

# CORPORATE PRESENTATION (Fiscal Year Ended March 31, 2021)



Mail order sales  
to nurses  
「NURSERY」



Mail order sales  
to nurses  
「infirmière」



BELLUNA Net  
- A mail order  
website



BELLUNA Net  
- A mail order  
Smartphone site



cosmetics mail-order  
「Ozio」



Wine mail order  
「My Wine CLUB」

**BELLUNA**

Friday May 21, 2021

1. Financial Highlights	P.2
2. Management Policies and Initiatives	P.12

# 1. Financial Highlights

1. Financial overview
2. Consolidated Statement of Income
3. Profitability by segment
4. Analysis of increases and decreases in sales
5. Analysis of increases and decreases in operating income
6. Balance sheet
7. Statement of cash flows
8. Plan for FY March 2022

**Net sales, operating income, ordinary income, and net income all hit record highs. They exceeded the plan revised on Jan. 28, 21.**

- Net sales increased 14.8% year on year. up 3.2% vs plan.
- Operating income increased 52.6% year on year. up 12.4% vs plan.
- Ordinary income increased 62.8% year on year. up 14.0% vs plan.
- Net income increased 88.3% year on year. up 5.1% vs plan.

# 1-2. Consolidated Statement of Income

BELLUNA

Net sales: Up 14.8% year on year, up 3.2% vs plan.

Operating income: Up 52.6% year on year, up 12.4% vs plan.

Ordinary income and Net income also significantly exceeded the results of the previous year.

Unit: Billion Yen

Consolidated	FY March 2020	FY March 2021			FY March 2022
	Actual	Actual	vs plan revised on Jan 28 (%)	YoY Change	Plan
Net Sales	179.95	206.50	3.2%	14.8%	246.00
Cost of Sales	74.89	84.94	1.1%	13.4%	102.00
Selling, General & Administrative Expenses	94.75	105.82	3.7%	11.7%	126.50
Operating income	10.31	15.73	12.4%	52.6%	17.50
Non-operating income and Expenses	0.05	1.14	42.3%	1984.1%	0.70
(Exchange rate-related gains and losses)	(-0.22)	(+0.06)	-	-	-
Ordinary income	10.37	16.87	14.0%	62.8%	18.20
Net income	5.86	11.04	5.1%	88.3%	12.50

# 1-3. Profitability by segment

BELLUNA

Net sales and Operating income : Increased in General Mail Order, Specialty Mail Order and three other segments. They decreased in Retail Store Sales and Property segments.

- Sales and income both increased in General Mail Order and Specialty Mail Order segments due to the acquisition of new customers and strong repeat ratio that were driven by active advertising, coupled with demand from stay-at-home consumers.
- Sales and income both decreased in Retail Store Sales segment due to a decrease in the number of customers caused by shorter business hours and temporary closures of stores.
- Sales and income both decreased in Property segment partly due to the impact of temporary closure in the hotel business.

## Consolidated Net Sales and Operating Income by Segment

Unit: Billion Yen

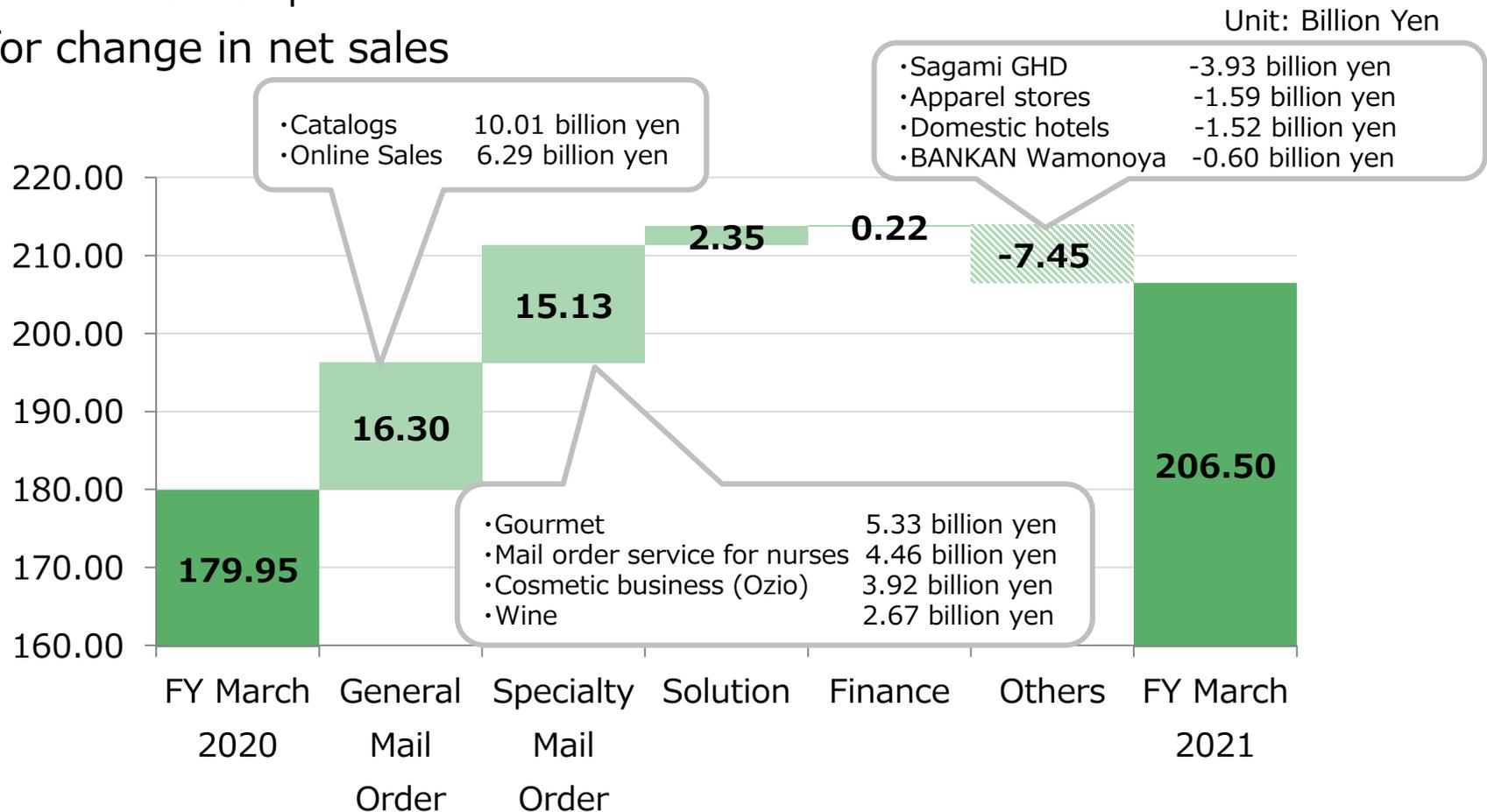
	FY March 2021								
	General Mail Order	Specialty Mail Order	Retail Store Sales	Solution	Finance	Property	Other	Adjustments	Total
Net Sales	89.68	64.91	24.28	10.68	4.62	6.98	6.28	-0.92	206.50
vs plan revised on Jan 28 (%)	+2.0%	+4.2%	-1.1%	+3.5%	+1.3%	+2.8%	+4.7%	-61.5%	+3.2%
YoY Change(%)	+22.2%	+30.4%	-20.1%	+28.2%	+5.0%	-19.6%	+5.7%	-5.0%	+14.8%
Operating Income	5.31	6.91	-1.61	3.03	2.45	0.01	0.07	-0.43	15.73
vs plan revised on Jan 28 (billion yen)	0.61	0.49	0.01	0.30	-0.15	-0.03	0.24	0.27	1.73
YoY Change(billion yen)	3.60	3.00	-1.92	0.38	0.57	-0.65	0.47	-0.02	5.42

# 1-4. Analysis of increases and decreases in sales

Mainly due to the impact of the Covid-19 pandemic, the net sales in General Mail Order continued to be an upward trend for both catalogs and online sales. Specialty Mail Order also performed strongly overall.

On the other hand, the net sales in Retail Store Sales decreased because the number of customers visiting stores continued to fall mainly due to reduced operating hours, although all stores resumed sales operation in June.

