

**Supplementary  
Information for  
Financial Results  
of the First Quarter  
ended June 30, 2022**

**Belluna Co., Ltd.**

Stock code : 9997

***BELLUNA***

Friday July 29, 2022

# 1. Consolidated Statement of Income

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Net sales:53.44 Billion Yen. - 9.3% year on year.

Operating income:1.75 Billion Yen. - 0.56 Billion Yen year on year.

Ordinary income was 2.45 billion yen, down 0.21 billion yen year on year, due to an increase in foreign exchange gains. Net income came to 1.38 billion yen, down 0.28 billion yen year on year.

Unit: Billion Yen

Consolidated	FY March 2022/1Q	FY March 2023/1Q		FY March 2023
	Actual	Actual	YoY Change	Plan
Net Sales	58.93	53.44	-9.3%	219.00
Cost of Sales	24.61	21.35	-13.2%	-
Selling, General & Administrative Expenses	32.00	30.33	-5.2%	-
Operating income	2.32	1.75	-24.3%	15.00
Non-operating income and Expenses	0.34	0.70	102.9%	0.70
(Exchange rate-related gains and losses)	(0.02)	(0.44)	-	-
Ordinary income	2.66	2.45	-7.8%	15.70
Net income	1.66	1.38	-16.9%	10.60

## 2. Profitability by segment

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Net sales : Increased in three segments including Gourmet Food and Kimono-Related business.

Operating income: Increased in Apparel & Furniture, Goods, Kimono-Related business. It decreased in six segments including Property, Cosmetics and Health Food business.

- Operating income in the Apparel & Furniture, Goods segment increased thanks largely to reduced advertising expenses and the recovery of apparel stores.
- Net sales and operating income in the Property business decreased due to a reactionary fall from the sale of real estate in the previous year, despite growth in sales at hotels.
- The Cosmetics & Health Food segment incurred a fall in net sales and operating income due to an increase in COVID-19 cases in Taiwan and difficulty in the acquisition of new customers as a result of regulations for online advertising.

