

Bell-Park

Results of Operations

Six months ended June 30, 2007

August 10, 2007

Bell-Park Co., Ltd.

JASDAQ

(Stock code: 9441)

<http://www.bellpark.co.jp/>

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“Interim 2007 Financial and Operating Summaries”

I Interim Financial Highlights

I-1 Consolidated Highlights

Summary of First Half of 2007

- SoftBank's introduction of highly appealing new handsets and innovative rate plans sparked an increase in demand from first-time subscribers.
To benefit from this trend, Bell-Park took full advantage of its network of shops with prime locations in the Kanto and Tokai regions, which is one of the company's key strengths. Bell-Park also focused on recruiting and training sales personnel and conducting effective sales activities. These efforts to fully capitalize on opportunities produced growth in the number of handsets sold. The result was record earnings for a six-month period based on ordinary income.
- Bell-Park opened 11 shops during the first half of 2007, raising the number of SoftBank Shops to 70 at the end of June 2007.
- In the staffing services business, expenses associated with the opening of an office in Nagoya caused a small operating loss of 2 million yen.
- Other business became profitable as Bell-Park raised operating efficiency by relocating the Shinjuku call center in February and significantly downsizing operations.

Overall, first half consolidated ordinary income amounted to 1,262 million yen (346.9% of the previous year's level).

Analysis of First Half Consolidated Results

(million yen, %)

	1H 2006		1H 2007		YoY change		Remarks
	Amount	Comp.	Amount	Comp.	Amount	Comp.	
Net sales	11,610	100.0	15,041	100.0	+3,430	+29.5	1) Mobile: +3,446 Mainly reflects increase in the number of new mobile phones sold 2) Staffing: +230 Increases in the number of individuals to assignment and sales bases 3) Other: -246 Decline in fixed-line service sales
Gross profit	2,443	21.1	3,586	23.8	+1,142	+46.8	1) Mobile: +1,347 Increases in the number of new mobile phones sold and gross profit per unit 2) Staffing: +47 Increases in the number of individuals to assignment 3) Other: -252 Decline in fixed-line service sales
SG&A expenses	2,086	18.0	2,324	15.4	+237	+11.4	1) Mobile: +507 Personnel +173, outsourcing +128, rent +42, supplies +35, recruiting +33, others +96 2) Staffing: -16 Personnel -23, outsourcing -6, recruiting +12, others +1 3) Other: -266 Decline in personnel and outsourcing expenses due to downsizing the business 4) Administrative: +1 Larger workforce in administration division, etc.
Operating income	356	3.1	1,262	8.4	+905	+253.7	Same as above reasons
Ordinary income	363	3.1	1,262	8.4	+898	+246.9	Same as above reasons
Extraordinary income (loss)	0.8	0.0	25	0.1	+25	+2807.0	Gain on sale of fixed assets +12, Gain on transfer of business +18, Loss on sale of investment securities -3
Income before income taxes	364	3.1	1,288	8.6	+923	+253.1	Same as above reasons
Net income	194	1.7	616	4.1	+421	+216.4	Same as above reasons

I Interim Financial Highlights

I-2 Business Results by Operating Segment

First Half Operating Results by Business Segment

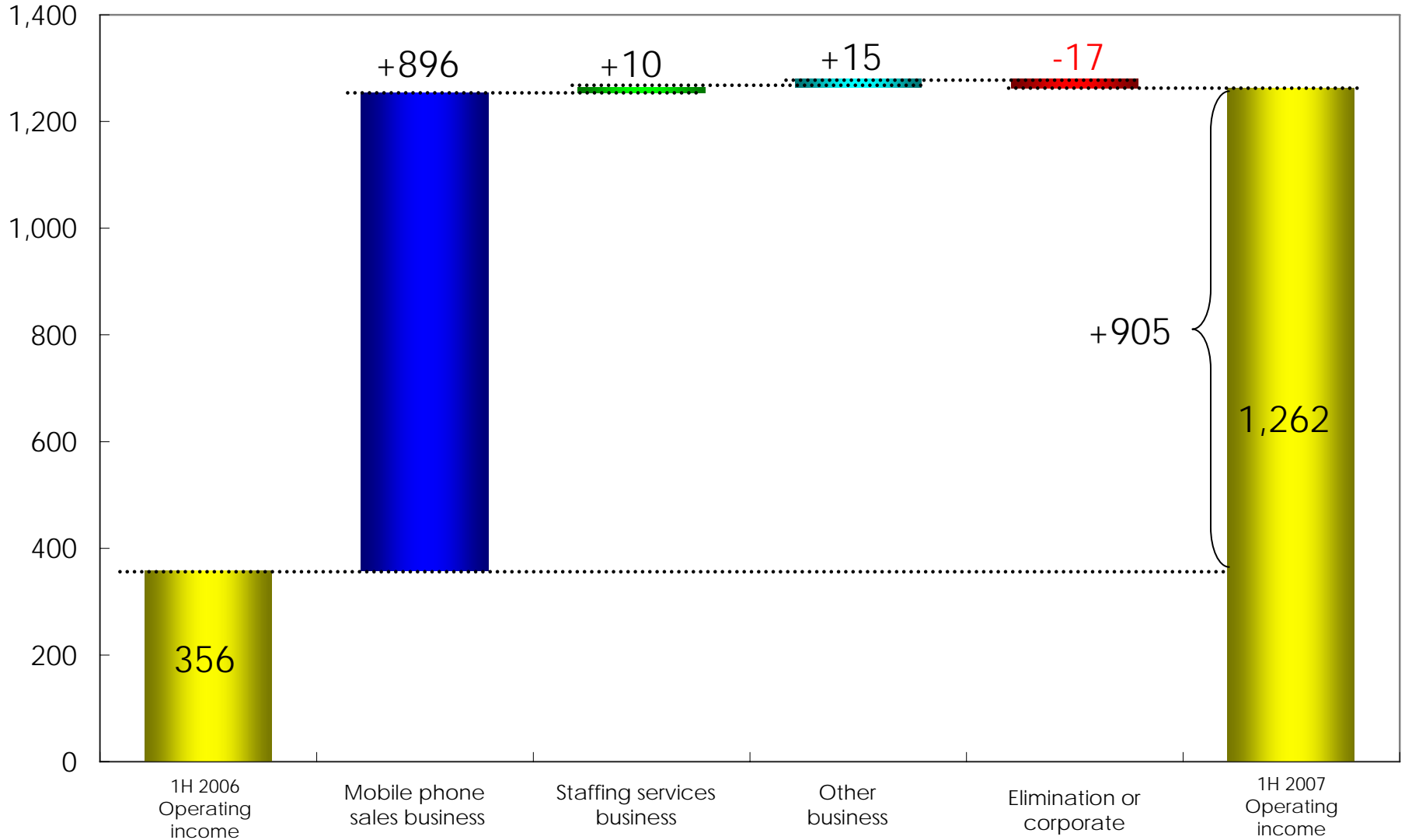
A discussion of operating segment performance begins on the following page.

(million yen, %)

	1H 2006 Results		1H 2007 Results		YoY change		1H 2007 Initial Plan		1H 2007 Achievement ratio	
	Net sales	Operating income	Net sales	Operating income	Net sales	Operating income	Net sales	Operating income	Net sales	Operating income
Mobile phone sales business	10,663	583	14,109	1,480	+32.3	+153.6	12,850	1,080	109.8	137.1
Staffing services business	714	-12	889	-2	+24.4	-	900	2	98.8	-
Other business	364	-2	117	13	-67.7	-	100	-5	117.5	-
Elimination or corporate	-131	-212	-75	-229	-	-	-50	-287	-	-
Consolidation	11,610	356	15,041	1,262	+29.5	+253.7	13,800	790	109.0	159.8

Factors Affecting Profitability by Business Segment

(million yen)



Mobile Phone Sales Business

Mobile Phone Sales Business: Summary

(million yen)

	1H 2006 Results	1H 2007 Results	YoY change (%)	* 1H 2007 Initial plan	1H 2007 Achievement ratio
Net sales	10,663	14,109	+32.3%	12,850	109.8%
Operating income	583	1,480	+153.6%	1,080	137.1%

* Figures announced at the information meeting for 2006 operating results.

First Half of 2007 – Operating Environment

- SoftBank has been taking many actions aimed at growth. The company has introduced many types of new handsets, started offering two innovative rate plans (White Plan and Double White Plan), opened more shops and taken other actions.

Due to these activities, SoftBank achieved the largest net increase in subscribers among Japan's mobile carriers in May and June.