## Factors for change in net sales



# 1-5. Analysis of increases and decreases in operating income

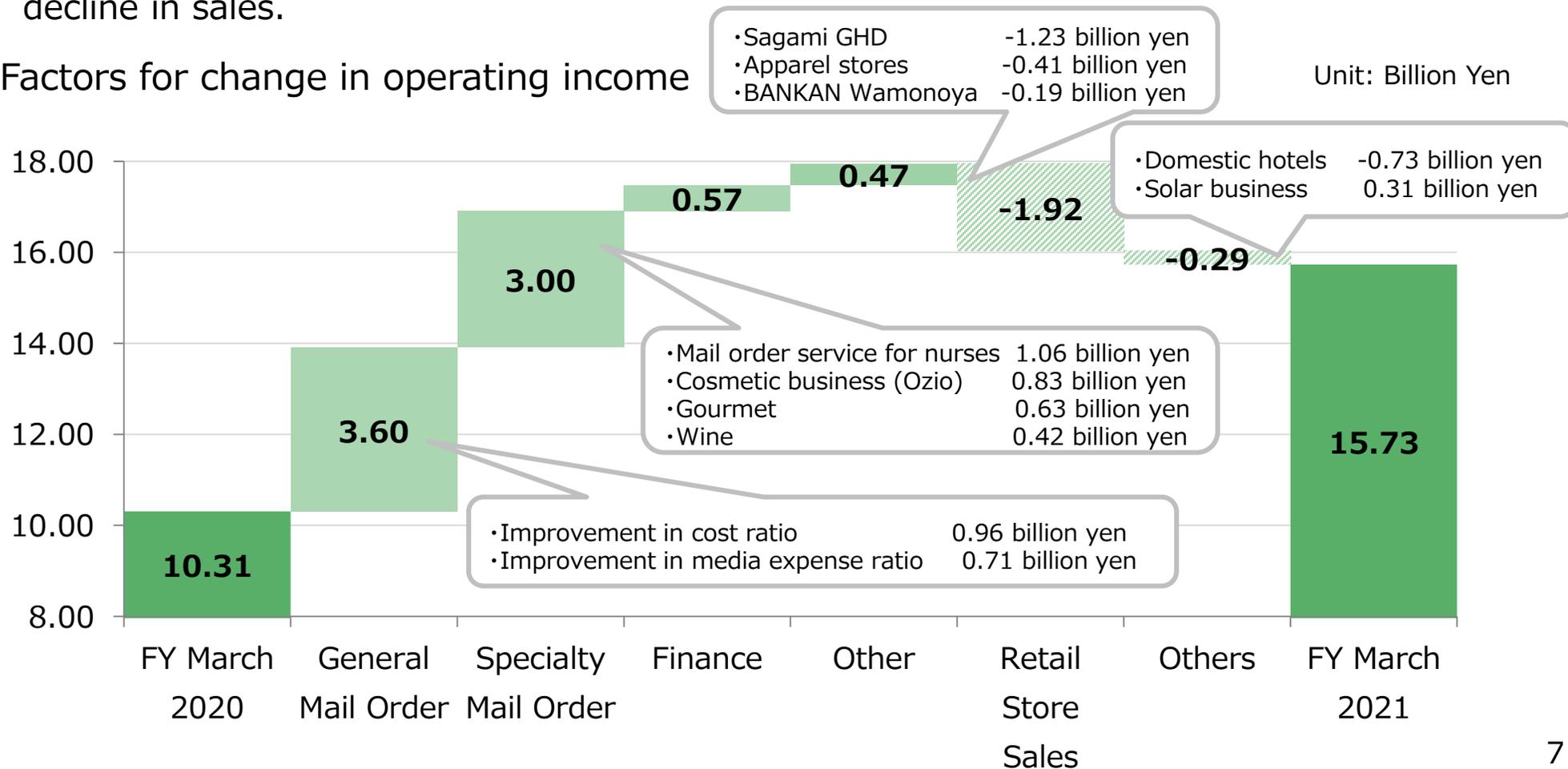
BELLUNA

Operating income in the General Mail Order segment increased significantly due to improvements in the cost to sales ratio and media expense ratio, coupled with higher sales.

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

Operating income in apparel stores and Japanese-style clothes stores decreased due to decline in sales.

Factors for change in operating income



# 1-6. Balance sheet

BELLUNA

Notes and accounts receivable - trade, Merchandise, etc. increased in current assets. Fixed assets increased mainly in Tangible fixed assets.

Meanwhile, interest-bearing liabilities increased despite a decrease in income taxes payable in liabilities.

Unit: Billion Yen

	As of March 31,2020	As of March 31,2021	Change
Current Assets	103.68	115.53	11.85
Cash and deposits	22.79	30.78	7.99
Notes and accounts receivable - trade	9.39	10.24	0.85
Merchandise	20.91	22.01	1.10
Non-current assets	119.45	124.68	5.23
Tangible fixed assets	88.65	92.56	3.91
Investments and other assets	18.97	21.21	2.25
Total Assets	223.13	240.21	17.08
Liabilities	120.60	126.98	6.38
Notes and accounts payable-trade	18.23	22.25	4.03
Income taxes payable	1.15	4.91	3.76
Interest-bearing liabilities	77.82	72.71	-5.11
Net assets	102.53	113.23	10.71
<b>[Shareholders' Equity Ratio]</b>	<b>[45.7%]</b>	<b>[46.9%]</b>	<b>[+1.2P]</b>

# 1-7. Statement of cash flows

BELLUNA

Cash flow from operating activities increased due to an increase in profit before income taxes. Cash flow from investing activities was negative due to the purchase of tangible fixed assets. As long- and short-term loans payable increased, cash decreased by 8.66 billion yen.

	FY March 2020	FY March 2021		Unit: Billion Yen
		Actual	YoY Change	
<b>Cash flows from operating activities</b>	<b>6.62</b>	<b>20.77</b>	<b>14.15</b>	
Profit before income taxes	9.56	17.74	8.19	
Depreciation	3.15	3.32	0.17	
Corporate income and resident taxes (amount paid)	-6.25	-3.40	2.85	
<b>Cash flows from investing activities</b>	<b>-11.11</b>	<b>-5.19</b>	<b>5.92</b>	
Purchase of tangible fixed assets	-9.44	-7.83	1.61	
Proceeds from sale of property, plant and equipment	-	2.25	2.25	Capital expenditure <sup>*1</sup>
Purchase of shares of subsidiaries	-1.22	-	1.22	8.60 billion yen
<b>Cash flows from financing activities</b>	<b>5.71</b>	<b>-7.00</b>	<b>-12.71</b>	
Increase (decrease) in long and short-term loans payable	8.01	-5.09	-13.10	Depreciation <sup>*2</sup>
Cash dividends paid	-1.50	-1.55	-0.05	3.32 billion yen
Translation differences on cash	-0.29	0.07	0.36	
Increase (decrease) in cash	0.94	8.66	7.72	

\*1: Capital expenditure includes the amount of investment in intangible fixed assets, such as software and leased assets.

\*2: Depreciation and amortization include the amount relating to the amortization of intangible assets.

# 1-8. Plan for FY March 2022

BELLUNA

Both net sales and operating income achieved record highs in FY March 2021. The fiscal year ending March 2022 is the final year in the Fourth Business Plan. We will steadily achieve the targets toward the recently announced Fifth Business Plan.

Unit : Billion Yen

Consolidated	FY March 2020		FY March 2021		FY March 2022	
	Plan	Actual	Revised plan	Actual	Plan	YoY Change
Net Sales	180.00	179.95	200.00	206.50	246.00	+19.1%
Operating Income	11.00	10.31	14.00	15.73	17.50	+11.2%
Ordinary Income	11.00	10.37	14.80	16.87	18.20	+7.9%
Net Income	7.00	5.86	10.50	11.04	12.50	+13.3%
Interest Bearing Liabilities	72.00~ 77.00	77.82	73.00~78.00	72.71	75.00~78.00	+3.1~7.3%
Net Assets	105.00	102.53	110.00	113.23	123.96	+9.5%
ROE	6.8%	5.8%	9.9%	10.3%	10.5%	+0.2P

# 1-8. Plan for FY March 2022 (by segment)

BELLUNA

General Mail Order is expected to see a significant increase in sales continuing from the previous fiscal year, supported by robust growth in new customers and a strong repeat rate, despite a decline in stay-at-home consumption.

We expect some reduction of stay-at-home consumption of Gourmet Food and Nurse-Related, but sharp recoveries in Kimono-Related and Property businesses.

Plan by segment

Unit: Billion Yen

	Plan for FY March 2022									
	General Mail Order	Cosmetics and Health Food	Gourmet Food	Nurse-Related	Database Use	Kimono-Related	Property	Other	Adjustments	Total
Net Sales	119.98	18.60	28.00	15.75	14.32	25.68	21.25	5.23	-2.81	246.00
YoY Change(%)	+20.4%	+1.7%	+3.1%	-1.2%	+1.0%	+19.7%	+204.2%	+19.6%	+205.4%	+19.1%
Operating Income	5.76	1.93	1.98	1.49	4.94	0.35	1.65	0.06	-0.66	17.50
YoY Change(billion yen)	0.50	-0.71	-0.20	-0.28	-0.56	1.41	1.64	0.20	-0.23	1.77
Operating Income Ratio	4.8%	10.4%	7.1%	9.5%	34.5%	1.4%	7.8%	1.1%	23.5%	7.1%

## 2. Management Policies and Initiatives

1. General Mail Order Business
2. Cosmetics and Health Food Business
3. Gourmet Food Business
4. Nurse-Related Business
5. Database Use Business
6. Kimono-Related Business
7. Property Business
8. Returns to Shareholders

### **Medium to Long Term Policy**

**Aim to become a mature mail order general trading firm with net sales of 300 billion yen and operating income of 30 billion yen as milestones.**

## 2. Segments

---

**the current 7 segments will be changed to 8 segments this fiscal year.**

### Former segments

1. General Mail Order Business
2. Specialty Mail Order Business
3. Retail Store Sales Business
4. Solution
5. Finance Business Long-term
6. Property Business
7. Others

### New segments

1. General Mail Order Business
2. Cosmetics and Health Food Business
3. Gourmet Food Business  
(including Wine and Sake)
4. Nurse-Related Business
5. Database Use Business
6. Kimono-Related Business
7. Property Business
8. Others

The new segmentation shows the contents of businesses more clearly.

