Results of Operations

Six months ended June 30, 2008

August 8, 2008

Bell-Park Co., Ltd.

(Stock code: 9441)

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

Contents

Introduction　Segment Information

Ⅰ　Interim Financial Highlights

Ⅱ　Second Half of 2008 Management Policies

Ⅲ　2008 Earnings Plan

Ⅳ　Supplementary Material
“First Half of 2008 Financial and Operating Summaries”

Segment Information

Effective from the first half of the current fiscal year, operating segment information is not presented, since the amounts for net sales, operating income and assets of the mobile phone sales business represent more than 90% of total net sales, operating income and total assets, following the June 2008 sale to P and P Corporation of 50% of our equity interest in Japan Pro Staff Co., Ltd., a staffing service subsidiary that is now an equity-method affiliate.

I Interim Financial Highlights

Summary of 1H 2008 Consolidated Results

(million yen, %)

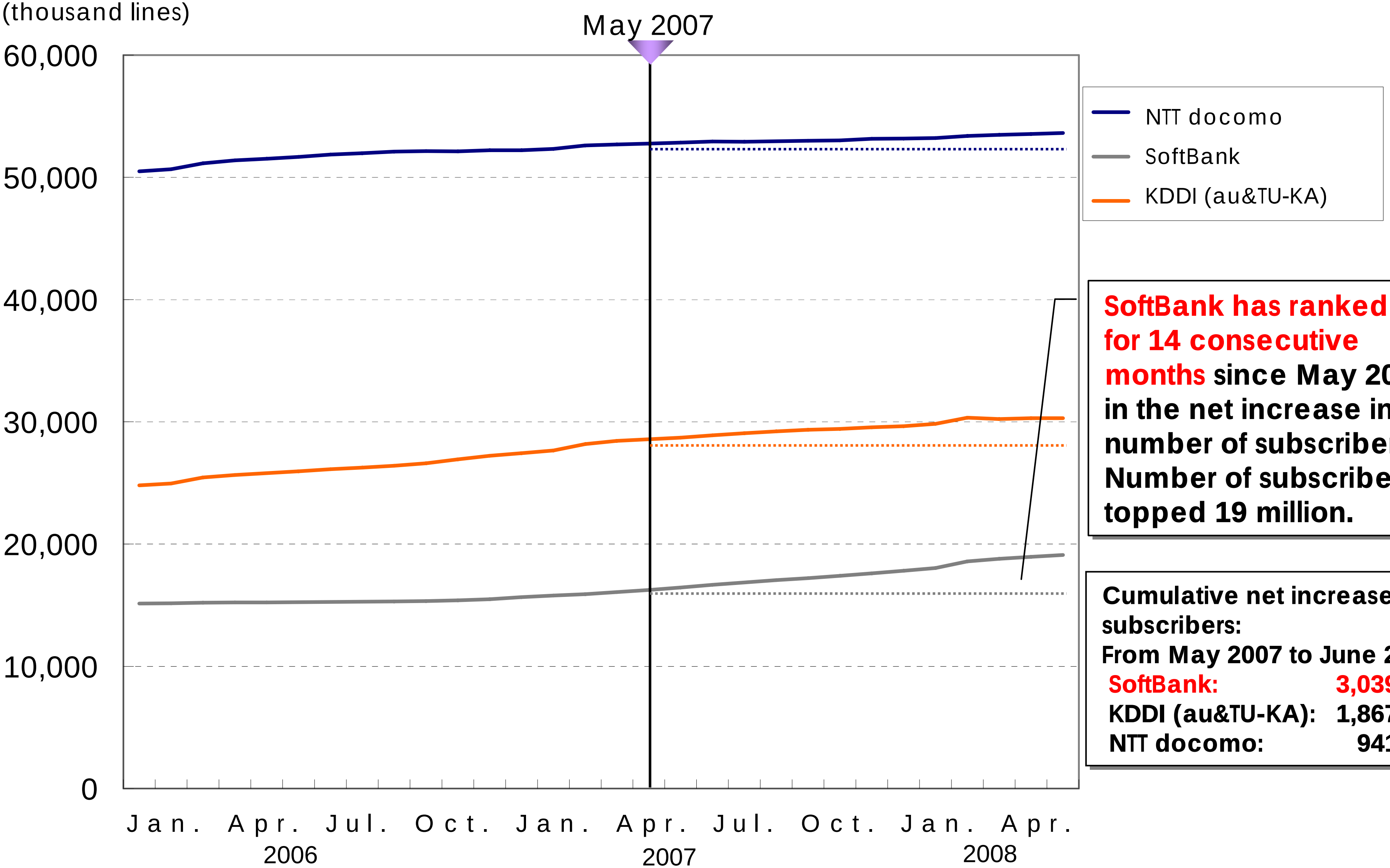
	1H 2007		1H 2008		YoY change		Remarks
	Amount	Comp.	Amount	Comp.	Amount	%	
Net sales	15,041	100.0	16,941	100.0	+1,900	+12.6	Increase in new handset sales on expansion of the shop chain and higher unit prices. Increase of 41 shops (71 at Jun. 30, 2007 to 112 at Jun. 30, 2008) New handset sales: +9,547 units (81,522 in 1H 2007 to 91,069 in 1H 2008)
Gross profit	3,586	23.8	3,530	20.8	-56	-1.6	Gross profit fell year-on-year as the contribution from higher new handset sales was negated by slower handset upgrades and lower commission rates from SOFTBANK MOBILE.
SG&A expenses	2,324	15.4	3,055	18.0	+731	+31.5	SG&A expenses rose reflecting the addition of new shops and more active sales promotion Personnel +377, advertising/sales promotion +161, rent +149, others +43
Operating income	1,262	8.4	474	2.8	-787	-62.4	Same as above reasons
Ordinary income	1,262	8.4	481	2.8	-780	-61.8	Same as above reasons
Extraordinary income (loss)	25	0.2	164	1.0	+139	+537.0	Gain on sale of investments in affiliates +173
Income before income taxes	1,288	8.6	646	3.8	-641	-49.8	Same as above reasons
Net income	616	4.1	372	2.2	-244	-39.6	Same as above reasons