First Half of 2007 – Initiatives and Achievements

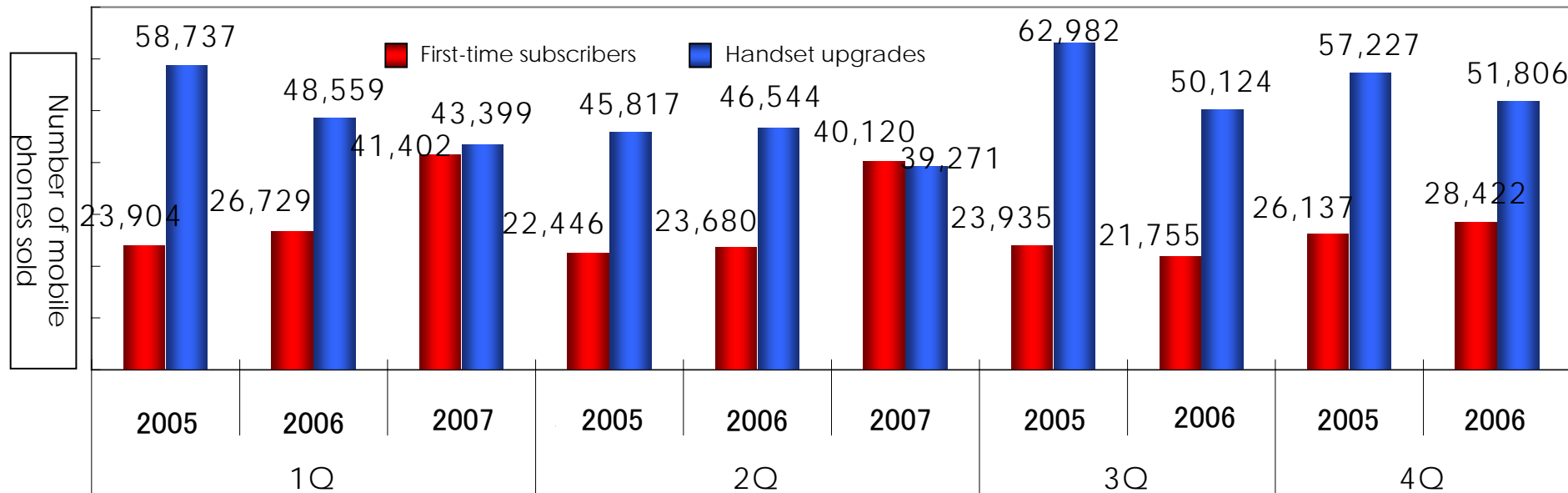
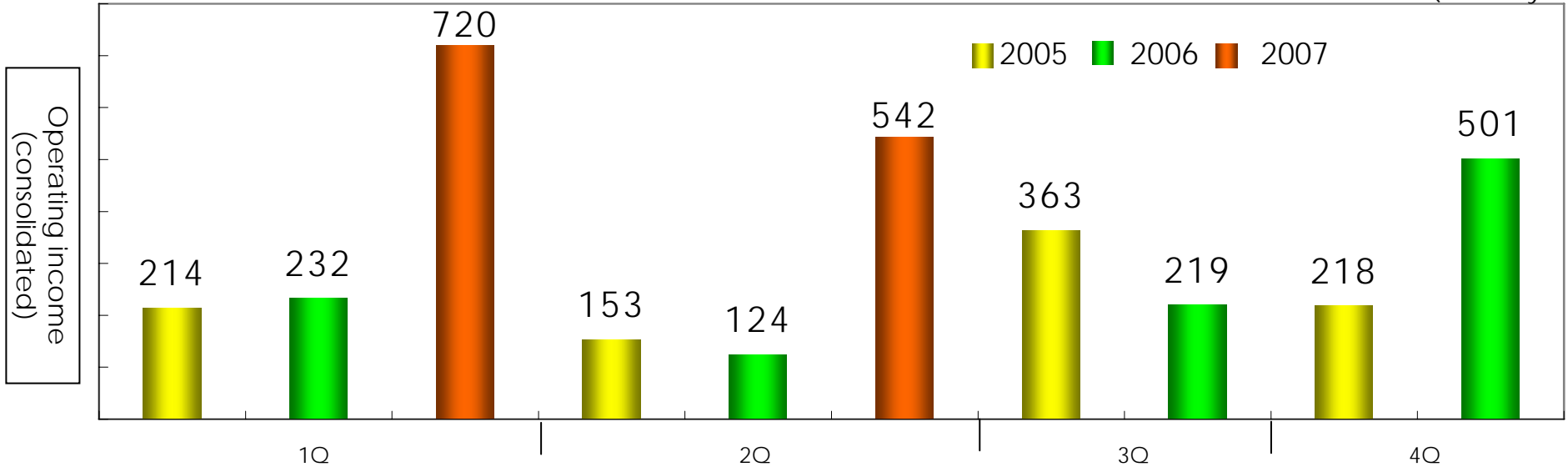
- In line with its policies, Bell-Park opened 11 shops, strengthened corporate sales activities, and stepped up recruiting and training activities.

In conjunction with SoftBank's policy of rapidly opening new shops, Bell-Park opened 11 shops during the first half of 2007 (three in March, one in April and seven in June). In addition, Bell-Park worked on developing ties with new corporate customers. Bell-Park believes there is much growth potential in this market. Furthermore, SoftBank recently introduced a rate plan specifically for companies. Bell-Park continued to concentrate on recruiting workers while upgrading its training programs, such as by increasing the number of instructors.

- These activities produced a 153.6% increase in operating income to 1,480 million yen.

Quarterly Sales and Operating Income

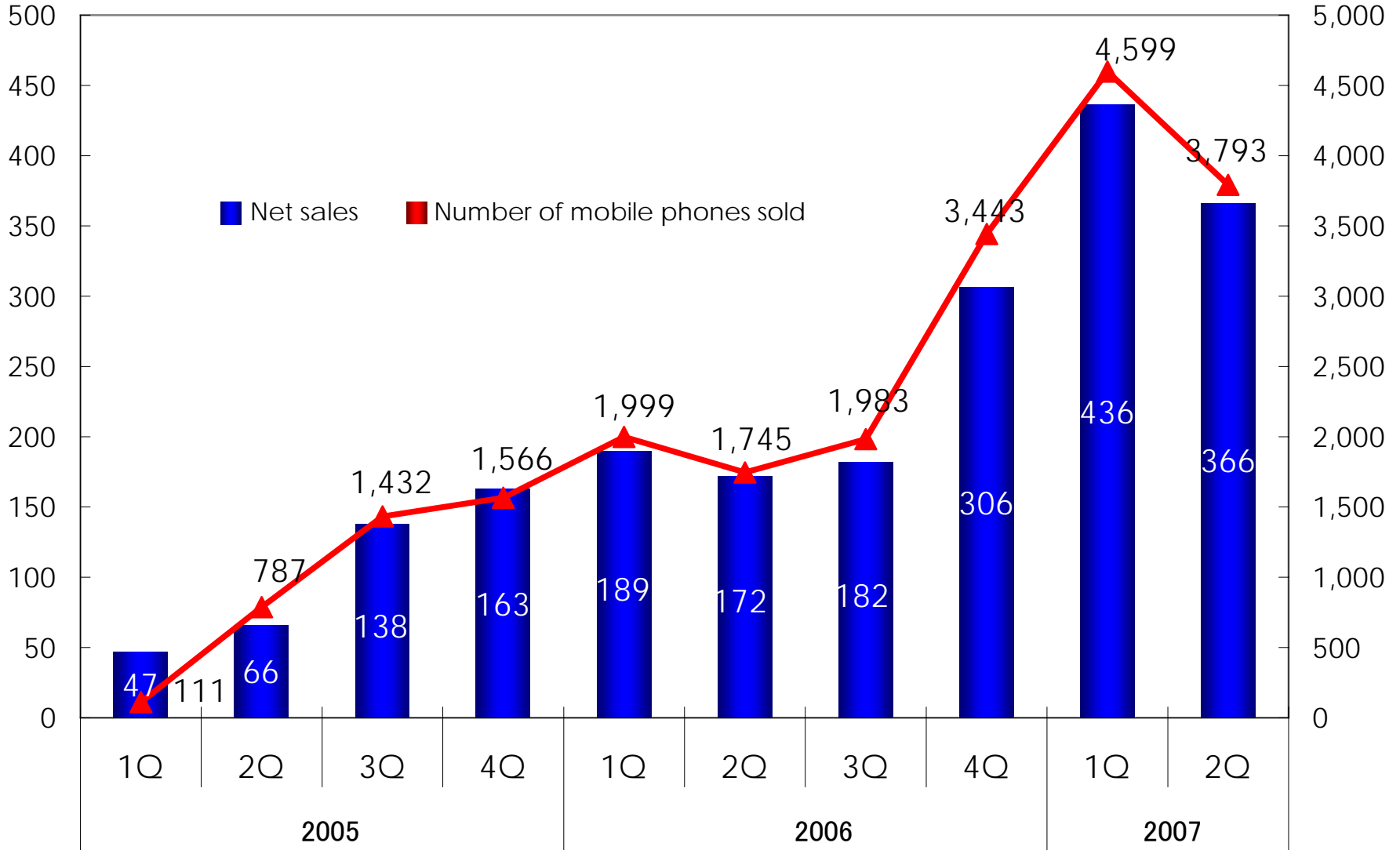
(million yen)



Corporate Sales

(million yen)

(Unit)



Staffing Services Business

Staffing Services Business: Summary

(million yen)

	1H 2006 Results	1H 2007 Results	YoY change (%)	* 1H 2007 Initial plan	1H 2007 Achievement ratio
Net sales	714	889	+24.4%	900	98.8%
Operating income	-12	-2	-	2	-

First Half of 2007 – Operating Environment

* Figures announced at the information meeting for 2006 operating results.

- Due in part to growth in the number of shops by mobile carriers, there is a consistent shortage of workers at all mobile phone sales agents. The result is consistently strong demand for sales personnel staffing services. However, recruiting individuals to fill these sales positions is difficult because of the low level of unemployment in Japan.

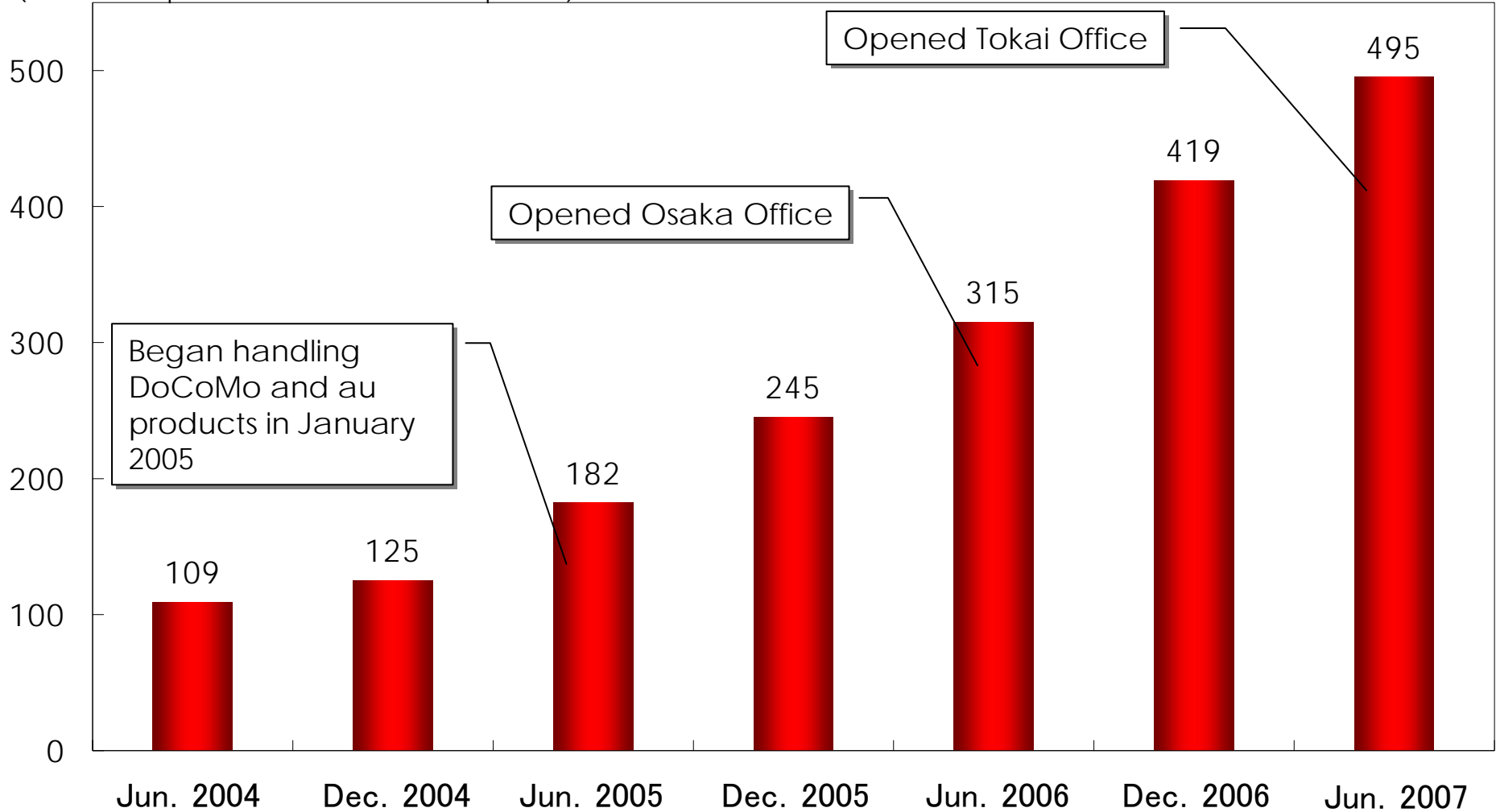
First Half of 2007 – Initiatives and Achievements