### Consolidated Net Sales and Operating Income by Segment

Unit: Billion Yen

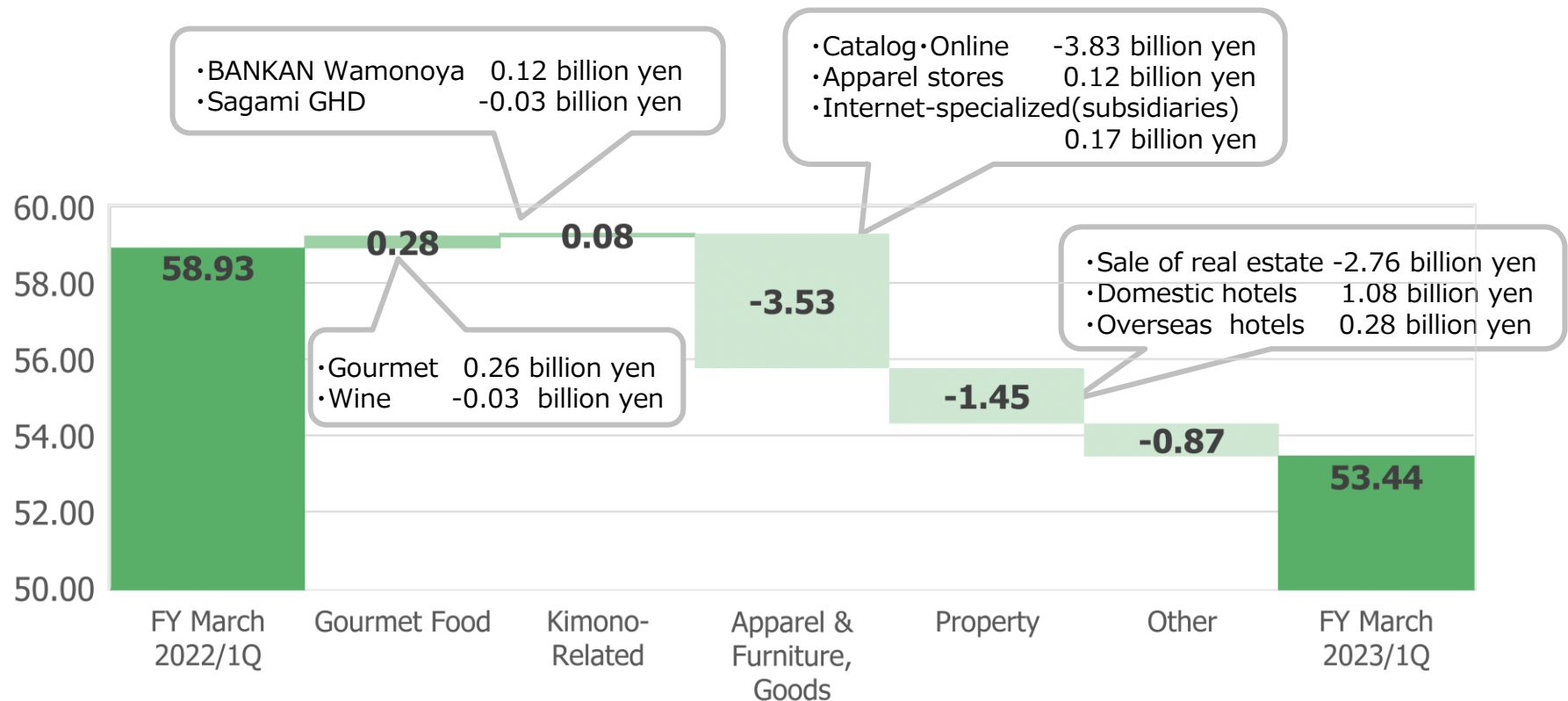
	FY March 2023/1Q									
	Apparel & Furniture, Goods	Cosmetics and Health Food	Gourmet Food	Nurse-Related	Database Use	Kimono-Related	Property	Other	Adjustments	Total
Net Sales	26.55	3.63	6.72	4.14	3.76	4.42	3.24	1.29	-0.29	53.44
YoY Change(%)	-11.7%	-13.6%	+4.4%	-6.1%	-2.8%	+1.8%	-31.0%	+8.0%	+3.4%	-9.3%
Operating Income	0.82	0.27	0.18	0.15	1.42	-0.81	-0.22	0.05	-0.12	1.75
YoY Change(billion yen)	0.43	-0.31	-0.15	-0.20	-0.05	0.06	-0.32	-0.01	-0.01	-0.56
Operating Income Ratio	3.1%	7.5%	2.7%	3.7%	37.9%	-18.4%	-6.8%	3.7%	40.1%	3.3%

# 3. Analysis of increases and decreases in sales

Net sales rose in the Gourmet Food segment thanks to an increase in new customers acquired through improved online advertising in the food business. Net sales decreased in the Apparel & Furniture, Goods segment as a result of prioritizing profit by reducing advertising expenses, while a slowdown in the responsiveness of existing customers continued due to the subsiding impact of COVID-19. Net sales in the Property business decreased because of a fall from the sale of real estate in the previous year, despite growth in sales from the operation of new hotels opened in the previous fiscal year.