### The Fifth Business Plan (FY March 2023~FY March 2025)

#### Final target

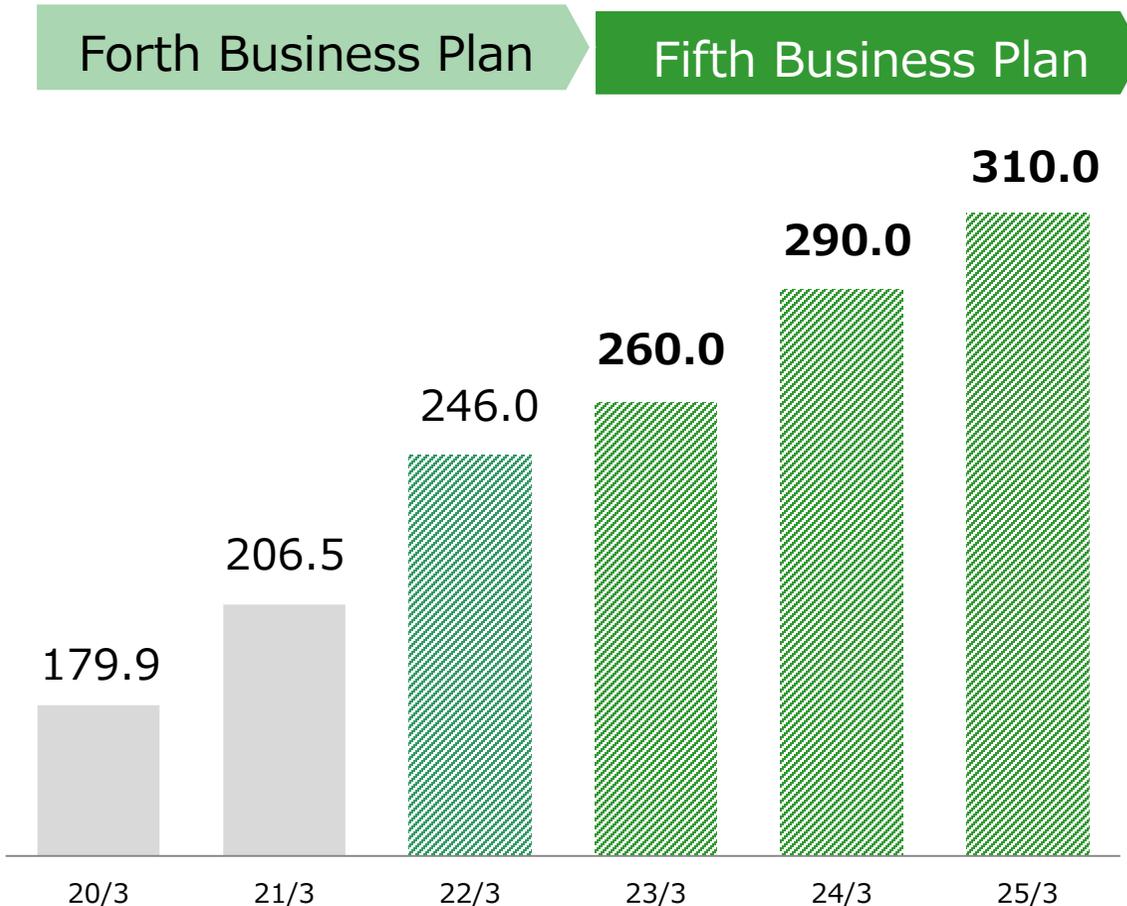
- Net sales **310 Billion Yen**  
(Average annual growth rate:9.2%)
- Operating income **28 Billion Yen**  
(Average annual growth rate: 18.3%)
- ROE **10% or more**

## 2. Management Policies ~ The Forth·the Fifth Business Plan

BELLUNA

**We aim to achieve targets for FY March 2022 and make it a foothold for the Fifth Business Plan.**

Net sales trend (billion yen)



1. We have exceeded the sales target of the Forth Business Plan.
2. We are laying the foundations for the Fifth Business Plan.

## 2. Management Policies

FY2022(final fiscal year in the Fourth Business Plan)・The Fifth Business Plan

**BELLUNA**

Unit: Billion Yen

	FY March 2022		FY March 2023		FY March 2024		FY March 2025	
	Net Sales	Operating income						
<b>General Mail Order Business</b>	119.98	5.76	133.13	6.72	141.75	7.32	151.47	8.12
<b>Cosmetics and Health Food Business</b>	18.60	1.93	20.63	2.14	23.03	2.34	25.63	2.60
<b>Gourmet Food Business</b>	28.00	1.98	30.38	2.11	34.70	2.33	36.98	2.65
<b>Nurse-Related Business</b>	15.75	1.49	16.94	1.76	18.17	1.98	19.70	2.20
<b>Database Use Business</b>	14.32	4.94	15.02	4.98	16.87	5.41	18.98	5.86
<b>Kimono-Related Business</b>	25.68	0.35	27.72	1.20	30.37	1.74	33.51	2.12
<b>Property Business</b>	21.25	1.65	15.71	1.35	21.58	3.67	21.91	4.02
<b>Other Business + Adjustments</b>	2.22	-0.64	0.47	-0.24	3.55	0.20	1.83	0.43
<b>Total</b>	<b>246.00</b>	<b>17.50</b>	<b>260.00</b>	<b>20.00</b>	<b>290.00</b>	<b>25.00</b>	<b>310.00</b>	<b>28.00</b>

Increasing product appeal will be a focus for achieving the targets in the medium-term plan.

## **Fifth Business Plan Concept**

1. Achievement of targets in each segment
2. Development of internet business including the use of social media services
3. Mature portfolio (solid, strong pillar)
4. Training and development of human resources with practical skills
5. Implementation of M&A activities to achieve synergy

# 2-1. General Mail Order Business

## 1. Results for FY21/3 and Plan for FY22/3

Unit: Billion Yen **BELLUNA**

Business breakdown	FY March 2021 (Actual)		FY March 2022 (Plan)	
	Net Sales	Operating income	Net Sales	Operating income
<b>General Mail Order Business</b> • Rolled out products mainly targeted to madams through catalogs and the Internet. • For the young group, we started selling products at shopping malls in 2018. • We started selling men's and hard products on mail order.	86.99	5.26	104.21	5.12
<b>Min・ICnet・Maruchou (Internet-specialized mail order)</b> • Min : Big-sized apparel mail order • ICnet : Brand mail order • Maruchou : General goods mailorder	7.86	0.42	8.96	0.49
<b>Apparel stores</b> • Rolled out Belluna brand nationwide (March 2021 86 stores)	4.91	-0.38	6.82	0.15
<b>Total</b>	<b>99.63</b>	<b>5.26</b>	<b>119.98</b>	<b>5.76</b>

In addition to the strong paper-based business, the shift to the Internet progressed significantly.

RyuRyumall is expected to expand and a shift to the Net mail order goes forward.

FY March 2022 is expected to see a growth rate of 20% over FY March 2021.

# Current situation and estimate of FY March 2022

Earnings grew significantly in FY March 2021, due to the enhanced earnings structure and a rise in stay-at-home demand.

In response to the robust growth of new customers, we position FY March 2022 as a year for expanding our business with emphasis on growth potential, as well as a year for laying the foundations for the Fifth Business Plan.

- 1. Improvements in efficiency of obtaining new customers**
- 2. Improvements in inventory turnover rate and cost of sales ratio**