- There was an increase of 76, or 18%, in staffing services personnel during the first half, due in part to the new Nagoya office. Sales increased along with the growth in personnel (up 24.4% year-on-year).
- Expenses associated with opening the new Nagoya office caused an operating loss of 2 million yen, compared with a 12 million yen operating loss one year earlier.

Staffing Services Business: Track Record

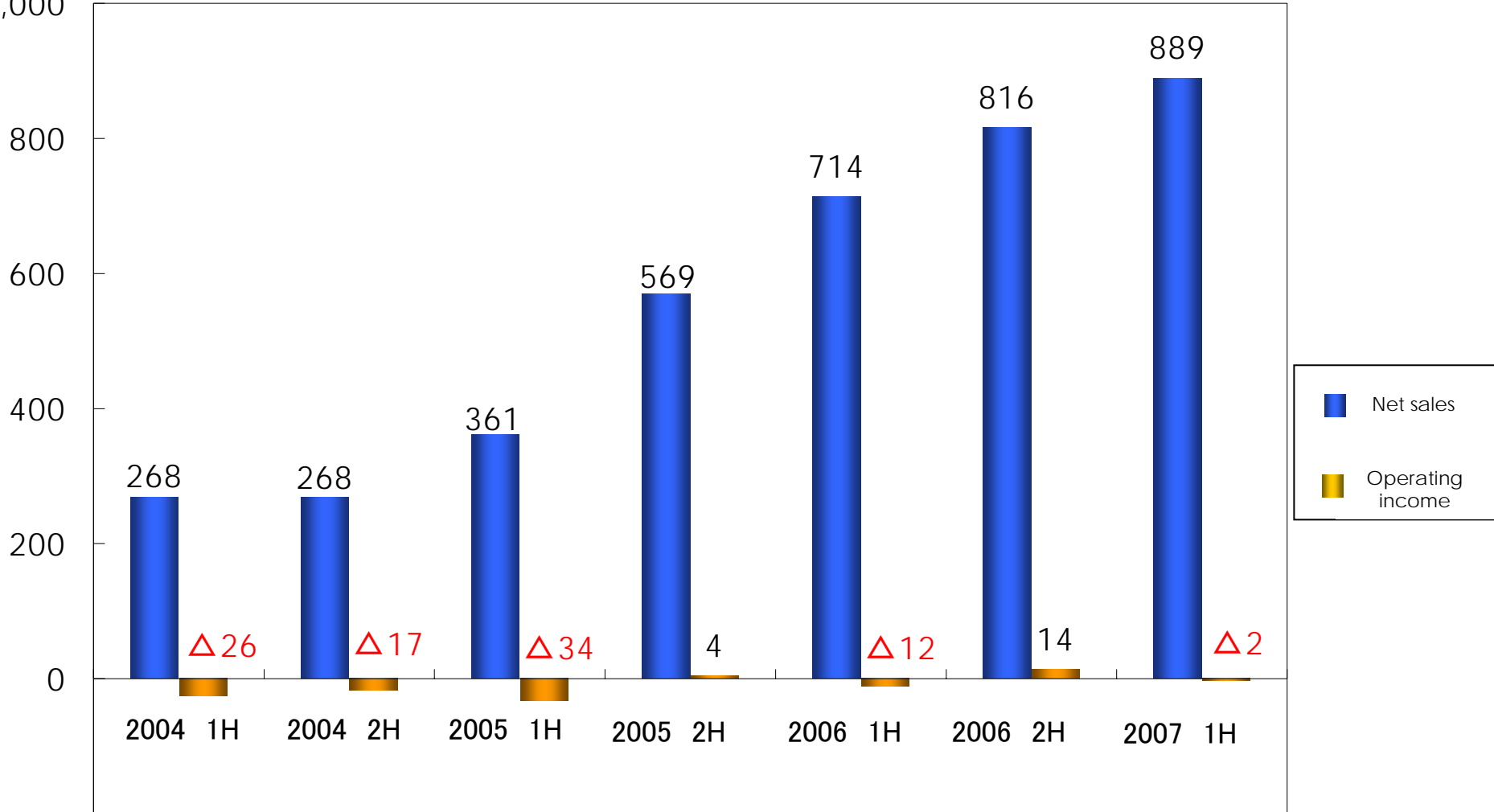
YoY growth in personnel placed of 18% as of the end of June 2007
(from 419 in December 2006 to 495 in June 2007)

(Number of placement at the end of period)



Staffing Services Business: Sales and Earnings (Semi-annual)

(million yen)
1,000



II Second Half of 2007 Management Policies

Outlook for Second Half of 2007

➤ Japan's mobile communications market

In response to SoftBank's White Plan, DoCoMo and au introduced their own reduced rate plans (for subscribers who remain for at least two years) in the second half of 2007. There is also heated competition involving handsets. Beginning with summer models, carriers are unveiling slim handsets, handsets with unique functions and other innovative handsets. These events indicate that competition among carriers will become even more heated as they introduce winter handset models for the year-end selling season. In the first half of 2007, industry observers expected au to come out far ahead of other carriers. But SoftBank ended up ranking first in net subscriber growth for two consecutive months. The year's second half will mark the first anniversary of Japan's introduction of the number portability system. With full-scale competition expected to begin, it is currently impossible to determine how the mobile phone market will change during the remainder of 2007.

➤ Reinforced sales activities at SoftBank

SoftBank is deepening ties with high-volume retailers while opening more of its own mobile phone shops. In the second half of 2007 as well, Bell-Park foresees more opportunities to increase earnings by opening more shops.

However, other mobile phone sales agents are opening shops near Bell-Park shops in some instances. The loss of some customers to these nearby shops may lower earnings per shop at Bell-Park.

➤ Shortage of mobile phone sales personnel

An even more severe shortage of mobile phone sales personnel is foreseen. Falling unemployment in Japan is causing many individuals to move to jobs in other business fields just as growing competition among mobile phone carriers is raising the number of sales personnel needed. Since Bell-Park is already losing some sales opportunities because of a shortage of sales personnel, the ability to recruit workers will be even more critical to success in the second half of 2007.

Bell-Park Group Management Policies for 2H 2007

Medium-term goals and initiatives

Survive and win in the mobile phone sales business



- Make shops more profitable
- Increase corporate sales activities

Establish presence in associated businesses



- Enlarge the scope of staffing services
- Start selling luxury mobile handsets

2H 2007 policies for mobile phone sales

1) New store openings
/Increase sales at existing shops

2) Focus on corporate market

3) Reinforce measures to recruit and train workers

2H 2007 policies for staffing services

1) Strengthen staffing services for mobile phone sales

2) Increase staffing services workforce at regional offices

Business Segment Strategies: Mobile Phone Sales Business

1) New store openings/Increase sales at existing shops

Aggressively target opportunities for new shops created by SoftBank's sales channel policy and increase earnings at existing shops by adding and refurbishing counters and taking other actions. Also consider moving or closing unprofitable shops.

2) Focus on corporate market

Continue to target the corporate market, which has immense growth potential, as competition with other mobile phone sales agents becomes more heated.

Increase sales to corporate users by building a more powerful framework for maximizing opportunities in the corporate market, including the use of rate plans created by SoftBank for this market.

3) Reinforce measures to recruit and train workers

All mobile phone shops are finding it difficult to recruit personnel because of demand created by heated competition among carriers.

Skills of sales personnel and the ability to provide personnel will have a big impact on earnings. In response, Bell-Park is working hard on recruiting workers and has enhanced training programs by opening a training center in January 2007. These actions are expected to increase the retention rate and capabilities of workers.

1) Strengthen staffing services for mobile phone sales

Demand is expected to grow even more in Bell-Park's core mobile phone sales personnel business because all mobile phone sales agents are facing labor shortages.

At the same time, attracting workers for staffing service positions is more difficult as Japan's economy recovers. In response, Bell-Park is taking actions to improve recruiting activities.

2) Increase staffing services workforce at regional offices

Concentrate on the core mobile phone sales personnel workforce and increase the number of staffing services personnel affiliated with the new Osaka and Nagoya offices.

The VERTU Luxury Mobile Handset Business

Bell-Park signed a sales agent agreement with VERTU in June 2007 to become the exclusive distributor in Japan of its luxury mobile handsets.

For many years, the Bell-Park Group has positioned the mobile phone sales business as its core source of earnings. The Group has achieved significant growth as the exclusive sales agent of SOFTBANK MOBILE. By starting sales of luxury mobile handsets, Bell-Park aims to diversify its operations and profit structure.

Bell-Park plans to start selling VERTU luxury mobile handsets in the fall of 2008, so there will be no effect on performance in 2007. During the second half of 2007, Bell-Park will begin preparing for the launch of this business, such as by locating suitable locations for shops and taking other actions.

