.11	0.34	-0.91	0.08	0.28	-0.35	-0.01	-0.01	0.52
Operating Income Ratio	7.7%	7.9%	-33.0%	29.1%	53.2%	-26.9%	-20.4%	27.4%	5.1%

3. Analysis of increases and decreases in sales

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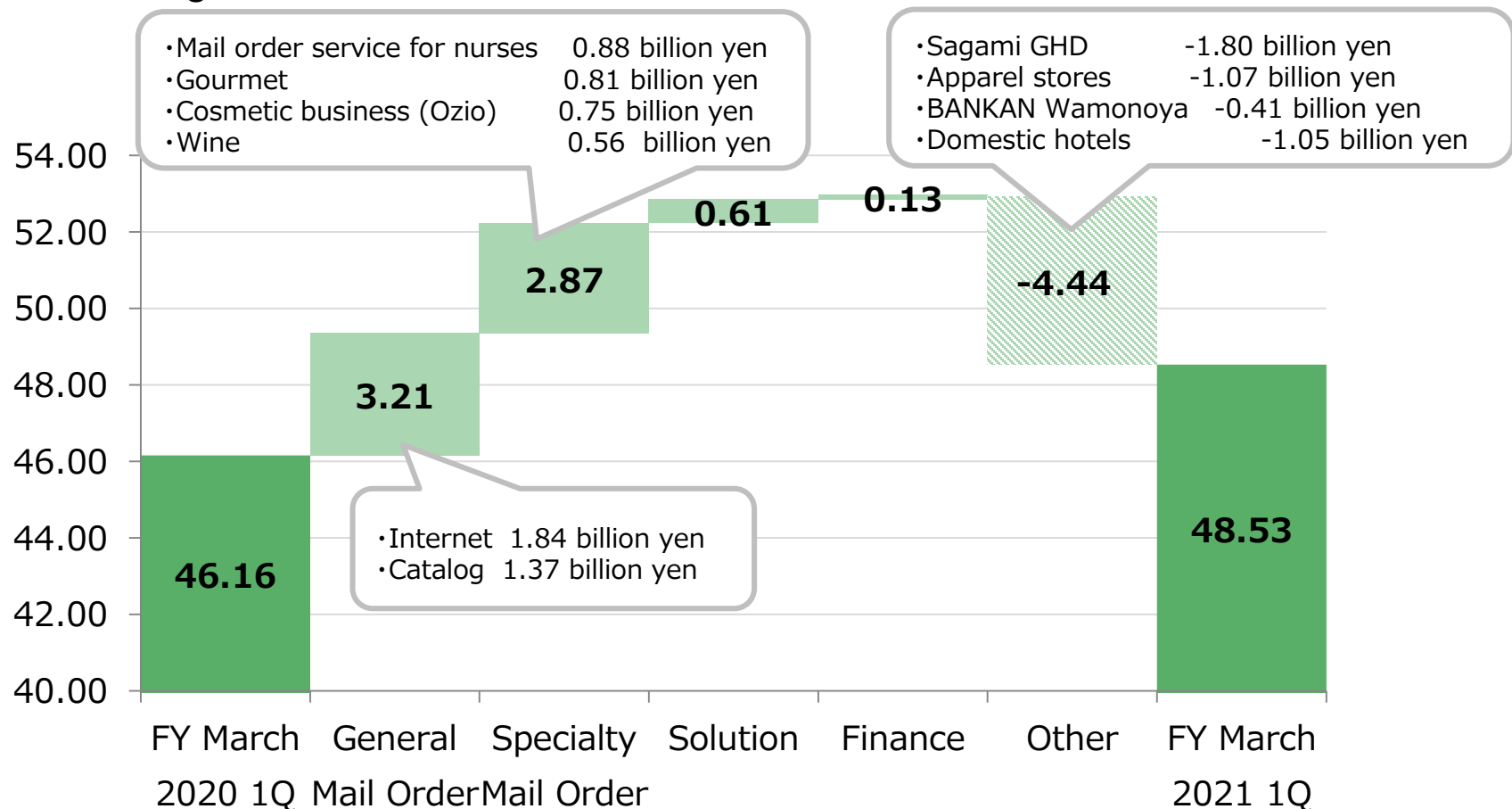
Mainly due to the impact of the Covid-19 pandemic, general mail order has turned into a trend of increased sales for both catalogs and online sales.

On the other hand, sales of apparel stores, Japanese-style clothes stores , and domestic hotels decreased due to the effects of suspension of business.

Above all, Sagami GHD was strongly affected by the suspended sales events.