1H 2008 Financial Highlights (1/2)

Operating Environment

- SoftBank has been proactive in promoting sales. The company introduced the White Plan Student Discount in February, introduced a new line-up of handsets and offered a broader choice of colors, and started selling a Disney mobile phone in March that it promoted aggressively through appealing TV commercials. As a result of these activities, SoftBank has ranked No. 1 for the 14 consecutive months since May 2007 in net increase in number of subscribers.
- On the negative side, the replacement cycle has clearly lengthened as a result of introduction of the installment sales system in the fall of 2006, slowing switchovers to new handset models.
  In addition, SoftBank announced in early June that it would start selling Apple's iPhone™ 3G in July, a move that caused some potential buyers to postpone purchases after the middle of June.
- SoftBank's decision to open many more shops resulted in the number rising from 1,925 at the end of 2006 to 2,677 at the end of June 2008. Furthermore, actively openings in some electronic mass merchandiser chains of SoftBank STAGE shops, designed to offer services similar to the SoftBank carrier shops, sparked intense competition among these shops, causing sales per shop to decline.

(Reference) Cumulative Subscriptions at Major Carriers in Japan



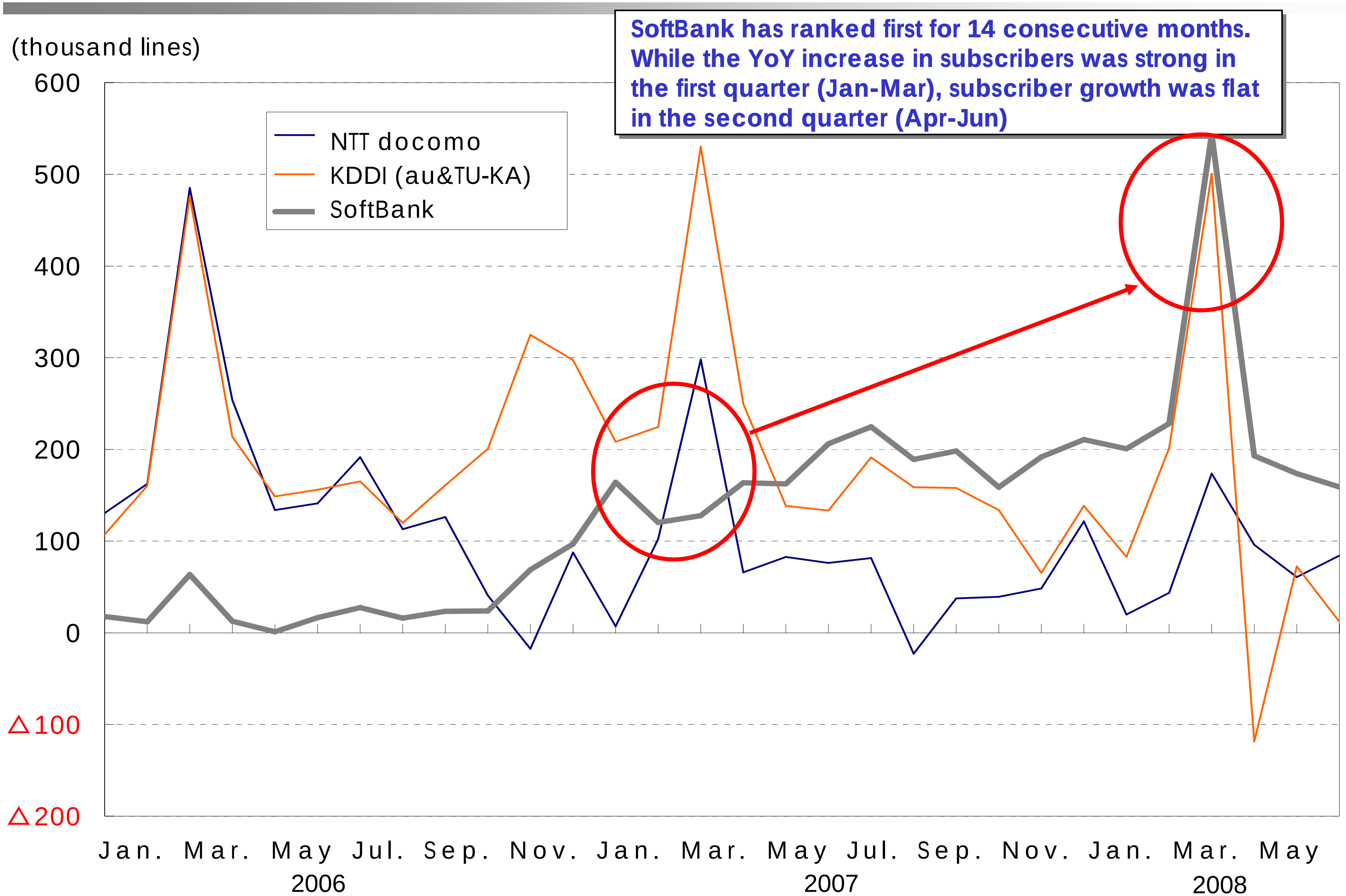
SoftBank has ranked first for 14 consecutive months since May 2007 in the net increase in the number of subscribers. Number of subscribers topped 19 million.