Profile of VERTU

VERTU is the brand used by the luxury mobile handset business of Nokia Corporation, which is based on Finland (Head office: Espoo, Finland, Chairman: Olli-Pekka Kallasvuo). VERTU is currently the world's leading brand for high-end handsets. Each VERTU handset is built by hand in England by highly skilled craftsmen. The handsets are sold in 48 countries at shops that handle only VERTU products, at more than 370 shops that also sell jewelry and luxury watches, and at department stores.

For more information: <http://www.vertu.com>

III 2007 Earnings Plan

2007 Earnings Plan

(million yen)

	1H 2007 Results		FY2007 Revised plan (August)	
	Net sales	Operating income	Net sales	Operating income
Mobile phone sales business	14,109	1,480	28,200	2,540
Staffing services business	889	-2	2,000	20
Other business	117	13	250	20
Elimination or corporate	-75	-229	-150	-480
Consolidation	15,041	1,262	30,300	2,100

IV Supplementary Material

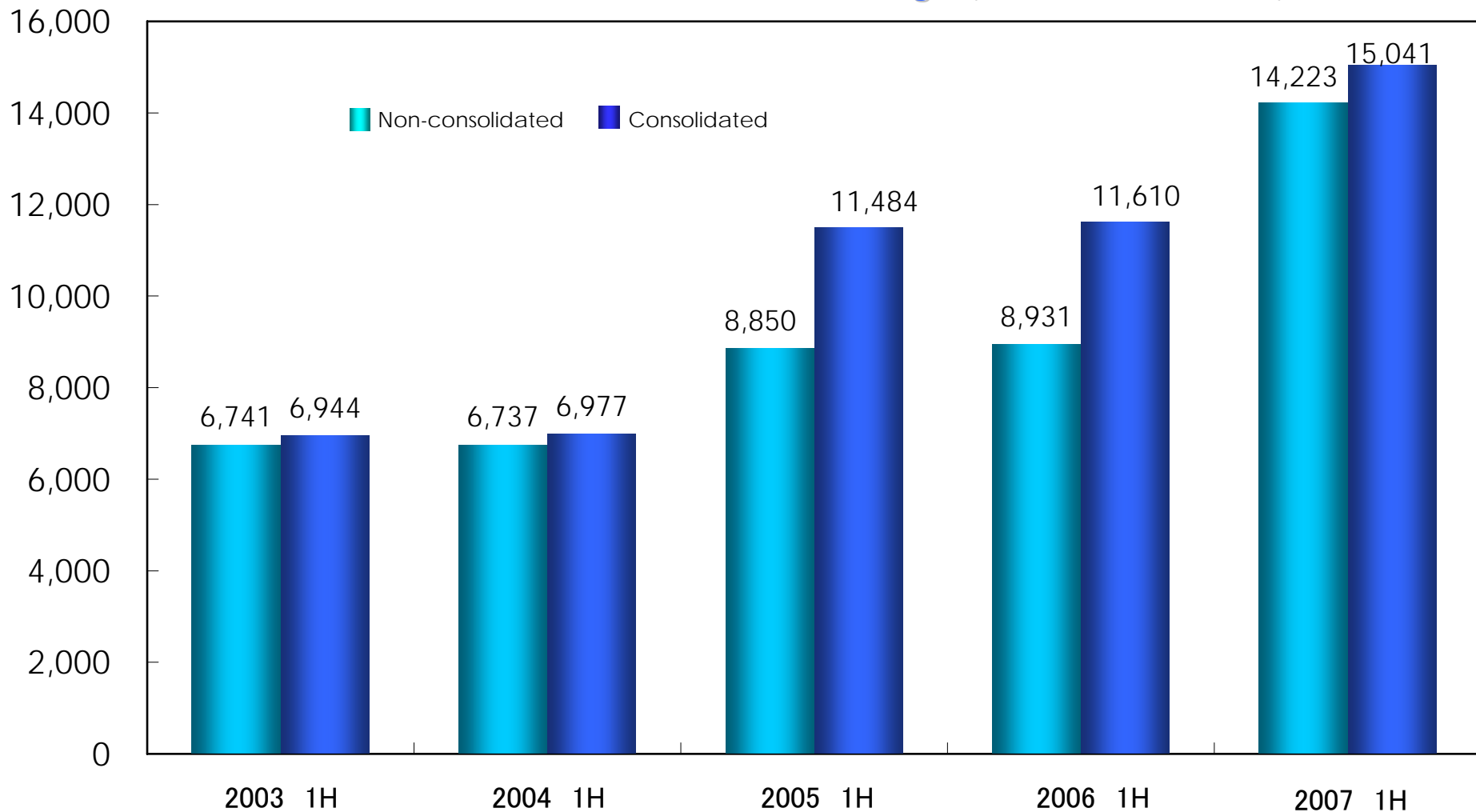
IV-1 2007 Financial Summaries

1. Net Sales (Consolidated, Non-consolidated)

(million yen)

YoY change (Consolidated): 129.5%

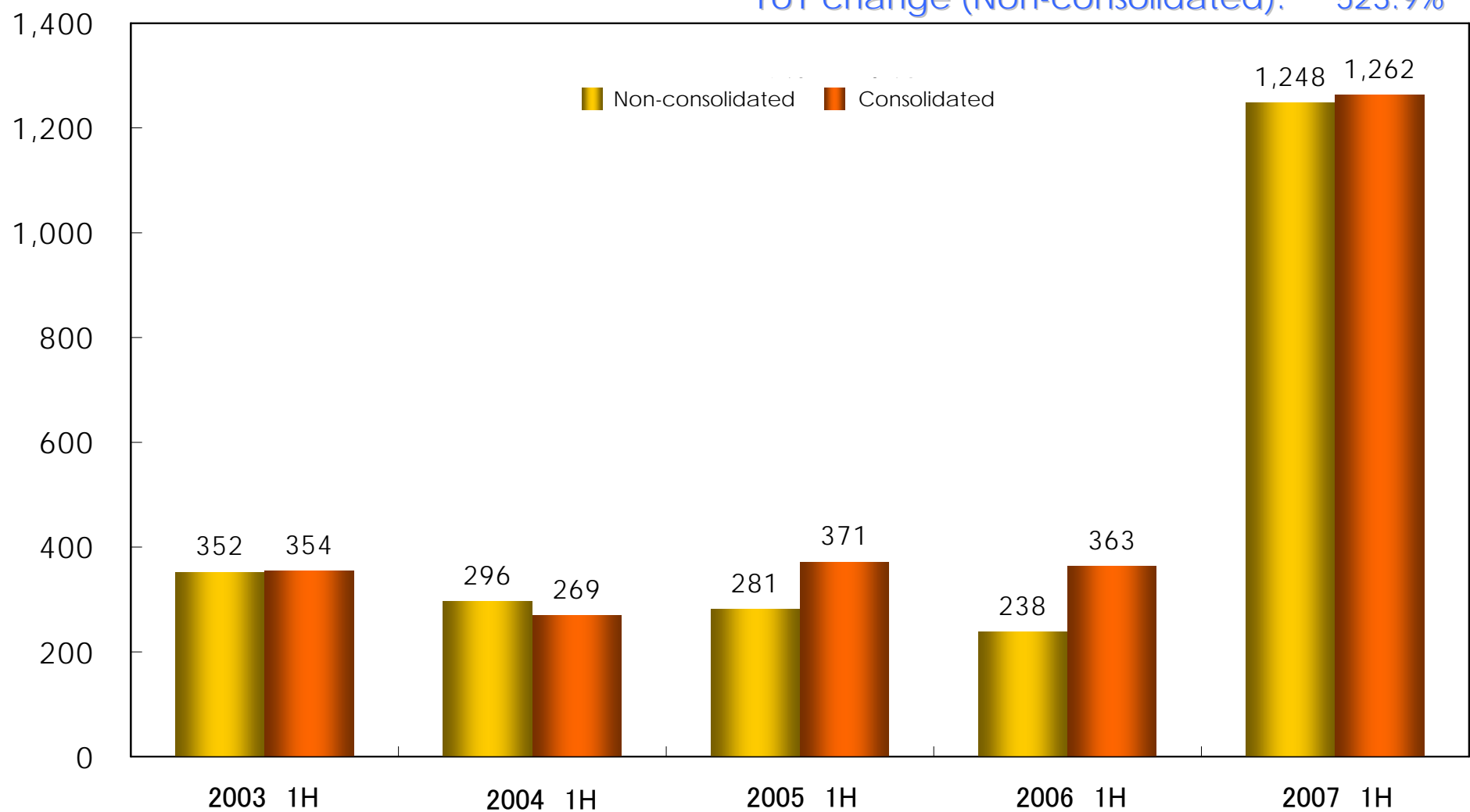
YoY change (Non-consolidated): 159.2%



2. Ordinary Income (Consolidated, Non-consolidated)

(million yen)