## 2-1. General Mail Order Business

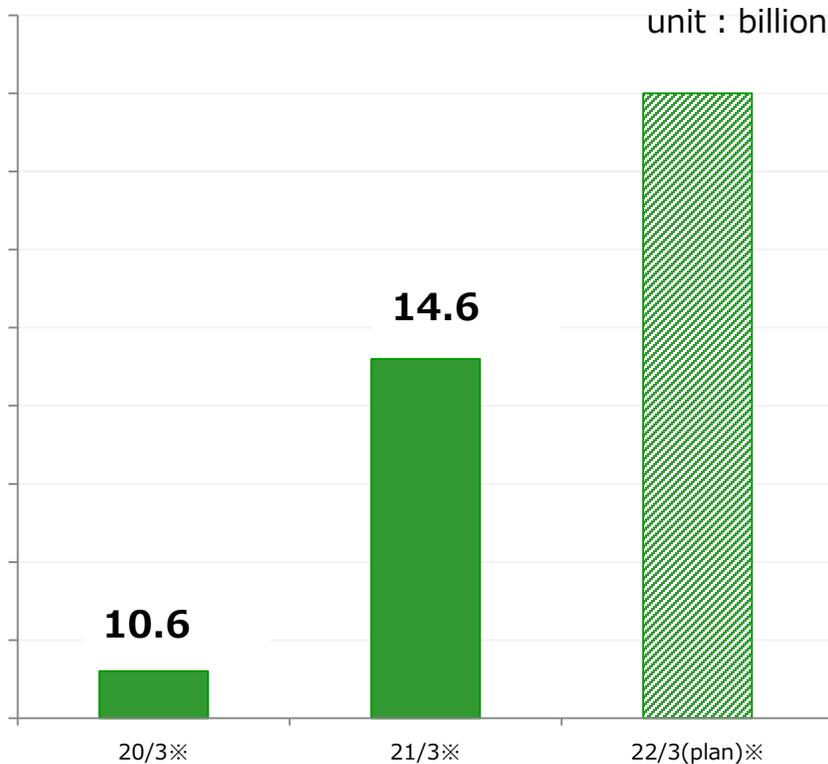
BELLUNA

### Online business growth rate

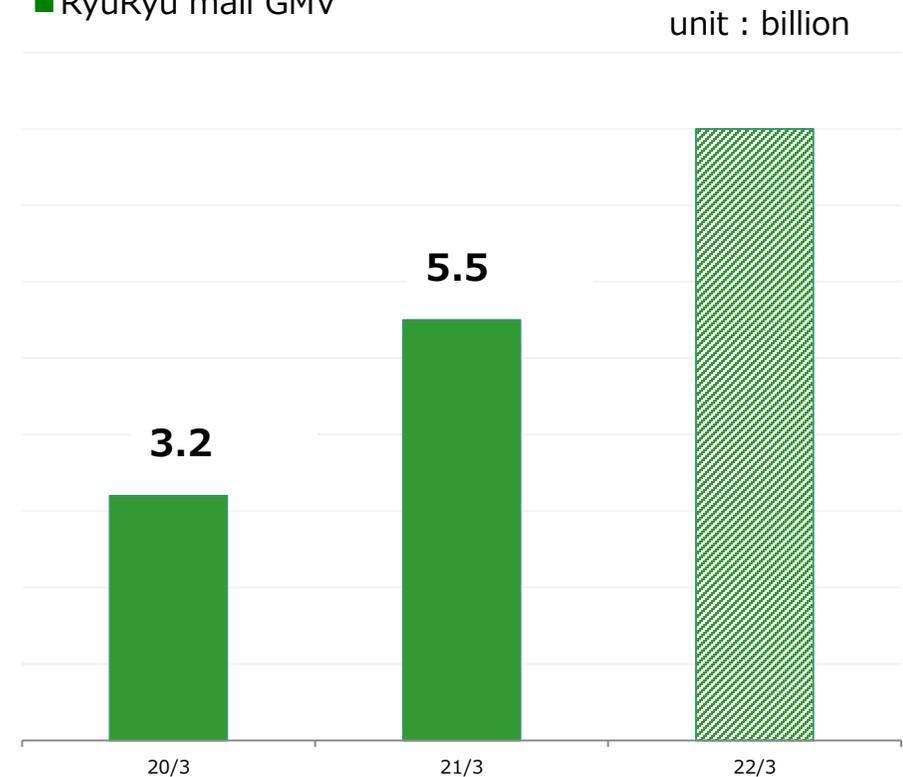
Both EC orders received and RyuRyu mall Gross Merchandise Value (GMV) increased significantly.

With a high growth rate, the online business is expected to continue growing in FY March 2022.

■ EC orders received excluding RyuRyu mall



■ RyuRyu mall GMV

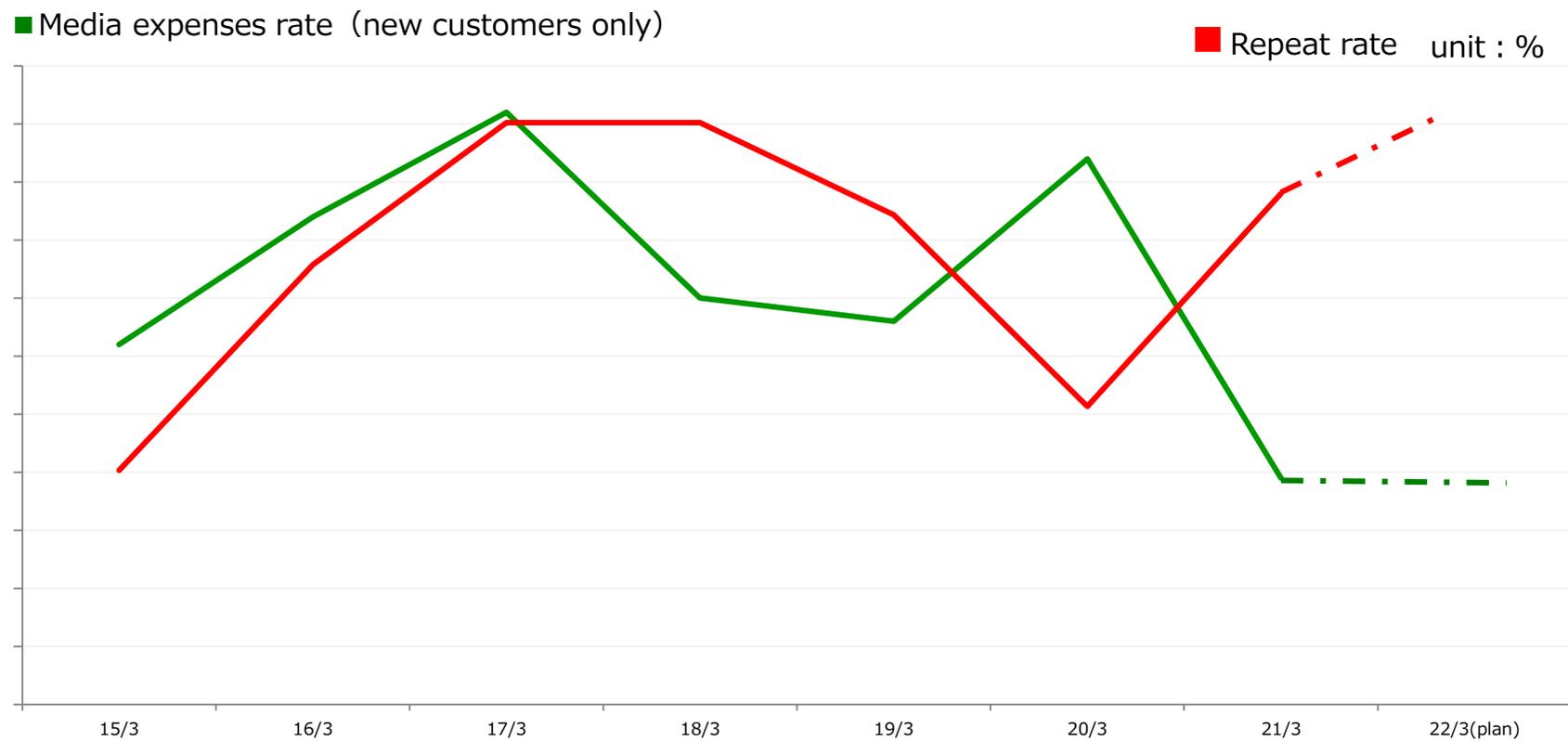


## 2-1. General Mail Order Business

BELLUNA

### 1. Efficiency to obtain new customers

We were able to make a pattern to bolster the efficiency to obtain new customers. Efficiency improved significantly, and is expected to remain at the same level in the current fiscal year.

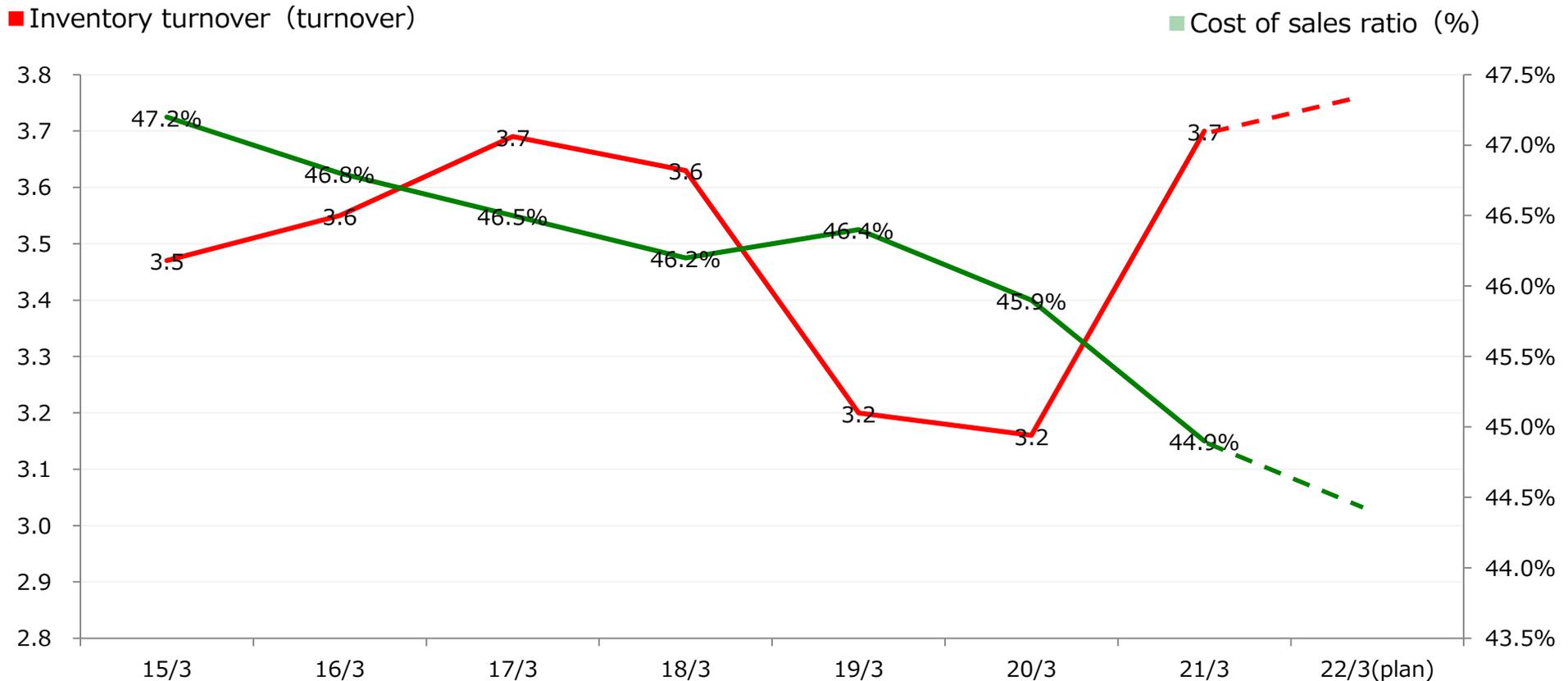


\*Progress of repeat usage by new customers in FY March 2021 is unchanged from previous years.