Cumulative net increase in subscribers:
From May 2007 to June 2008

SoftBank:	**3,039,000**
KDDI (au&TU-KA):	**1,867,000**
NTT docomo:	**941,000**

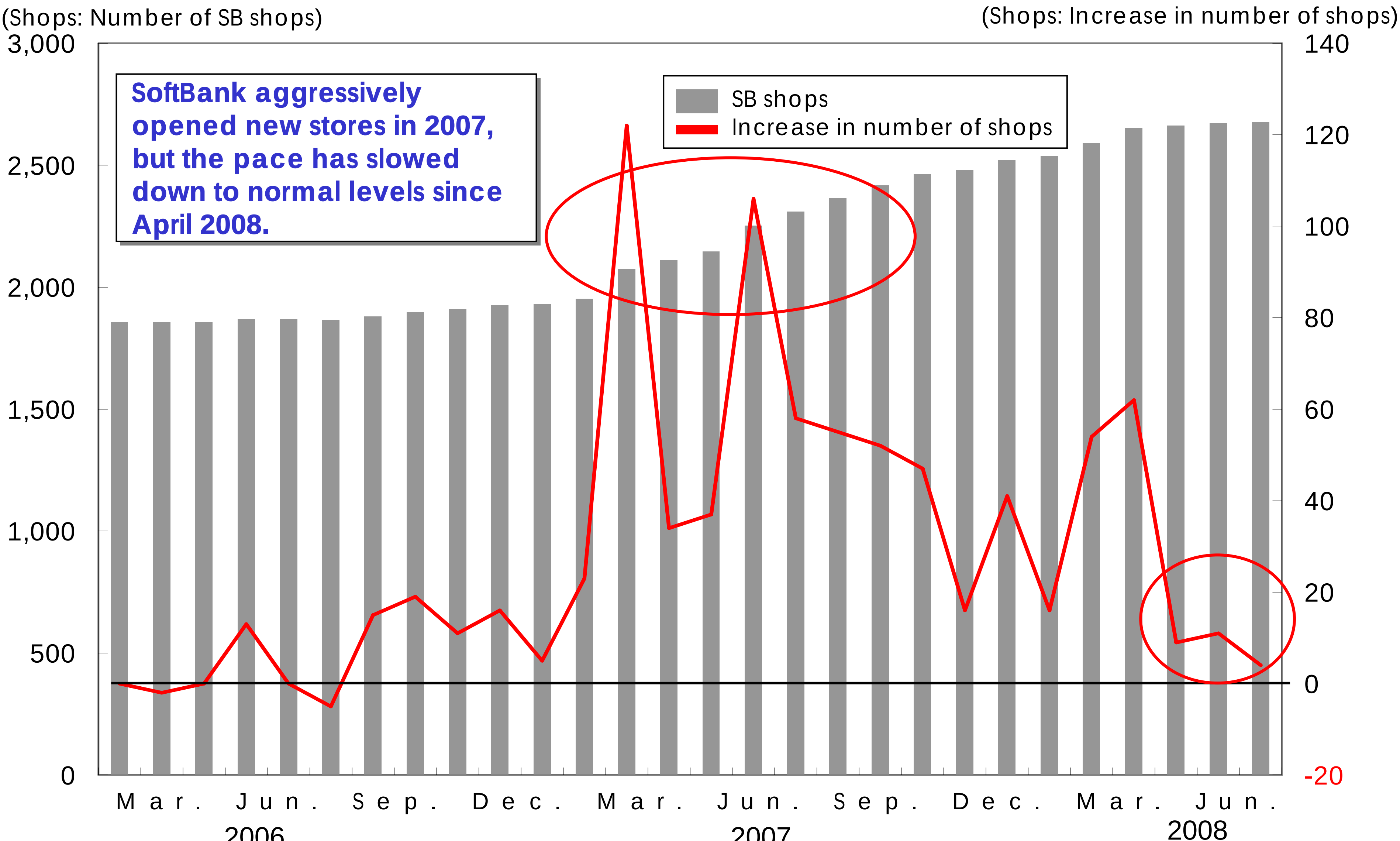
Source: Telecommunications Carriers Association

