

August 27, 2012

Dear Sirs:

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

Announcement on Company Split (Simplified Absorption-Type Company Split)

The Company hereby announces that a resolution was adopted at a meeting of the Board of Directors on August 27, 2012 to spin off its Finance Business into its wholly owned subsidiary Sunstage Co., Ltd., with which it concluded an agreement on an absorption-type company split today.

Since this is a simplified absorption-type company split in which the 100% wholly owned subsidiary is to take over the business, a portion of the disclosure items and details has been omitted.

Description

1. Purpose of company split

The company split is aimed at improving the efficiency of the entire Group's management resources and business operations by integrating the Company's Finance Business (consumer financing business) into the subsidiary Sunstage which operates financial services (collateralized financing business).

2. Summary of company split

(1) Timeline of Company Split

Board of Directors resolution approving absorption-type company split: August 27, 2012

Conclusion of Company Split Agreement: August 27, 2012

Scheduled date of company split (effective date): October 1, 2012 (scheduled)

(Note) The Company will not seek approval for a company split by a general meeting of shareholders as the absorption-type company split falls under the provisions of Article 784(3) of the Companies Act.

(2) Method of company split

This is an absorption-type (simplified absorption-type) company split in which the Company is the splitting company and Sunstage will serve as the succeeding company.

(3) Allocation related to company split

No allocation of shares is involved as Sunstage is the Company's wholly owned subsidiary.

(4) Handling of share options and bonds with share options of the Company

Not applicable

(5) Increase/decrease in capital due to company split

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The Company's capital will not increase or decrease due to the company split.

(6) Rights and obligations to be succeeded by the succeeding company

Sunstage will acquire the assets, liabilities, and other rights and obligations, as well as status under contract pertaining to the said business.

(7) Possibility of performing the obligations

The Company believes that the obligations that the Company and Sunstage will bear in this company split are likely to be performed. For all obligations to be transferred to the incorporated entity, the Company will use the concomitant assumption of obligation method.

3. Basic information about the parties to the company split

(1) Trade Name	BELLUNA CO., LTD (Splitting Company) (As of March 31, 2012)	SUNSTAGE Co., Ltd. (Succeeding Company) (As of March 31, 2012)
(2) Address of the head office	4-2, Miyamoto-Cho, Ageo City, Saitama Prefecture	1-7-11, Naka-Cho, Ageo City, Saitama Prefecture
(3) Title and name of the representative	President and CEO Kiyoshi Yasuno	President and CEO Yoshihisa Hasumi
(4) Description of business	Mail order business, outsourcing business, financial services business, others	Financial services business
(5) Capital	10,607 million yen	450 million yen
(6) Date of establishment	June 14, 1977	May 2, 2002
(7) Number of shares outstanding	56,592,274 shares	2,000 shares
(8) Fiscal Year-end	March 31	March 31
(9) Major Shareholders and shareholding ratio	Nihon Ribowaru Inc. 16.77% Friend Stage Co., Ltd. 12.84% Kiyoshi Yasuno 9.66% BBH for Fidelity Low Price Stock Fund 9.01% Japan Trustee Services Bank, Ltd. 6.43%	BELLUNA CO., LTD. 100.00%

(10) Financial position and results in the fiscal year immediately before the company split

	(Splitting Company)	(Succeeding Company)
Net assets	60,805 million yen (Consolidated)	427 million yen
Total assets	99,174 million yen (Consolidated)	4,108 million yen
Net asset per share	1,241.73 yen (Consolidated)	213,586.44 yen
Sales	110,300 million yen (Consolidated)	181 million yen
Operating income	7,406 million yen (Consolidated)	-248 million yen
Ordinary income	7,151 million yen (Consolidated)	-196 million yen
Net income	4,294 million yen (Consolidated)	-167 million yen
Net income per share	86.53 yen (Consolidated)	83,645.37 yen

4. Overview of the split business

(1) Description of the split business

Financial services business

(2) Financial results of the split business

The total sales of Finance Business(consumer financing business) is as follows.

Fiscal year ended March 2012: 1,638 million yen

(3) Assets, liabilities and amounts to be split (Estimated to occur on June 30, 2012)

Current assets	9,689 million yen
Fixed assets	50 million yen
Total assets	9,739 million yen
Liabilities	1,617 million yen

5. Status of the listed company after company split

(1) Company status

There will be no change in the trade name, the address of the head office, the title and name of the representative, description of business, capital, fiscal year-end or the number of shares outstanding.

(2) Succeeding company status (planned as of October 1, 2012)

(1) Trade name	Sunstage Co., Ltd.
(2) Address	1-7-28, Naka-Cho, Ageo City, Saitama Prefecture
(3) Title and name of the representative	President and CEO Yoshihisa Hasumi
(4) Description of business	Financial services business
(5) Capital	10 million yen
(6) Fiscal year-end	March 31
(7) Number of shares outstanding	2,000 shares

(3) Future outlook

The impact of this company split on the Company's consolidated financial results will be negligible.

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