# 2-1. General Mail Order Business

## 2. Trend of inventory turnover rate and cost of sales ratio

We successfully continued to reduce the cost of sales ratio and improve inventory in FY March 2021. The improvement trend is expected to continue in the current fiscal year.



# 2-1. General Mail Order Business

BELLUNA

2. FY2022(the Fourth Business Plan)・The Fifth Business Plan (FY March 2023~FY March 2025)

Unit: Billion Yen

Business breakdown	FY March 2022		FY March 2023		FY March 2024		FY March 2025	
	Net Sales	Operating income						
<b>General Mail Order Business</b> ・Rolled out products mainly targeted to madams through catalogs and the Internet. ・For the young group, we started selling products at shopping malls in 2018. ・We started selling men's and hard products on mail order.	104.21	5.12	115.50	5.71	121.87	6.10	128.90	6.66
<b>Internet-specialized mail order</b> ・Min : Big-sized apparel mail order ・ICnet : Brand mail order ・Maruchou : General goods mailorder	8.96	0.49	10.19	0.60	11.79	0.77	13.84	0.97
<b>Apparel stores</b> ・Rolled out Belluna brand nationwide (March 2021 86 stores)	6.82	0.15	7.43	0.41	8.08	0.45	8.73	0.50
<b>Total</b>	<b>119.98</b>	<b>5.76</b>	<b>133.13</b>	<b>6.72</b>	<b>141.75</b>	<b>7.32</b>	<b>151.47</b>	<b>8.12</b>

Strengthen branding and shift to Internet to ensure stable growth and profitability.

## 2-2. Cosmetics and Health Food Business

BELLUNA

### 1. Results for FY21/3 and Plan for FY22/3

Unit: Billion Yen

	FY March 2021 (Actual)		FY March 2022 (Plan)	
	Net Sales	Operating income	Net Sales	Operating income
<b>Cosmetics Business</b> (Ozio・Nachu life brand) ・cosmetics mail-order business ・Develop cross-border EC in Asia ・The Internet and overseas are growth drivers	15.06	2.08	15.00	1.50
<b>Health Food Business</b> ・Rolled out health food in Refre brand ・Gussurizm received the gold prize from the Monde Selection for four consecutive years.	4.37	0.57	3.60	0.43
<b>Total</b>	<b>18.29</b>	<b>2.64</b>	<b>18.60</b>	<b>1.93</b>

•Results significantly improved in the previous fiscal year due to the growth of domestic e-commerce and the active development of the Cosmetics Business in Asia.

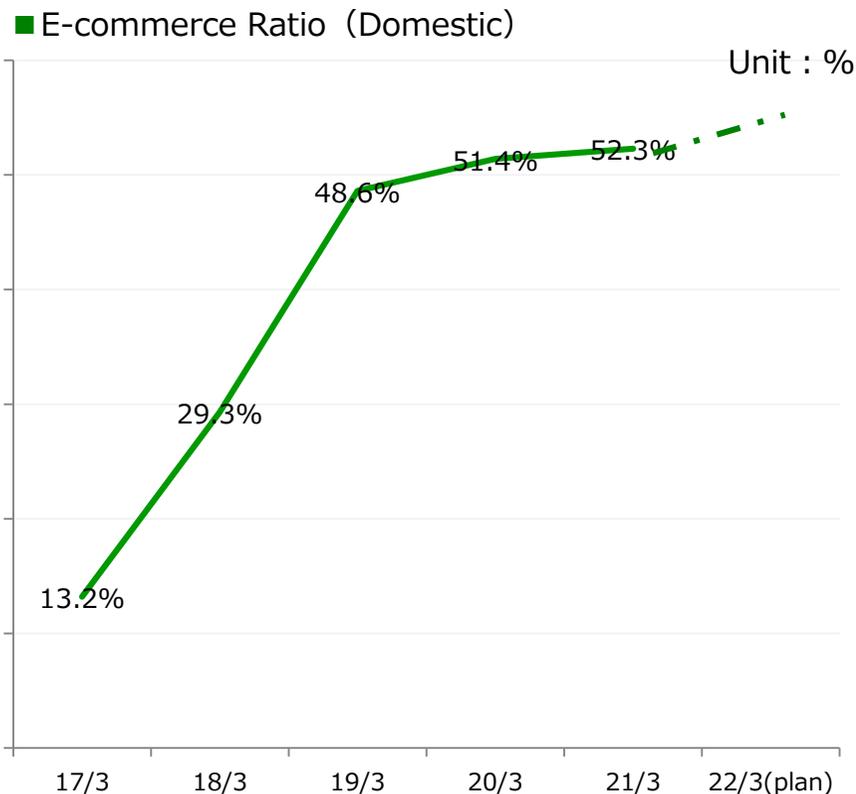
•Net sales are expected to remain unchanged in the fiscal year under review partly due to regulations regarding online advertisements in Japan.

# 2-2. Cosmetics and Health Food Business

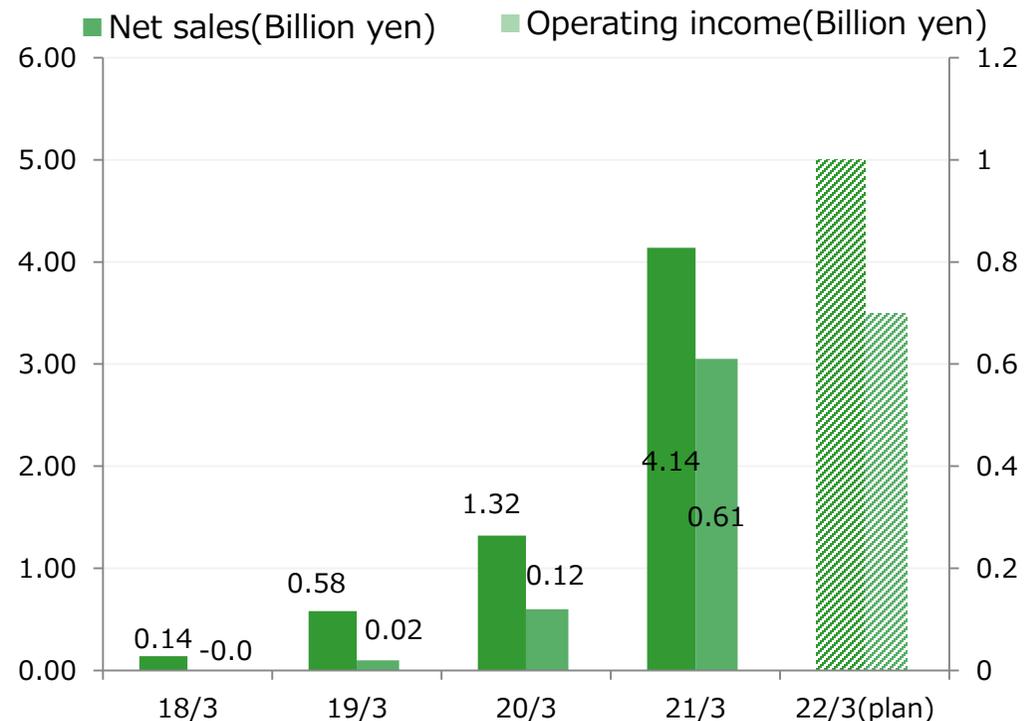
## 1. Ozio

Transition to e-commerce progressed, and overseas business development also remains on track.

We will accelerate development and release of new products in Japan and strengthen expansion of business overseas.



«Overseas Ozio Net sales・Operating income»



## 2-2. Facilitate growth of the Cosmetics and Health Food Business

BELLUNA

### The total sales of Royal jelly Mocchiri jel topped 11 million units, making the product a smash hit in Japan and overseas.

All-in-one cosmetics for the skin of older women developed by Nachulife

「Royal jellyMocchiri jel」



- Contains an aging care component “Nahlsagen®” .
- Beauty component developed jointly with Kyoto University and Osaka City University graduate school as a result of a collaboration between industry and academia.