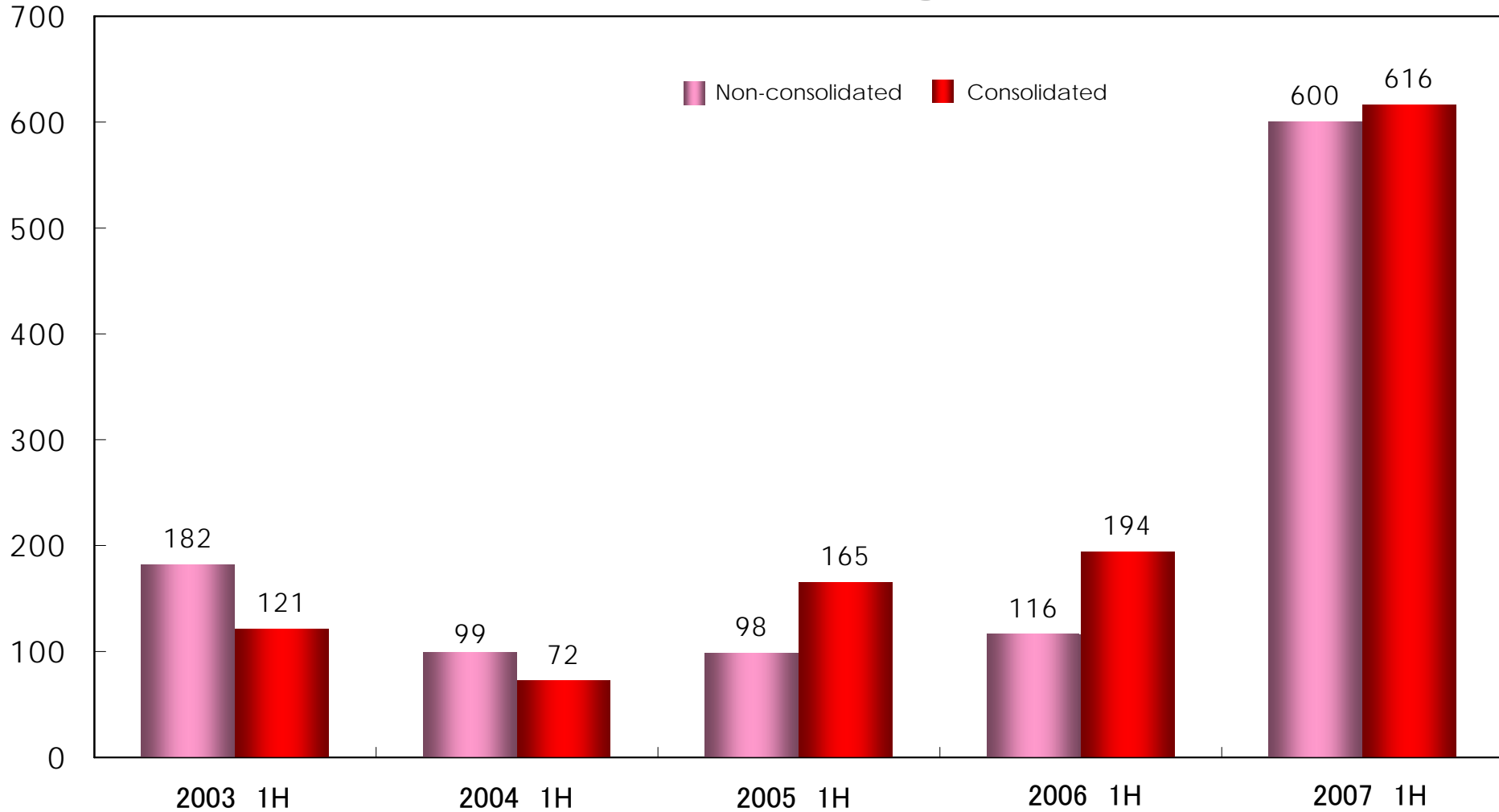
YoY change (Consolidated): 346.9%
YoY change (Non-consolidated): 523.9%



3. Net Income (Consolidated, Non-consolidated)

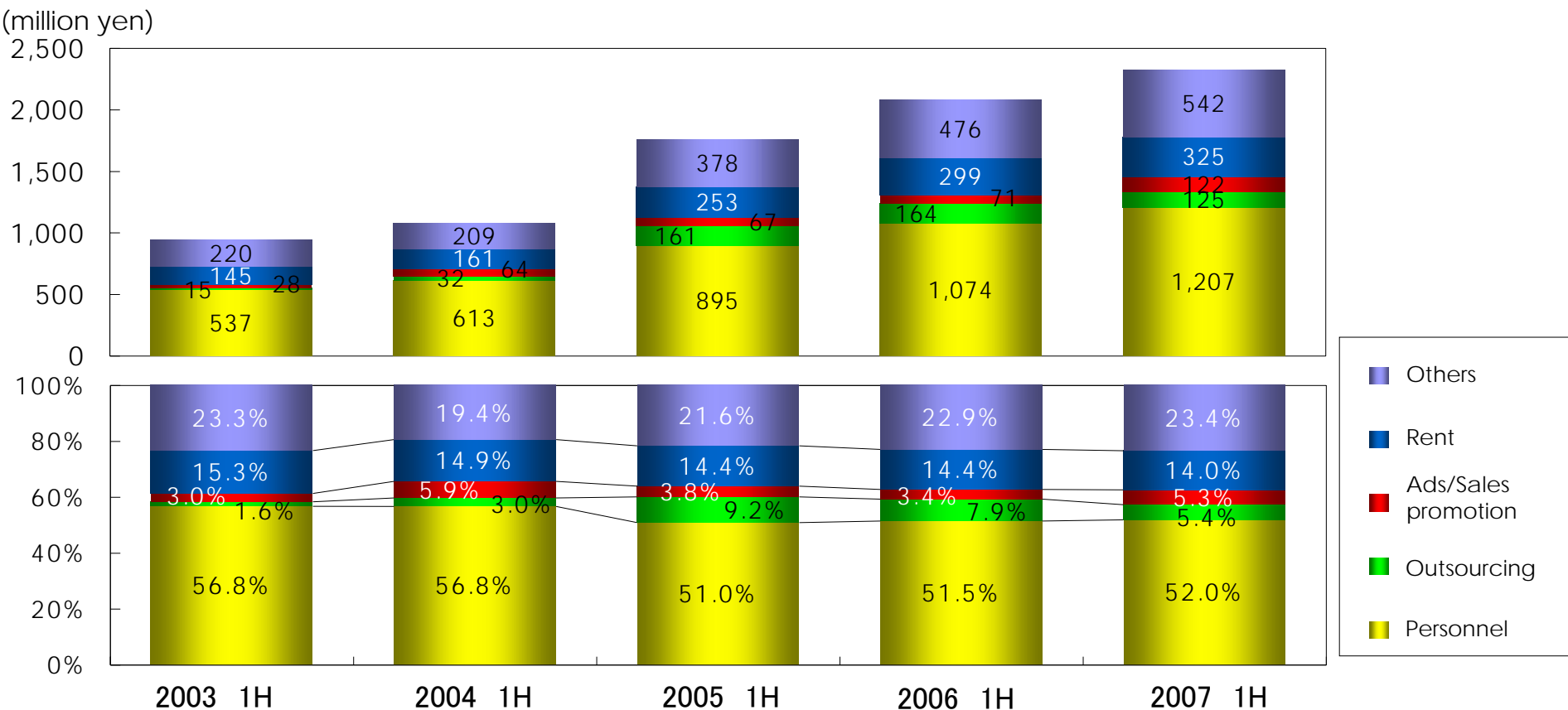
YoY change (Consolidated): 316.4%
YoY change (Non-consolidated): 517.1%

(million yen)



4. SG&A Expenses (Consolidated)

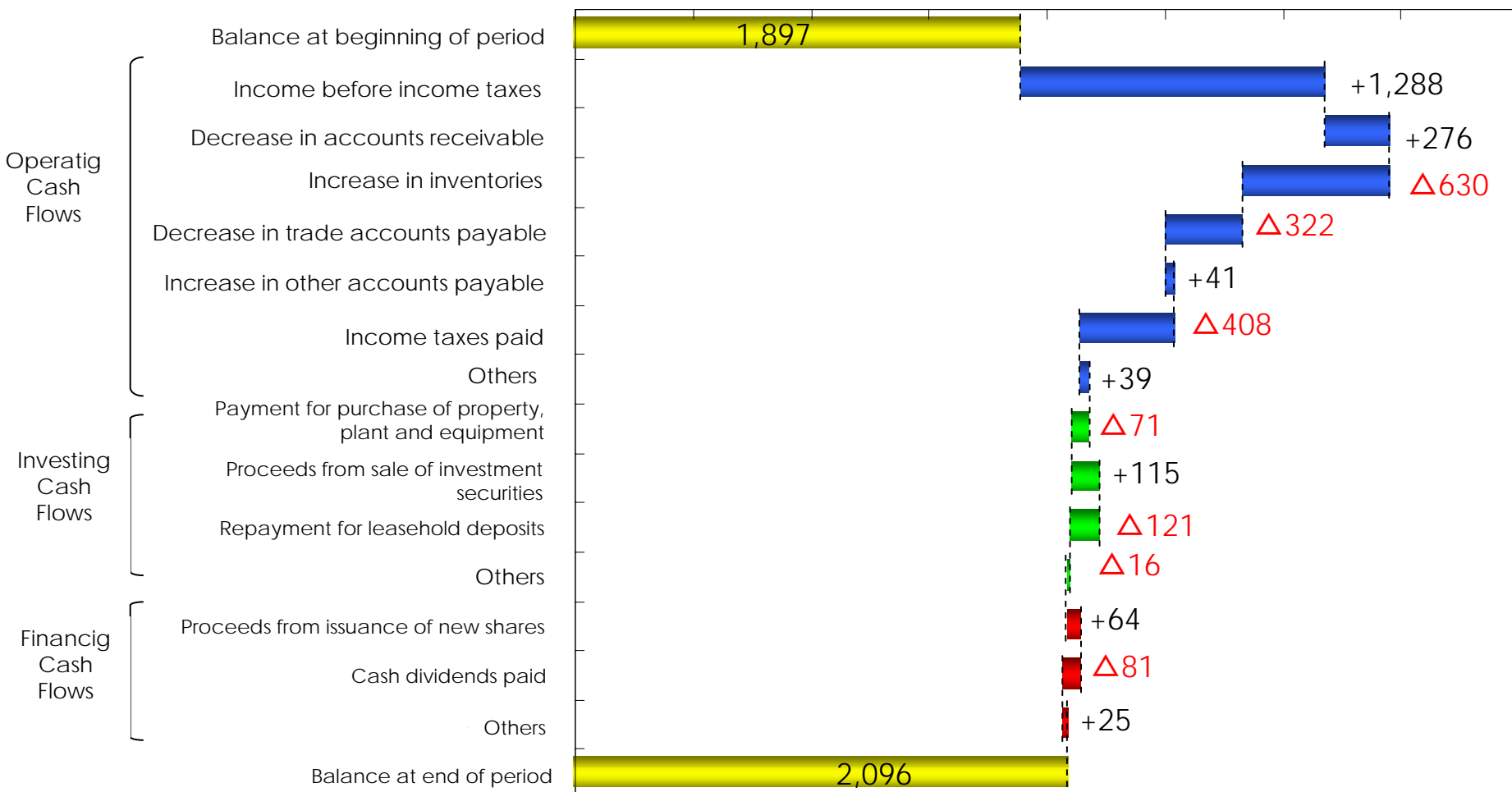
1H 2003	1H 2004	1H 2005	1H 2006	1H 2007	Accounting Period
1,292	1,339	2,123	2,443	3,586	Gross profit (million yen)
537	613	895	1,074	1,207	Personnel (million yen)
946	1,080	1,755	2,086	2,324	SG&A (million yen)
2.40	2.19	2.37	2.27	297	Gross profit/Personnel
1.37	1.24	1.21	1.17	1.54	Gross profit/SG&A