Factors for change in net sales

Unit: Billion Yen



4. Analysis of increases and decreases in operating income

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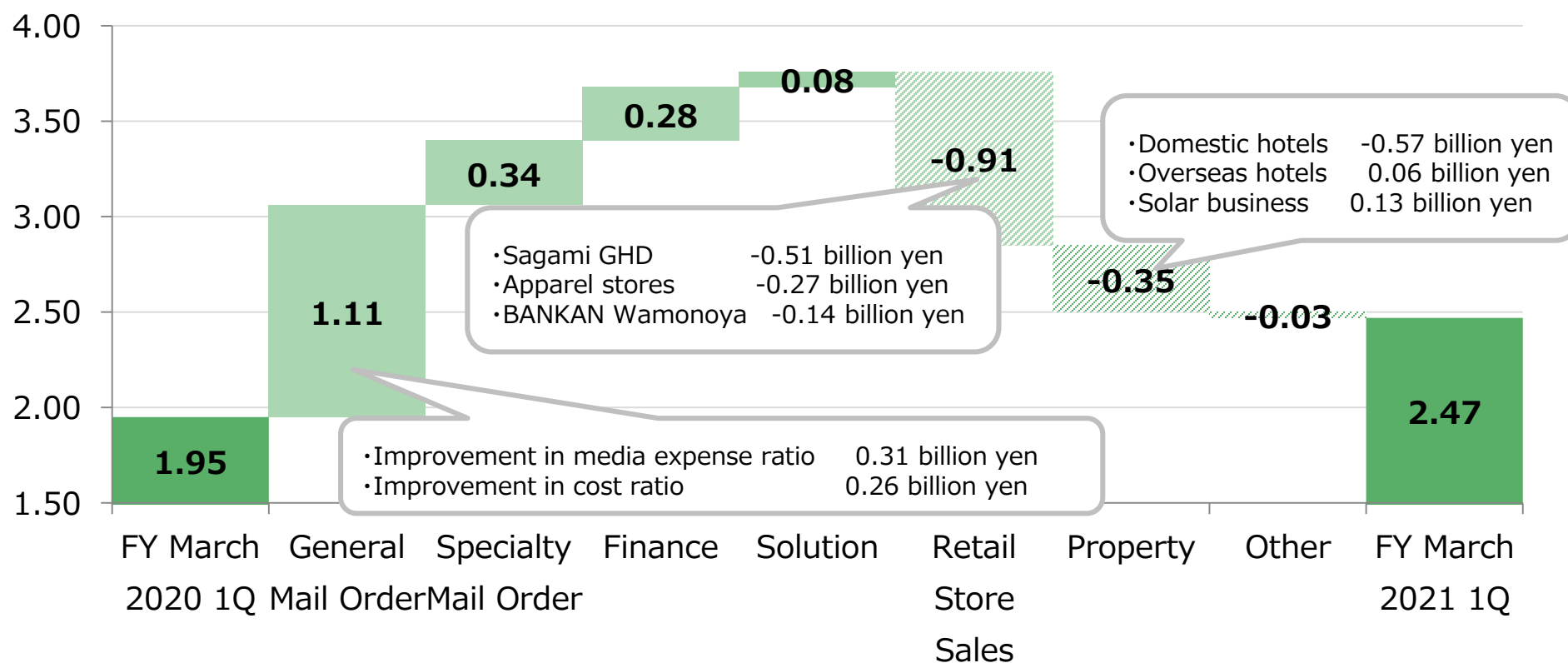
Operating income in the General Mail Order segment increased significantly due to improvements in the cost and media expense ratios.

Operating income in the Specialty Mail Order segment rose, reflecting higher sales.

Operating income in apparel stores, Japanese-style clothes stores and domestic hotels decreased due to a significant decline in sales.

Factors for change in operating income

Unit: Billion Yen



5. Consolidated Balance Sheet

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In current assets, notes and accounts receivable – trade increased, among other assets. Fixed assets increased mainly in Tangible fixed assets. On the other hand, notes and accounts payable – trade increased mainly in liabilities.

Unit: Billion Yen

	FY March 2020	FY March 2021/1Q	Change
Current Assets	103.68	109.40	5.72
Cash and deposits	22.79	24.17	1.38
Notes and accounts receivable - trade	9.39	11.77	2.38
Merchandise and finished goods	20.91	22.18	1.27
Fixed Assets	119.45	120.84	1.39
Tangible fixed assets	88.65	89.79	1.14
Investments and other assets	18.97	19.51	0.54
Total Assets	223.13	230.24	7.11
Liabilities	120.60	126.44	5.84
Notes and accounts payable - trade	18.23	23.05	4.82
Interest bearing liabilities	77.82	77.96	0.14
Net Assets	102.53	103.80	1.27
[Shareholders' Equity Ratio]	[45.7%]	[44.8%]	[-0.9P]

<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, 2021. 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, 2020. 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.

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