### The number one selling eggshell membrane beauty serum in Japan with cumulative sales of more than 4 million units

Beauty serum with high concentration eggshell membrane essence by Ozio

Beauty Opener - Eggshell membrane beauty serum



- Contains essence of protein-rich eggshell membrane, which is a film lining on the inside of an eggshell.
- Beauty serum that has achieved a high concentration of the essence after a 10-year study

## 2-2. Cosmetics and Health Food Business

BELLUNA

2. FY2022(the Fourth Business Plan)・The Fifth Business Plan (FY March 2023~FY March 2025)

Unit: Billion Yen

	FY March 2022		FY March 2023		FY March 2024		FY March 2025	
	Net Sales	Operating income						
<b>Cosmetics Business</b> ・cosmetics mail-order business ・Develop cross-border EC in Asia ・The Internet and overseas are growth drivers	15.00	1.50	16.50	1.65	18.15	1.82	20.00	2.00
<b>Health Food Business</b> ・Rolled out health food in Refre brand	3.60	0.43	4.13	0.49	4.88	0.53	5.63	0.60
<b>Total</b>	<b>18.60</b>	<b>1.93</b>	<b>20.63</b>	<b>2.14</b>	<b>23.03</b>	<b>2.34</b>	<b>25.63</b>	<b>2.60</b>

### 1. Strengthen overseas strategy

- (1) Strengthen efforts in Taiwan, Hong Kong, China, Singapore, and Malaysia

## 1 . Reinforce expansion of product appeal

- (1) Take on challenges for new targets  
(toward people in their 20's and 30's)
- (2) Product development for cross-selling

## 2 . Enhance our brand image

- (1) Use mass media
- (2) Resume selling products at stores

## 3 . Facilitate overseas strategy

- (1) Develop the Southeast Asian market
  - (i) Develop Taiwanese, Hong Kong, and Chinese markets
  - (ii) Take on challenges in Malaysian, Singapore, and Vietnamese markets

## 2-3. Gourmet Food Business (including Wine and Sake)

BELLUNA

### 1. Results for FY21/3 and Plan for FY22/3

Unit: Billion Yen

	FY March 2021 (Actual)		FY March 2022 (Plan)	
	Net sales	Operating income	Net sales	Operating income
<b>Wine mail order Business</b> (My Wine Club - ranked No.1 in sales of mail order of wine for 12 consecutive years )	8.77	1.05	10.00	0.98
<b>Sake mail order Business</b> Belluna Gourmet - ranked No.1 in sales of mail order of sake for 4 consecutive years	4.45	0.30	5.20	0.33
<b>Gourmet food Business</b> ・Released mail orders for foods such as boxed lunches, year-end gifts, and osechi (foods prepared for New Year's holidays) ・The total no. of Belluna gourmet/ Osechi yui sold topped 400,000 units.	13.40	0.83	12.80	0.67
<b>Total</b>	<b>27.15</b>	<b>2.15</b>	<b>28.00</b>	<b>1.98</b>

・Our directly imported wines got popular on the Internet. The ratio of online sales exceeded to 50%.

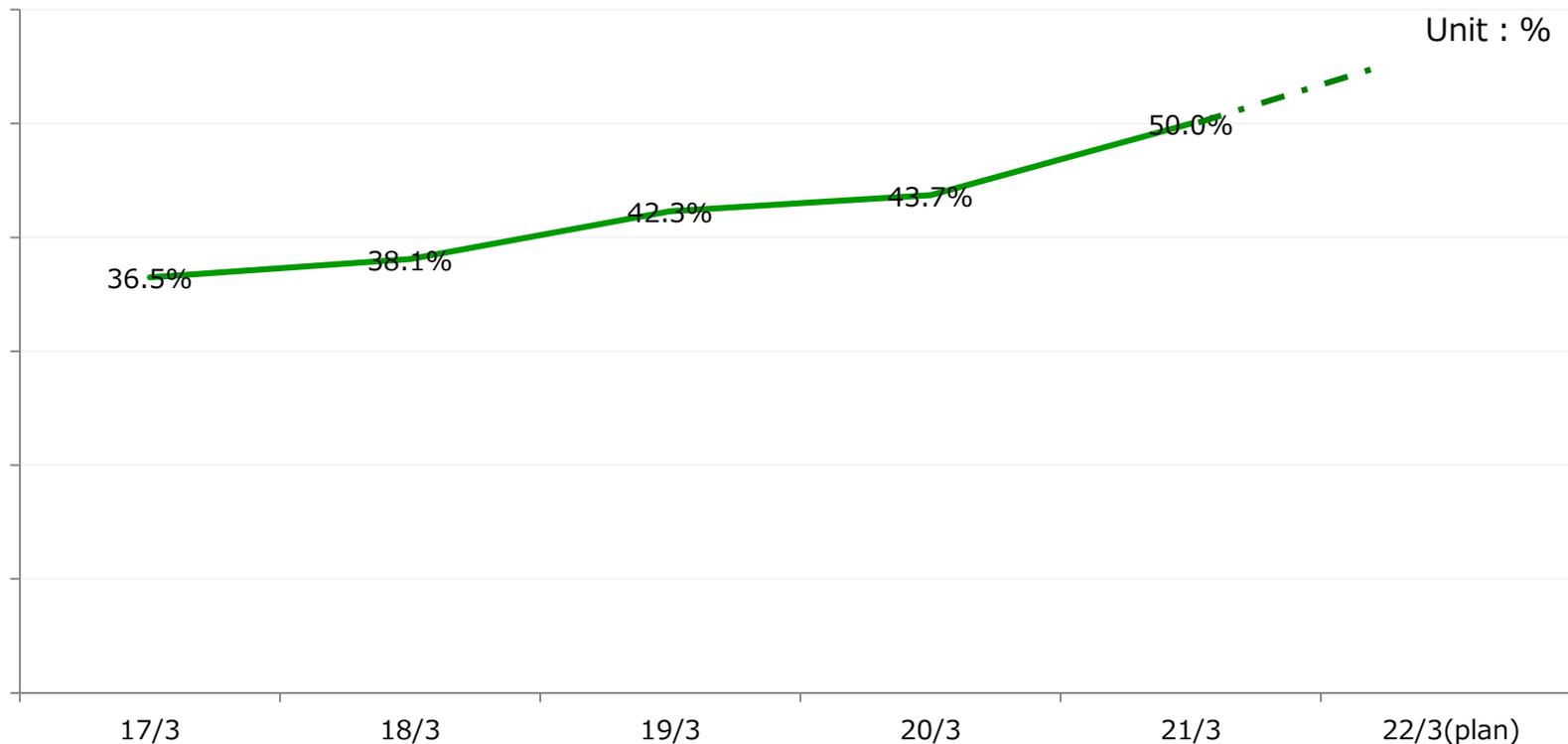
・Wine and sake are currently performing well. We expect continued sales growth trend.

### 1. Wine Business

The transition to e-commerce is underway: the ratio of online sales has reached 50%.

The repeat rate is stable, partly due to attractive prices that take advantage of the largest share in the mail-order market.

■ E-commerce Ratio





## No. 1 Product

The best-selling wine set during FY2020 in Japan

「11 bottles set of red wines selected from all over the world including three famous wineries」



Our Wine Business achieved annual sales of 11 million units in FY2020.

**Unit sales of Sake exceeded 2 million in FY March 2021.**

**No. 1 Product**

**Koshino Gozo Daiginjo**

**No. 2 Product**

**Koshino Gozo Junmai Daiginjo**

**No. 3 Product**

**Juzo Daiginjo**



Increase product lines and develop new products with the goal of being No.1 in mail order sales of sake for 5 consecutive years.

## 2-3. Facilitate growth of the Gourmet Food Business (including Wine and Sake)

No.1

Yui

Three tiered  
Japanese  
dish box



No.2

Saiju

Three tiered  
Japanese  
dish box



No.3

Kizuna

Three tiered  
Japanese  
dish box



**Osechi, “Yui,” the No. 1 Product in  
FY March 2021, is expected to sell  
112,000 units.**

## 2-3. Gourmet Food Business (including Wine and Sake)

2. FY2022(the Fourth Business Plan)・The Fifth Business Plan (FY March 2023~FY March 2025)

BELLUNA

Unit: Billion Yen

	FY March 2022		FY March 2023		FY March 2024		FY March 2025	
	Net sales	Operating income						
<b>Wine mail order Business</b> (My Wine Club - ranked No.1 in sales of mail order of wine for 12 consecutive years )	10.00	0.98	10.58	1.03	11.75	1.14	12.98	1.26
<b>Sake mail order Business</b> Belluna Gourmet - ranked No.1 in sales of mail order of sake for 4 consecutive years	5.20	0.33	6.00	0.42	7.00	0.56	8.00	0.72
<b>Gourmet Food Business</b> ・Released mail orders for foods such as boxed lunches, year-end gifts, and osechi (foods prepared for New Year's holidays) ・The total no. of Belluna gourmet/ Osechi yui sold topped 400,000 units.	12.80	0.67	13.80	0.65	15.95	0.62	16.00	0.67
<b>Total</b>	<b>28.00</b>	<b>1.98</b>	<b>30.38</b>	<b>2.11</b>	<b>34.70</b>	<b>2.33</b>	<b>36.98</b>	<b>2.65</b>

In the Wine and Sake Business, we will further strengthen our top position in the industry by enhancing quality, product lineup, and brand power.