5. Composition of Cash Flows (Consolidated)

(million yen)

0 500 1,000 1,500 2,000 2,500 3,000 3,500 4,000

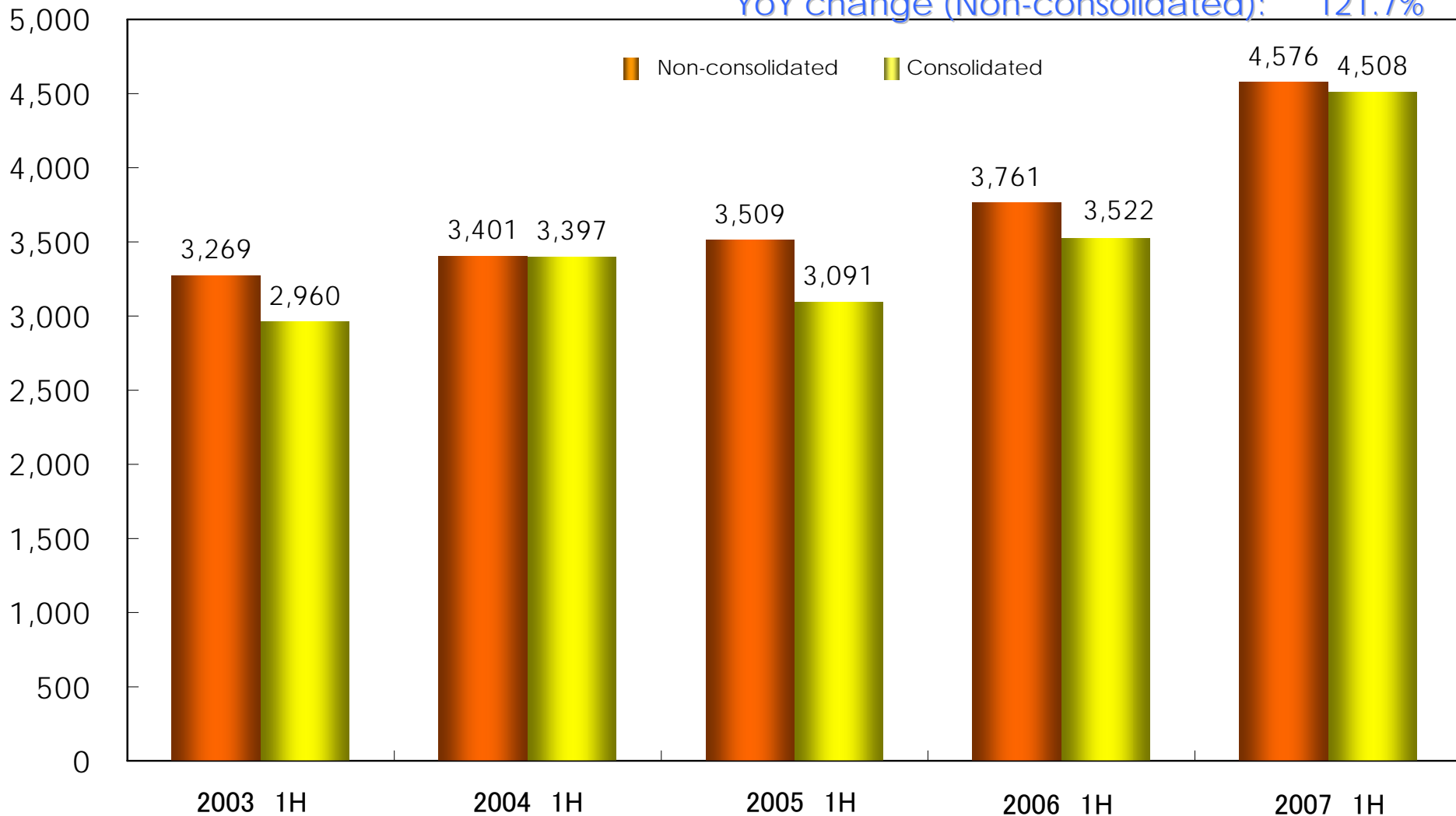


6. Net Assets (Consolidated, Non-consolidated)

YoY change (Consolidated): 128.0%

YoY change (Non-consolidated): 121.7%

(million yen)



7. Financial Indicators (Consolidated)

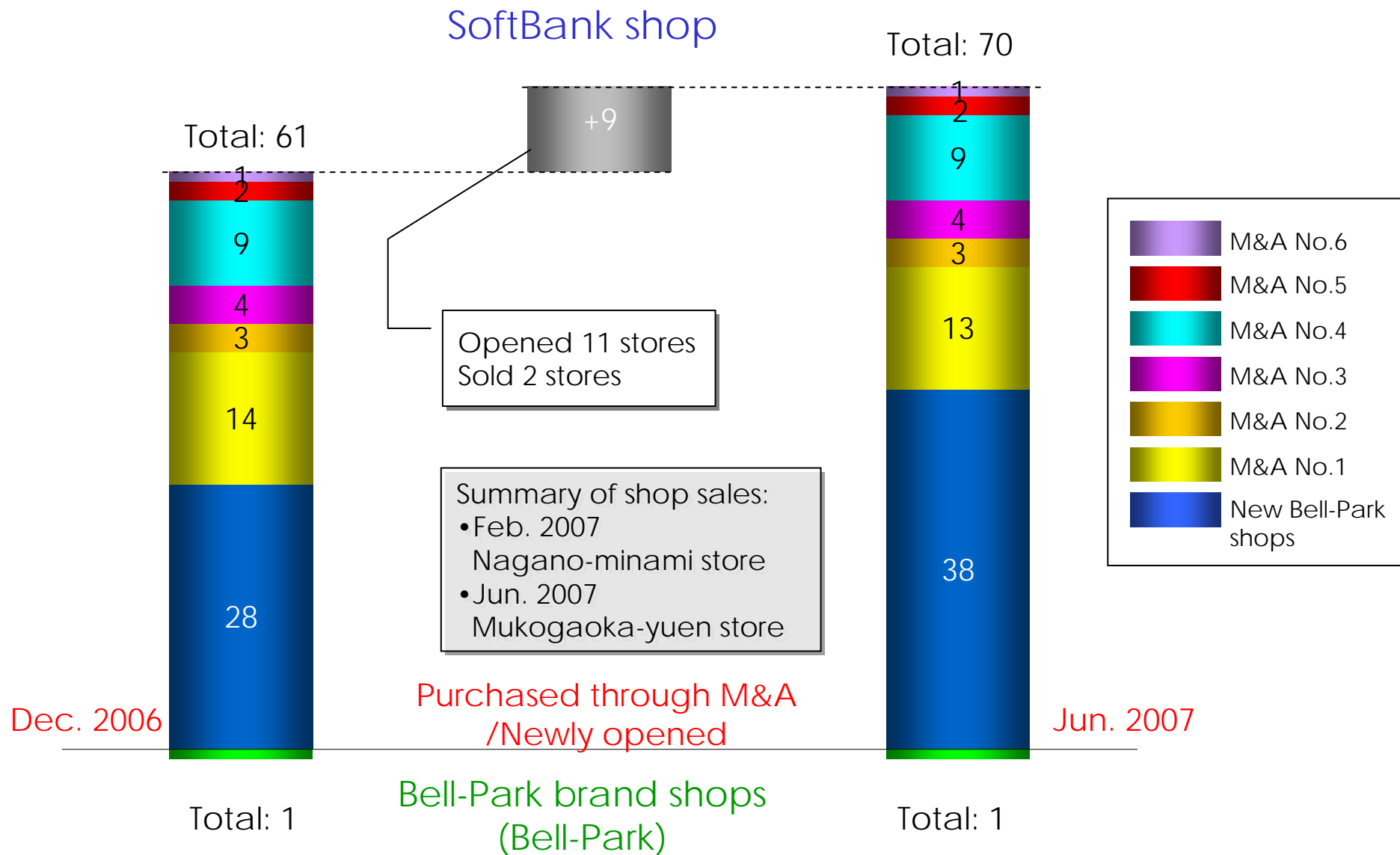
		1H 2003	1H 2004	1H 2005	1H 2006	1H 2007
Profitability	Ratio of ordinary income to total assets	15.1%	10.2%	11.2%	11.4%	30.9%
	Return on equity	8.3%	4.2%	10.8%	11.3%	29.4%
	Cash flow margin	2.0%	3.6%	- (*1)	- (*1)	1.9%
	Gross profit margin	18.6%	19.2%	18.5%	21.1%	23.8%
	Ratio of ordinary income to net sales	5.1%	3.9%	3.2%	3.1%	8.4%
Efficiency	Capital turnover (times/year)	2.97	2.65	3.47	3.65	3.68
	Receivables turnover period (day)	35.2	36.6	34.5	33.8	34.3
	Inventory turnover period (day)	11.7	18.2	19.6	21.2	20.7
Safety	Equity ratio	65.2%	67.2%	48.4%	59.6%	52.7%
	Current ratio	247.7%	265.4%	158.9%	196.5%	176.9%

*1: Figures are not presented since operating cash flows were negative.