## Factors for change in net sales

Unit: Billion Yen

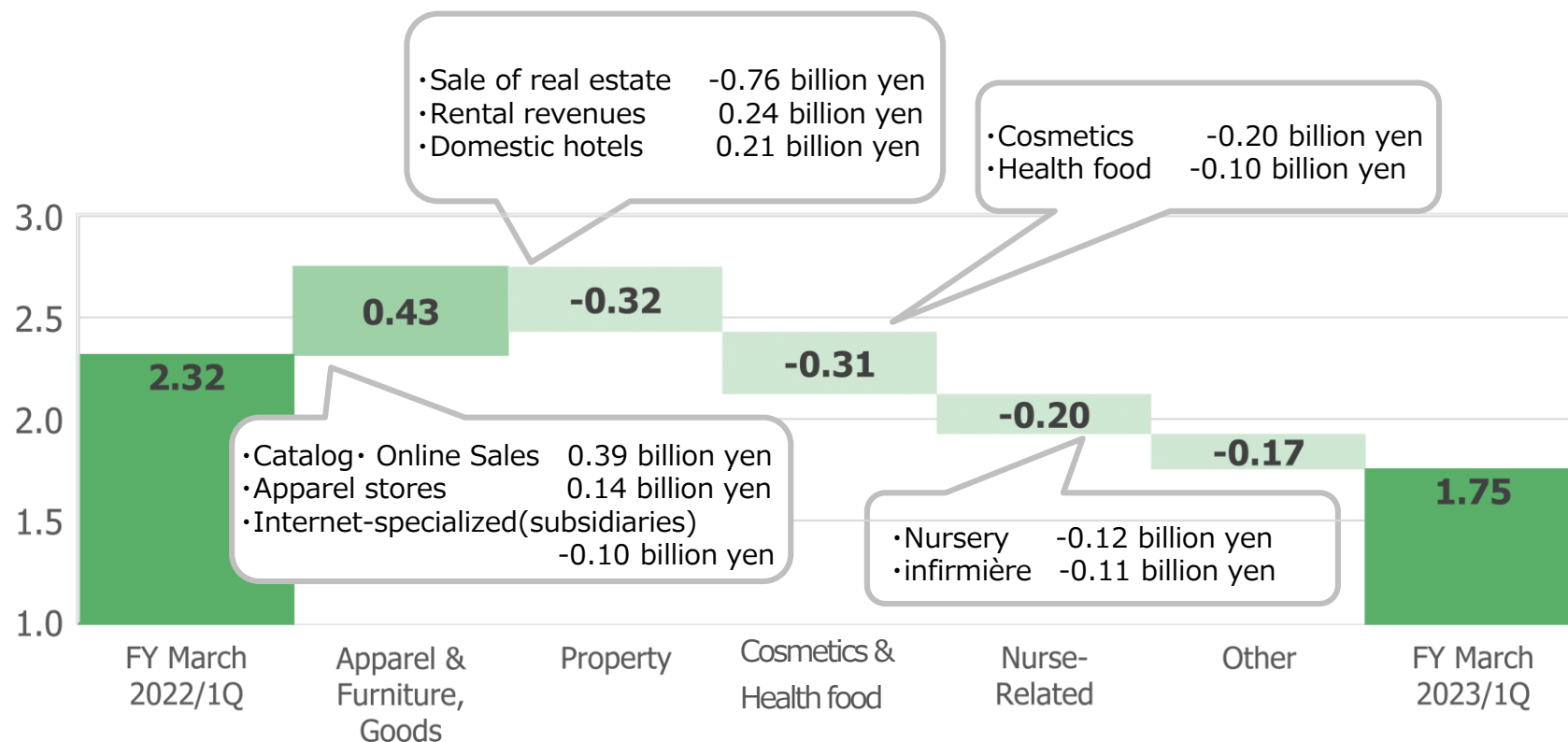


# 4. Analysis of increases and decreases in operating income

Operating income in the Apparel & Furniture, Goods segment increased thanks to the trend in the number of visitors to apparel stores, which had turned to recovery, in addition to the result of prioritizing profit by reducing advertising expenses. Operating income in the Cosmetics & Health Food segment fell due to the impact of an increase in COVID-19 cases in Taiwan on the local Cosmetics Sales Business and measures to increase the number of new customers acquired in the health food mail-order business. Net sales in the Property segment decreased due to a fall from the sale of real estate in the previous year despite growth in net sales from hotels.

## Factors for change in operating income

Unit: Billion Yen



# 5. Consolidated Balance Sheet

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In current assets, Cash and deposits – trade and merchandise and finished goods increased, among other assets. Fixed assets increased mainly in Tangible fixed assets. Meanwhile, notes and accounts payable – trade and interest bearing liabilities increased mainly in liabilities.

Unit: Billion Yen

	FY March 2022	FY March 2023/1Q	Change
Current Assets	118.13	121.45	3.32
Cash and deposits	28.59	30.33	1.74
Notes and accounts receivable - trade	10.67	11.36	0.69
Merchandise and finished goods	26.67	28.12	1.45
Fixed Assets	136.05	137.81	1.76
Tangible fixed assets	103.34	105.14	1.80
Investments and other assets	22.42	22.39	-0.03
Total Assets	254.18	259.27	5.09
Liabilities	135.13	139.74	4.61
Notes and accounts payable - trade	22.30	24.55	2.25
Accrued expenses	13.39	13.23	-0.16
Interest-bearing liabilities (excl. lease)	83.55	84.51	0.96
Net Assets	119.04	119.53	0.49
<b>[Shareholders' Equity Ratio]</b>	<b>[46.5%]</b>	<b>[45.8%]</b>	<b>[-0.7P]</b>

## <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, 2023. 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 29, 2022. 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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