## 2-4. Nurse-Related Business

BELLUNA

### 1. Results for FY21/3 and Plan for FY22/3

Unit: Billion Yen

	FY March 2021 (Actual)		FY March 2022 (Plan)	
	Net sales	Operating income	Net sales	Operating income
<b>Nursery</b> (Mail order for nurses, No. 2 in the industry)	6.14	0.69	6.55	0.60
<b>infirmière</b> (Mail order for nurses, No. 1 in the industry )	8.71	1.15	7.58	0.85
<b>Nurse Career Next</b> (Personnel placement business for nurses)	0.15	-0.15	0.29	-0.07
<b>JOB STUDIO</b> (Personnel placement business in Singapore )	0.95	0.13	1.33	0.11
<b>Total</b>	<b>15.94</b>	<b>1.77</b>	<b>15.75</b>	<b>1.49</b>

- In FY March 2021, sales were robust not only to customers in the health care industry, but also to individual customers, mainly for medical consumables, due to the impacts of COVID-19.

- Customers' repeat rate is high and it is expected to continue from FY March 2022 onward.

# 2-4. Facilitate growth of the Nurse-Related Business

BELLUNA

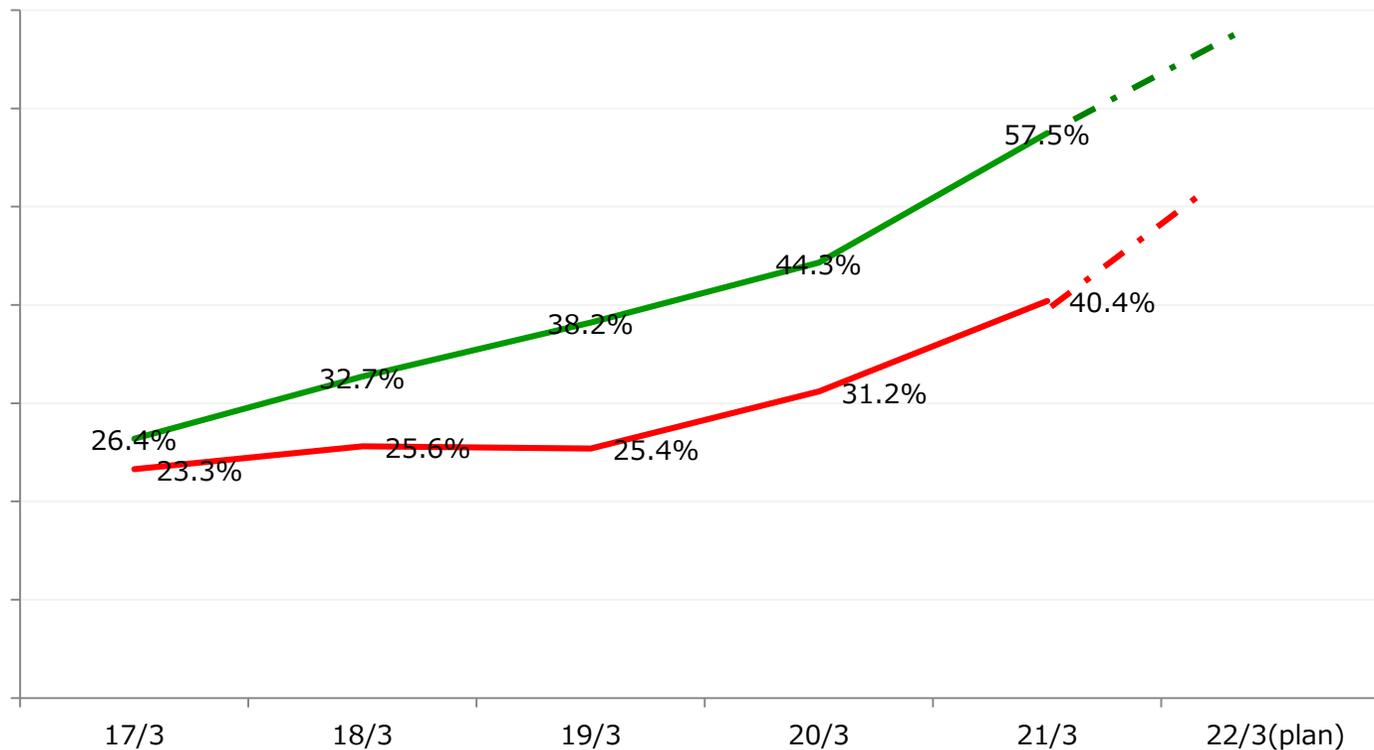
## 1. Nurse-Related Business

The transition to e-commerce is underway. Infirmière and Nursery account for the majority share of the market, and the transitions to e-commerce and stable growth are expected to continue into the future.

We are also advancing into caregiving using the strengths of an SPA.

■ E-commerce Ratio Nursery  
■ E-commerce Ratio Infirmière

Unit : %



# 2-4. Facilitate growth of the Nurse-Related Business

BELLUNA

Original products occupy the top ranks in terms of the number of products sold. We have achieved a high repeat rate by delivering on both quality and price through SPA production.

Annual nursery products sold ranked from No. 1 to No. 3

  
**No.1**

**Class 1 high-performance masks**



Safe Mask Premier

  
**No.2**

**Disposable gloves**



Nursery premium plastic glove

  
**No.3**

**A low price and is easy to wear**



Standard two-way daily shoes

## 2-4. Facilitate growth of the Nurse-Related Business

2. FY2022(the Fourth Business Plan)・The Fifth Business Plan (FY March 2023~FY March 2025)

*BELLUNA*

Unit: Billion Yen

	FY March 2022		FY March 2023		FY March 2024		FY March 2025	
	Net sales	Operating income						
<b>Nursery</b> (Mail order for nurses, No. 2 in the industry)	6.55	0.60	6.82	0.63	7.37	0.70	8.06	0.77
<b>infirmière</b> (Mail order for nurses, No. 1 in the industry )	7.58	0.85	8.19	0.94	8.60	1.05	9.03	1.08
<b>Nurse Career Next</b> (Personnel placement business for nurses)	0.29	-0.07	0.47	0.07	0.59	0.11	0.88	0.21
<b>JOB STUDIO</b> (Personnel placement business in Singapore )	1.33	0.11	1.47	0.12	1.60	0.13	1.73	0.14
<b>Total</b>	<b>15.75</b>	<b>1.49</b>	<b>16.94</b>	<b>1.76</b>	<b>18.17</b>	<b>1.98</b>	<b>19.70</b>	<b>2.20</b>

In addition to the stable performance of mail order for nurses, we also started a full-scale mail order service for caregivers. As the market is large, we will take on the challenge of building a winning pattern.

We will also promote overseas expansion, including development of product sales with newly acquired JOB STUDIO as a foothold.

## 2-5. Database Use Business

### 1. Results for FY21/3 and Plan for FY22/3

Unit: Billion Yen **BELLUNA**

	FY March 2021 (Actual)		FY March 2022 (Plan)	
	Net sales	Operating income	Net sales	Operating income
<b>Finance</b> (Consumer finance business for members )	4.62	2.45	4.64	2.00
<b>Belluna Direct</b> (Enclosure/combined shipping business)	3.34	2.32	3.39	2.29
<b>Belluna Business Solution</b> (Contracted call center/logistics business )	6.41	0.72	6.30	0.65
<b>Total</b>	<b>14.18</b>	<b>5.50</b>	<b>14.32</b>	<b>4.94</b>

Finance : The balance of loans at the end of FY March 2021 decreased due to changes in the external environment.

Belluna Direct : Both sales and operating income increased steadily in FY March 2021 in response to an increase in the number of mail order customers.

Belluna Business Solution : Mail order service agent using the Company's own infrastructure, growth on capturing mail order needs

## 2-5. Database Use Business



### **Belluna Business Solution**

(Contracted call center/logistics center business)

Rolled out mail order services mainly for health food and beauty-related goods that are repeated mail order items.

$$\begin{array}{ccc} \text{Annual growth rate} & & \text{Customer} \\ \text{of customers} & \times & \text{Retention rate} \\ 20\% & & 70\% \end{array}$$

- Call center achieves a high response rate and customer retention by specializing in the mail order business.
- Logistics center also provides services using economies of scale of the Group
- Knowhow and consulting capabilities that can propose a flexible change in the package according to a customer's growth stage.

## 2-5. Database Use Business

2. FY2022(the Fourth Business Plan)・The Fifth Business Plan (FY March 2023~FY March 2025)

**BELLUNA**

Unit: Billion Yen

	FY March 2022		FY March 2023		FY March 2024		FY March 2025	
	Net sales	Operating income						
<b>Finance</b> (Consumer finance business for members )	4.64	2.00	5.20	2.00	5.82	2.30	6.40	2.56
<b>Belluna Direct</b> (Enclosure/combined shipping business)	3.39	2.29	3.25	2.30	3.40	2.40	3.58	2.50
<b>Belluna Business Solution</b> (Contracted call center/logistics business )	6.30	0.65	6.57	0.68	7.65	0.71	9.00	0.80
<b>Total</b>	<b>14.32</b>	<b>4.94</b>	<b>15.02</b>	<b>4.98</b>	<b>16.87</b>	<b>5.41</b>	<b>18.98</b>	<b>5.86</b>

Finance : Improve balance and enhance growth potential when the pandemic is behind us.