IV Supplementary Material

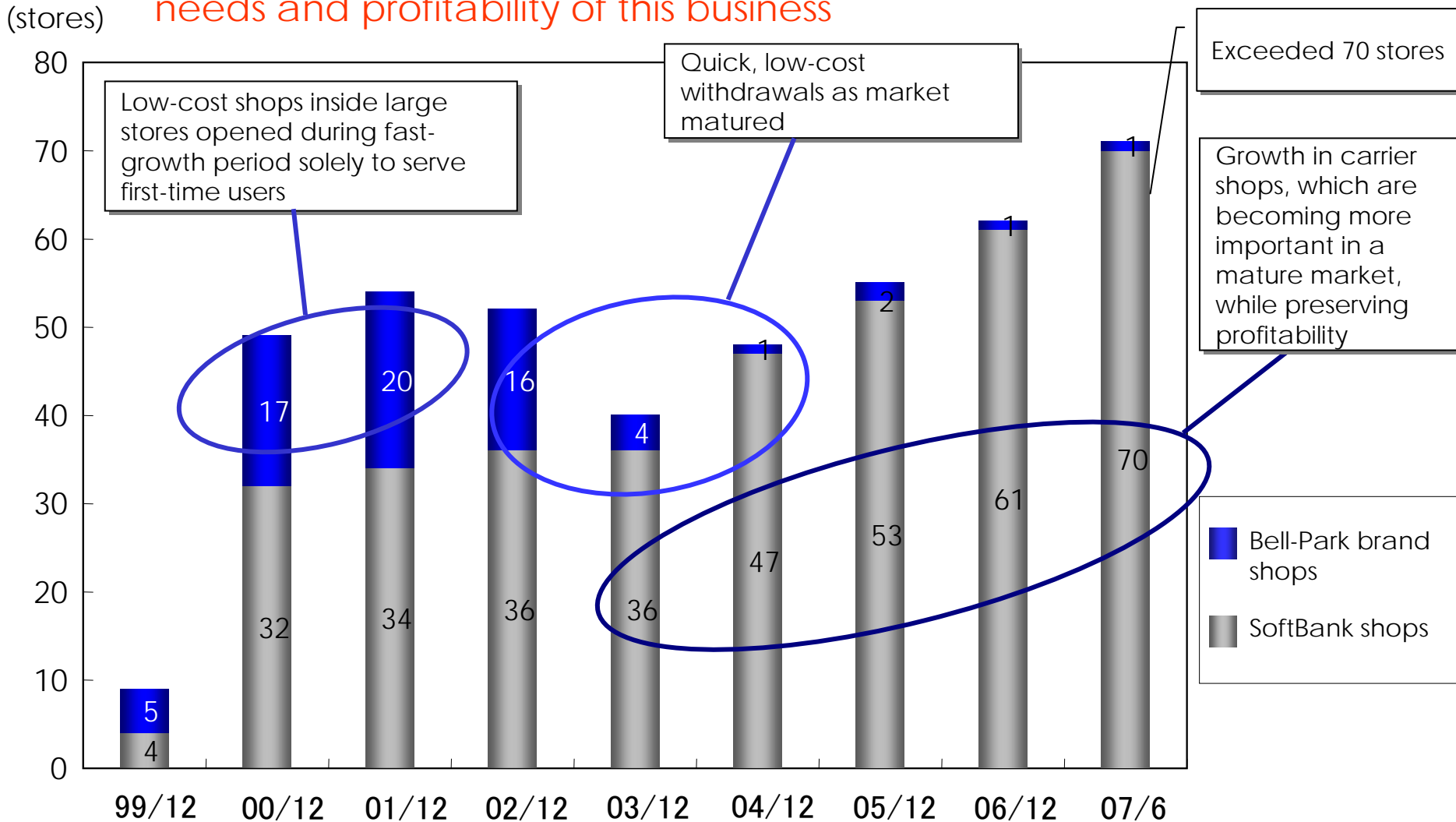
IV-2 2007 Operating Summaries (Mobile Phone Sales Business)

1. Changes in the Number of Stores



2. Number of Stores

Make stores into "carrier shops" in response to shifts in customer needs and profitability of this business



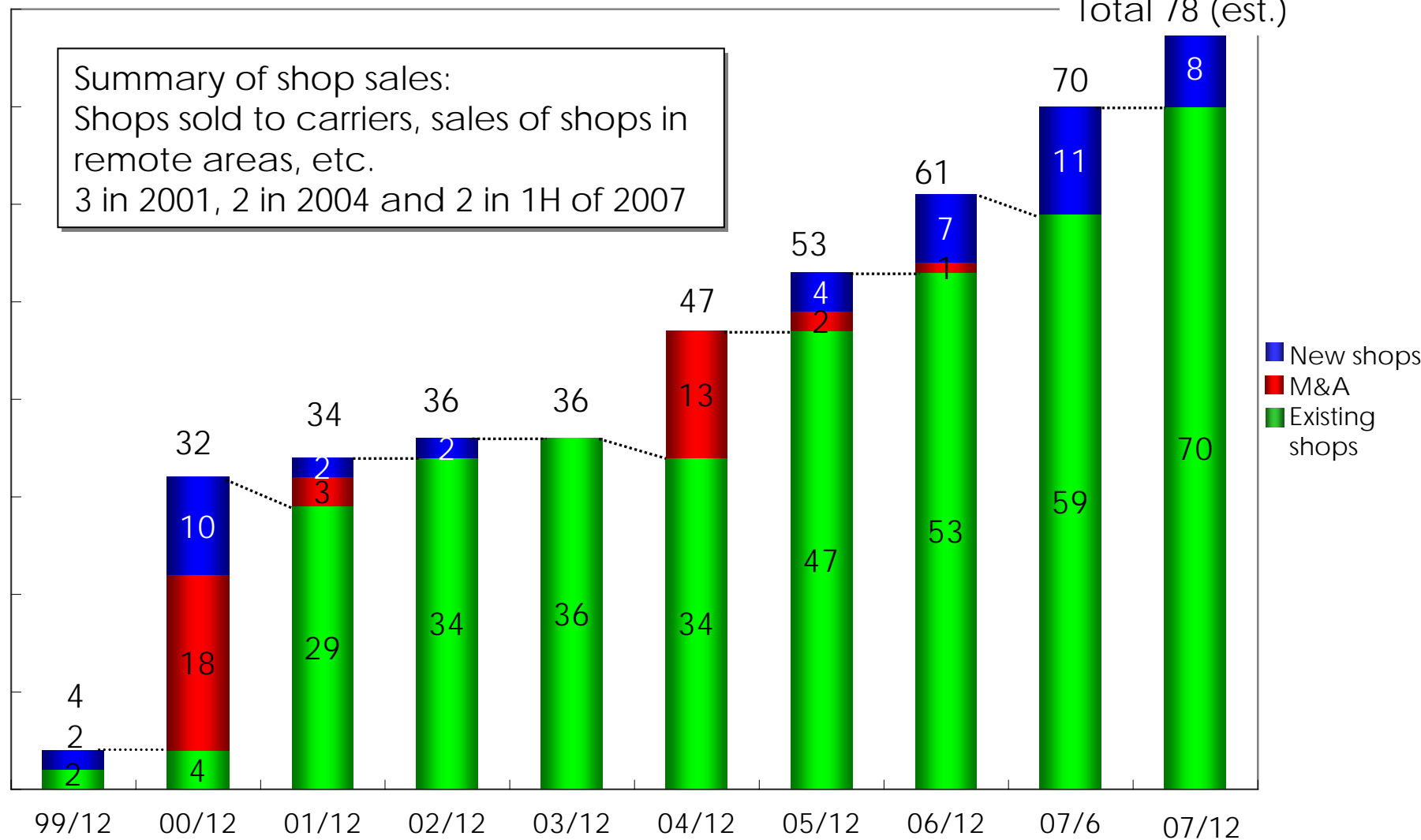
3. Number of SoftBank Shops

Bell-Park plans to open a record 19 stores in 2007

(number of stores)

Total 78 (est.)

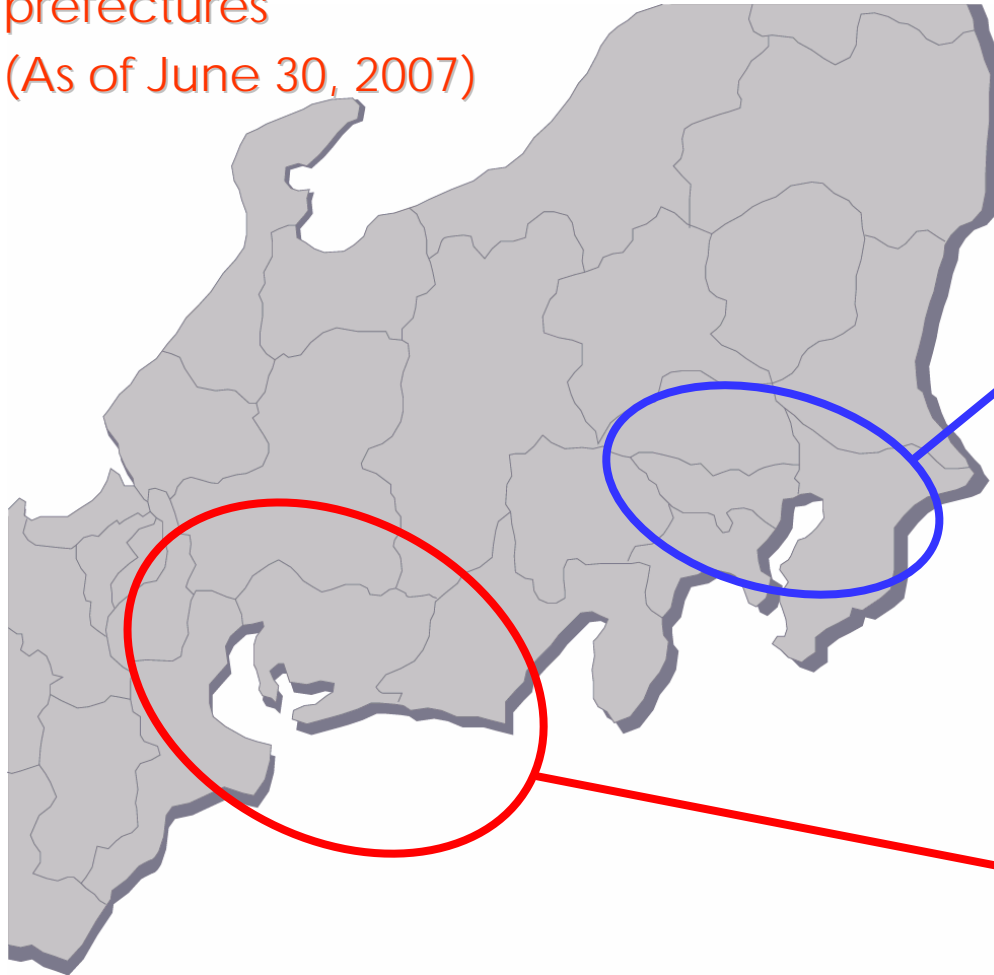
Summary of shop sales:
Shops sold to carriers, sales of shops in remote areas, etc.
3 in 2001, 2 in 2004 and 2 in 1H of 2007



4. Store Network

70 SoftBank shops, one Bell-Park's own brand shop in Tokyo and seven other prefectures

(As of June 30, 2007)



