

October 30, 2023

Dear Sirs:

Name of Company : BELLUNA CO., LTD.

Code No.: 9997 PRIME Section of the Tokyo Stock  
Exchange

### Notice of a Revision to the Financial Results Forecast

BELLUNA CO., LTD. (the “Company”) announced that it has revised its financial results forecast for the fiscal year ending March 31, 2024, announced on May 12, 2023, following its latest performance. Details are as follows.

#### Description

#### 1. Revision to the consolidated financial results forecast for the fiscal year ending March 31, 2024

(April 1, 2023~March 31, 2024)

	Net Sales	Operating income	Ordinary Income	Net income attributable to owners of parent	Net income per share
	Million yen	Million yen	Million yen	Million yen	yen
Previous forecast (A)	219,000	14,000	14,700	9,400	97.22
Revised forecast (B)	208,500	10,000	11,000	7,000	72.39
Change (B – A)	-10,500	-4,000	-3,700	-2,400	-
Percentage change (%)	-4.8%	-28.6	-25.2	-25.5	-
(Reference) Results in fiscal year ended Mar. 2023	212,376	11,217	12,459	7,417	76.71

#### 2. Reason for the revision

Net sales and operating income in the fiscal year ending March 31, 2024 are expected to be significantly lower than initially forecasted for the reasons described below. As a result of the lower-than-expected operating income, ordinary income and net income attributable to owners of parent are also expected to fall short of the initial forecast.

(Details of the reason)

- In Apparel & Goods, purchasing costs increased due to the weakening of the yen and a surge in prices of materials and other resources, resulting in a price increase for the Company’s merchandise. As a result, while value per order received increased, existing customers’ responses slowed down. Moreover, in order to increase profitability, the Company reduced print materials for promotions as expenses for sales promotions, including paper and printing costs, increased. As a result, both the number of new customers and the number of active customers decreased. For these reasons, net sales and operating income will be 4,878 million yen and 2,685 million yen lower respectively than initially forecasted.

The Company has started to review its pricing strategy, and there are signs of an improvement in customers’ responses.

- In the Property Business, the occupancy rate and the average daily rate for rooms at the existing hotels improved,

# **BELLUNA**

---

reflecting a recovery in demand for accommodation. Additionally, new hotels opened in Japan. As a result, both net sales and income increased in the hotel business. Meanwhile, the planned overseas real estate sale will likely be postponed to the next fiscal year or later due to the weakening of the yen. Consequently, net sales and operating income will be 2,324 million and 611 million yen lower respectively than initially forecasted.

Despite the revision to the financial results forecast, the dividend forecast remains unchanged.

(Note) The forward-looking statements, including results forecasts, in this document are based on information available on the date of publication. Actual results may differ from the forecasts due to various factors.

- END -

For inquiries about this notice, please contact the department below.

Executive Corporate Planning Department, Belluna Co., Ltd.

(TEL: 048-771-7753)