Belluna Direct : Pursue growth in accordance with an increase in mail order customers.

Belluna Business Solution : Develop new customers and expand infrastructure.

1. Contribute to growth potential using a database (Finance)
2. Increase advertising in accordance with the growth of the General Mail Order business (Belluna Direct)
3. Active sales development taking advantage of the expansion of the mail order business market (Belluna Business Solution)
4. Major pillar of profitability following the General Mail Order business
5. Contribute to profit margin of around 30%

## 2-6. Kimono-Related Business

BELLUNA

### 1. Results for FY21/3 and Plan for FY22/3

Unit: Billion Yen

	FY March 2021 (Actual)		FY March 2022 (Plan)	
	Net sales	Operating income	Net sales	Operating income
<b>BANKAN Wamonoya</b> (Kimono sales business started in 2007, when the Company was founded)	9.04	0.39	9.88	0.62
<b>•Sagami Group Holdings</b> (Acquired in 2018, medium priced kimono sales business)	7.33	-1.21	8.84	-0.61
<b>Tokyo masuiwaya</b> (Acquired at the same time as Sagami, a highly-priced kimono sales business)	3.09	-0.38	4.20	0.07
<b>Maimu</b> (Rental hakama traditional graduation attire for students)	2.08	0.17	2.75	0.27
<b>Total</b>	<b>21.44</b>	<b>-1.06</b>	<b>25.68</b>	<b>0.35</b>

- BANKAN Wamanoya ensured profitability despite decreases in both sales and profit.
- For FY March 2022, facilitate the creation of a corporate environment with the goal of turning a profit on Sagami.

## 2-6. Facilitate growth of the Kimono-Related Business

BELLUNA

Annual sales of BANKAN's original kimono Muji Komon series topped 5,000 rolls.



- Entry products, which approaches a group that wants to wear kimono unconsciously, not a group who wears kimono.
- Each store regularly holds a kimono-wearing session that provides a chance to wear kimono on a regular basis.

## 2-6. Kimono-Related Business

2. FY2022(the Fourth Business Plan)・The Fifth Business Plan (FY March 2023~FY March 2025)

**BELLUNA**

Unit: Billion Yen

	FY March 2022		FY March 2023		FY March 2024		FY March 2025	
	Net sales	Operating income						
<b>BANKAN Wamonoya</b> (Kimono sales business started, when the Company was founded)	9.88	0.62	10.76	0.90	11.70	1.10	12.66	1.27
<b>・Sagami Group Holdings</b> (Acquired in 2018, medium priced kimono sales business)	8.84	-0.61	9.27	0.00	10.35	0.22	11.88	0.37
<b>Tokyo masuiwaya</b> (Acquired at the same time as Sagami, a highly-priced kimono sales business)	4.20	0.07	4.66	0.00	5.00	0.09	5.31	0.12
<b>Maimu</b> (Rental hakama traditional graduation attire for students)	2.75	0.27	3.03	0.30	3.33	0.33	3.66	0.37
<b>Total</b>	<b>25.67</b>	<b>0.36</b>	<b>27.72</b>	<b>1.20</b>	<b>30.37</b>	<b>1.74</b>	<b>33.51</b>	<b>2.12</b>

- Steadily instill the BANKAN Wamonoya model into the Group to achieve profitability.
- Build a highly profitable model with a profit margin of 10% in the near future by enhancing growth potential and profitability to make the Kimono-Related business a new pillar.

## 2-6. Kimono-Related Business Points for the Fifth Business Plan

---

*BELLUNA*

1 . Endeavor to make a shift from a sunset industry to a sunrise industry

- (1) Take on challenges for growth
- (2) Take on challenges for profitability

2 . Integrate business models into highly profitable BANKAN model

- (1) Ensure profitability by shifting from sales at large events to selling at stores (Sagami GHD)
- (2) Develop customers by educating young women who do not have Kimonos

3 . Make brand names for Belluna's kimono business to consistent (scheduled for May 2022)

4 . Develop the business as a major pillar of profitability

5 . Contribute to the advancement of kimono culture

## 2-7. Property Business

BELLUNA

### 1. Results for FY21/3 and Plan for FY22/3

Unit: Billion Yen

	FY March 2021 (Actual)		FY March 2022 (Plan)	
	Net sales	Operating income	Net sales	Operating income
<b>Income gain</b> Rental revenue from properties (including office buildings, stores)	2.56	1.18	2.20	1.24
<b>Capital gain</b> Property development and sales business	0.00	0.00	9.59	2.14
<b>Hotel business</b> Operate 4 hotels in Japan, 3 hotels overseas	3.96	-1.37	8.46	-1.93
<b>Others</b>	1.00	0.19	1.00	0.20
<b>Total</b>	<b>6.98</b>	<b>0.01</b>	<b>21.25</b>	<b>1.65</b>

•Hotel business posted a significant deficit due to the impact of the spread of COVID-19 mostly in FY March 2021.

- We expect that the Property Business will continue to be impacted by COVID-19 and high opening costs in the first half of FY March 2022, due to the opening of five hotels.

# 2-7. Property Business

BELLUNA

## Open in FY March 2022 · scheduled to acquisition

「Umeda Holic Hotel」 117 rooms  
April 1, 2021 OPEN



「Sapporo Granbell Hotel」 218rooms  
April 21, 2021 OPEN



「Osaka Granbell Hotel」 191rooms  
April 23, 2021 OPEN



「Jozankei View Hotel」 647rooms  
May 31, 2021 scheduled to acquisition



「Susukino Granbell Hotel」 300rooms  
July 2021 scheduled to OPEN



# Reference : Our Hotels (Sapporo Granbell Hotel April 21, 2021 OPEN)

( Hotel appearance )



(CAFE·BAR)



( Open-air bath )



(guest room : Deluxe Double Room )



*BELLUNA*

# 2-7. Property Business (Domestic Hotel Business)

BELLUNA



“Le Grand Minami Karuizawa Hotel & Resort”



Second place in the Koshinetsu area in "Relux Ranking of 2020" for three consecutive years.

Received “Loved By Guests Award 2021” in Hotels.com for two consecutive years.

Received “Traveller Review Awards 2021” in Booking.com.

First place in Nagano prefecture in "Jalan net ranking 2019 Stayed and found it the Best Hotel Grand Prize" for two consecutive years.



“Urabandai Lake Resort”



Received first place overall in “Jalan Award 2019 Stayed and Found it the Best Hotel Grand Prize”

Received second place in customer service competition in “Jalan Award 2019 Stayed and Found it the Best Hotel Grand Prize”



Became major hotels in the region. Hotels the Company operates received many awards.

## 2-7. Property Business

2. FY2022(the Fourth Business Plan)・The Fifth Business Plan (FY March 2023~FY March 2025)

**BELLUNA**

Unit: Billion Yen

	FY March 2022		FY March 2023		FY March 2024		FY March 2025	
	Net sales	Operating income						
<b>Income gain</b> Rental revenue from properties (including office buildings, stores)	2.20	1.24	2.24	1.17	5.25	2.39	5.86	2.45
<b>Capital gain</b> Property development and sales business	9.59	2.14	1.80	0.40	1.80	0.40	0.00	0.00
<b>Hotel business</b> Operate 4 hotels in Japan, 3 hotels overseas	8.46	-1.93	10.64	-0.40	13.49	0.71	15.03	1.40
<b>Others</b>	1.00	0.20	1.03	0.21	1.03	0.21	1.03	0.21
<b>Total</b>	<b>21.25</b>	<b>1.65</b>	<b>15.71</b>	<b>1.38</b>	<b>21.58</b>	<b>3.71</b>	<b>21.91</b>	<b>4.06</b>

- We expect a recovery in domestic tourism and inbound tourism from FY March 2023 in the Hotel Business.
- A large building complex is expected to open in Ginza in FY March 2024, which will lead to a further increase in profitability.

## 2-8. Returns to shareholders

Dividend of 19 yen per share to be paid. Dividends have been increasing for four consecutive years.

**BELLUNA**

<Annual dividends >

	FY March 2018	FY March 2019	FY March 2020	FY March 2021	FY March 2022(Plan)
EPS(yen)	99.41	106.39	60.62	114.17	129.31
Dividend(yen)	12.5	15.0	16.0	16.5	19.0

<Shareholder incentive program>

[Details]

	100 shares or more	500 shares or more	1,000 shares or more
Complimentary ticket for the general mail order business, complimentary coupons that can be used at Belluna online stores, or gift of assortment of gourmet food/wine products	For the value of 1,000 yen	For the value of 3,000 yen	For the value of 5,000 yen
Complimentary ticket for Urabandai Lake Resort	One pc	Two pcs	Four pcs
Complimentary ticket for Le Grand Kyu Karuizawa	One pc	One pc	One pc

[Eligible shareholders]

Shareholders who own at least 100 shares of the Company at the end of March and September (Twice a year)

\* Complimentary ticket for Le Grand Kyu Karuizawa is only provided once a year (issued in early December).



The fiscal year ending March 2022 is the final year of the Fourth Business Plan. We aim to exceed the Plan targets for the current fiscal year and make it a foothold for the Fifth Business Plan.

## <Important notice>

This material is prepared for the purpose of publicly disclosing information concerning the financial results 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 May 21, 2021. 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)