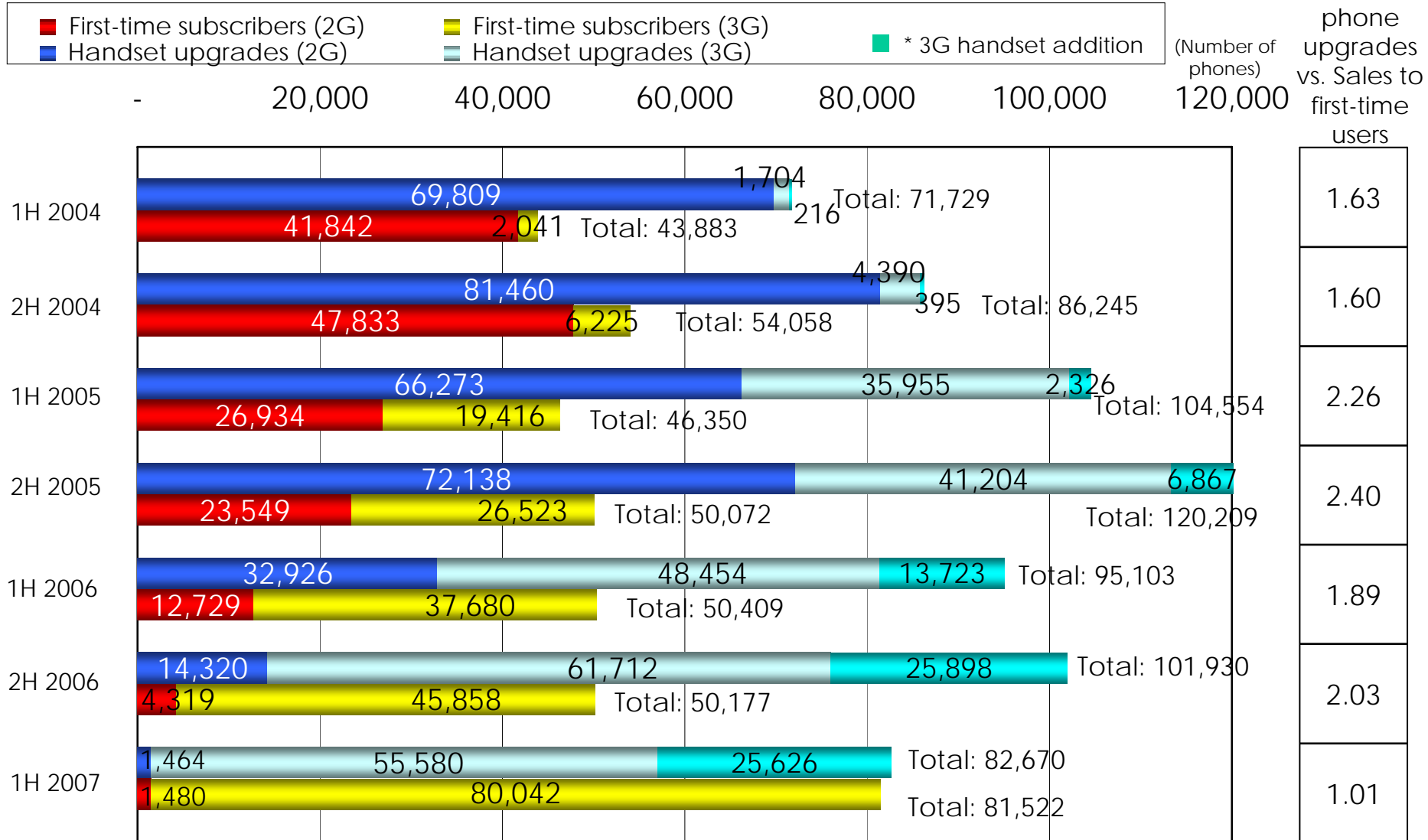
Kanto Area Stores

	SoftBank shop	Bell-Park brand shop
Tokyo	36	0
Kanagawa	4	0
Chiba	8	0
Saitama	10	0
Subtotal	58	0

Tokai Area Stores

	SoftBank shop	Bell-Park brand shop
Aichi	6	1
Shizuoka	1	0
Gifu	1	0
Mie	4	0
Subtotal	12	1

5. Number of Mobile Phones Sold

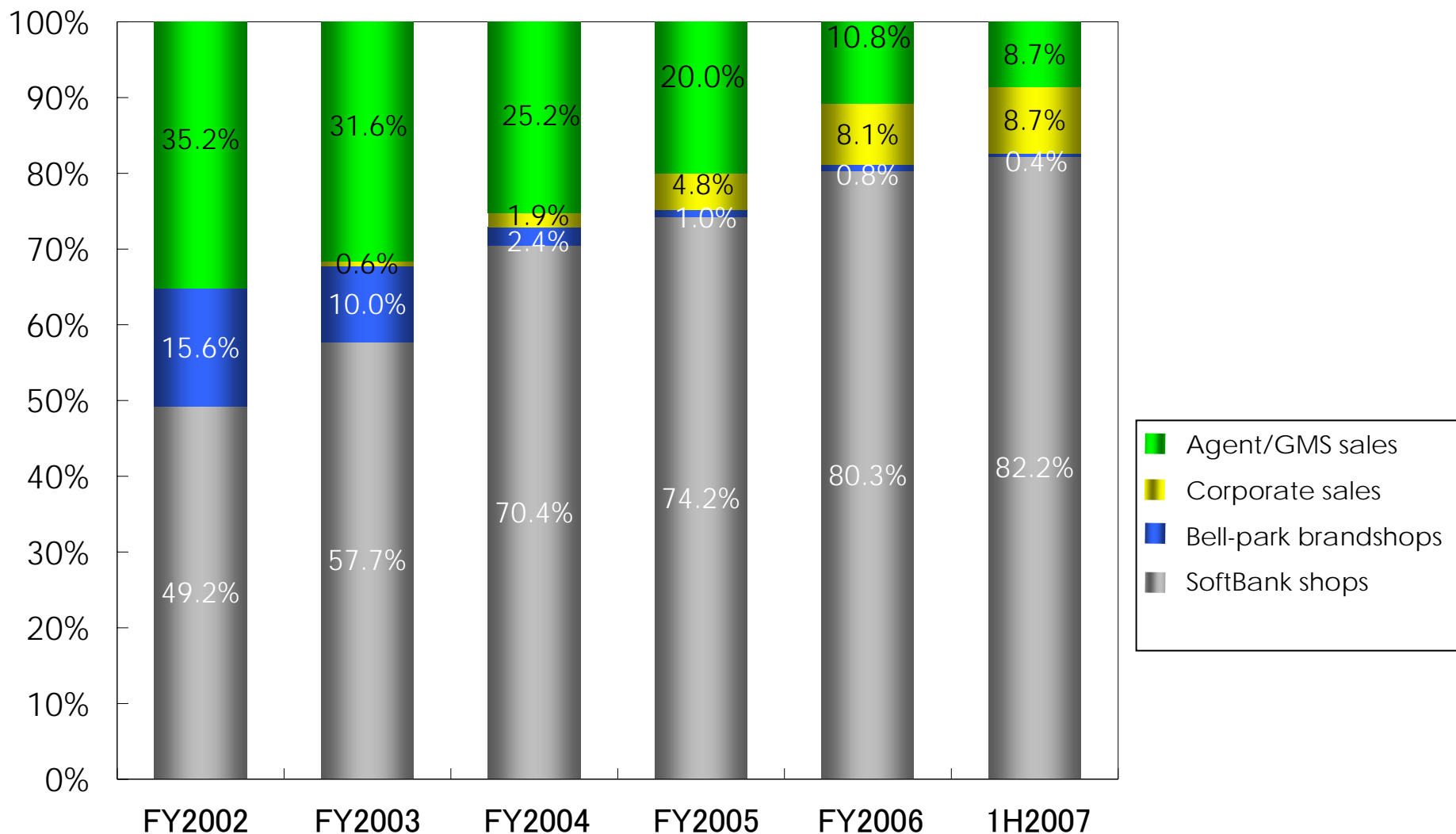


*3G handset addition:

Additional purchase of only a 3G handset by customers who are already SoftBank mobile phone subscribers.

6. Changes in Composition of First-time-User Sales Channels

We focused on boosting corporate sales and sales through SoftBank Shops



7. Recruiting and Training Activities

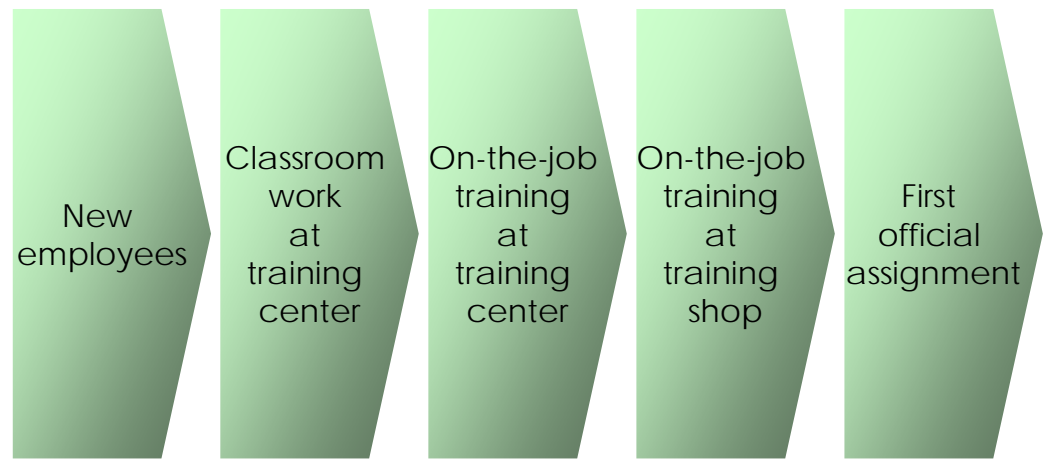
1. Recruiting Activities (for mobile phone shops)

	1H 2006	1H 2007
SoftBank shops	58	70
Newly recruited staff	91	185

2. Staff by Category (for mobile phone shops)

	1H 2006	1H 2007
Regular employees	15	46
Contract employees	16	29
Part-time workers	60	110

3. The Training Process



(A class at the training center)



Forward-Looking Statements

All plans, strategies and financial forecasts that are not based on historical facts are forward-looking statements. Such statements are based on the judgment of management in accordance with information available when these materials were prepared. Actual results may differ changes in the operating environment and many other factors.

We strongly believe in our ability, potential and the possibilities of the future.

Bell-Park