(Reference) Net Subscriber Growth by Major Carriers



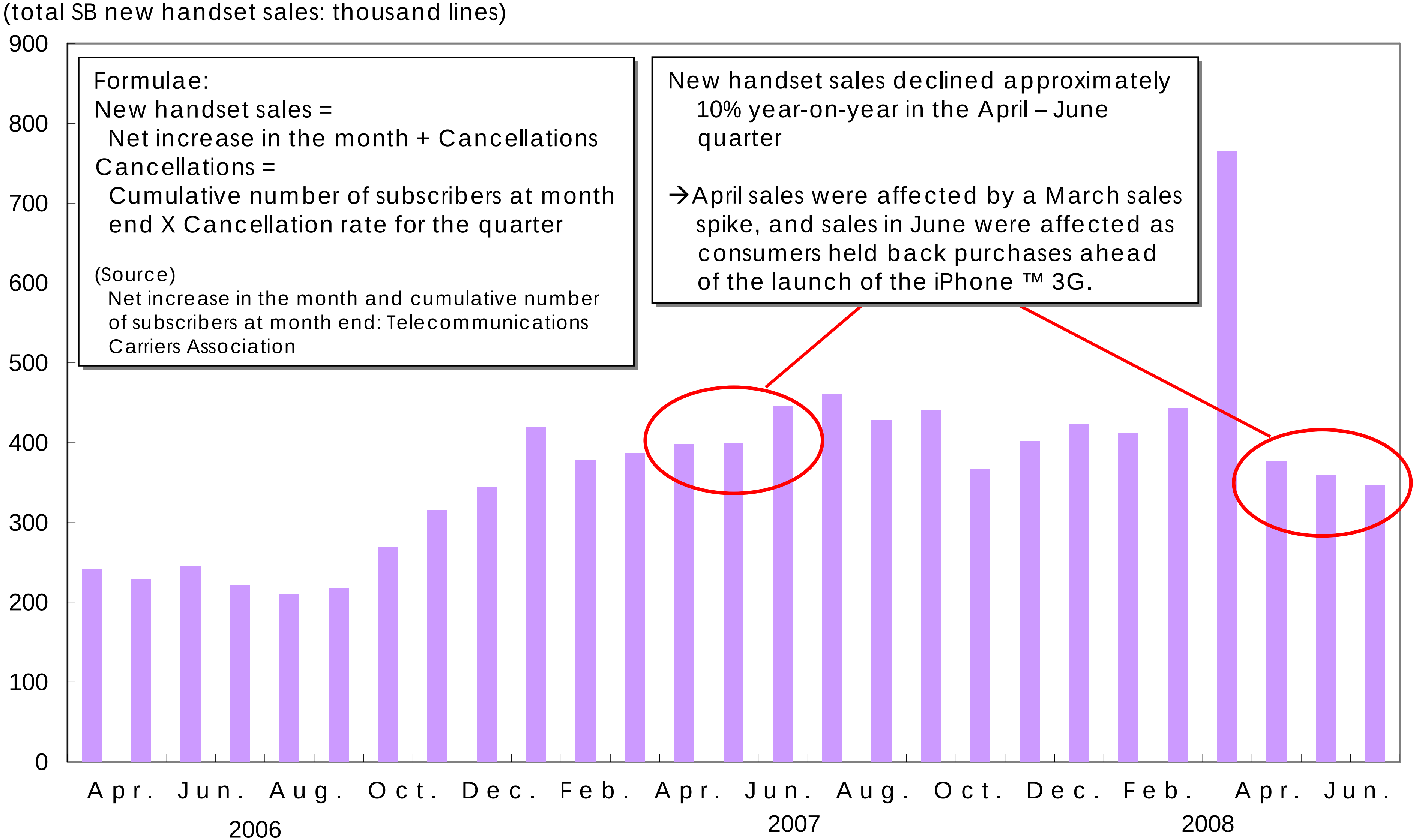
Source: Telecommunications Carriers Association

(Reference) SoftBank Shops



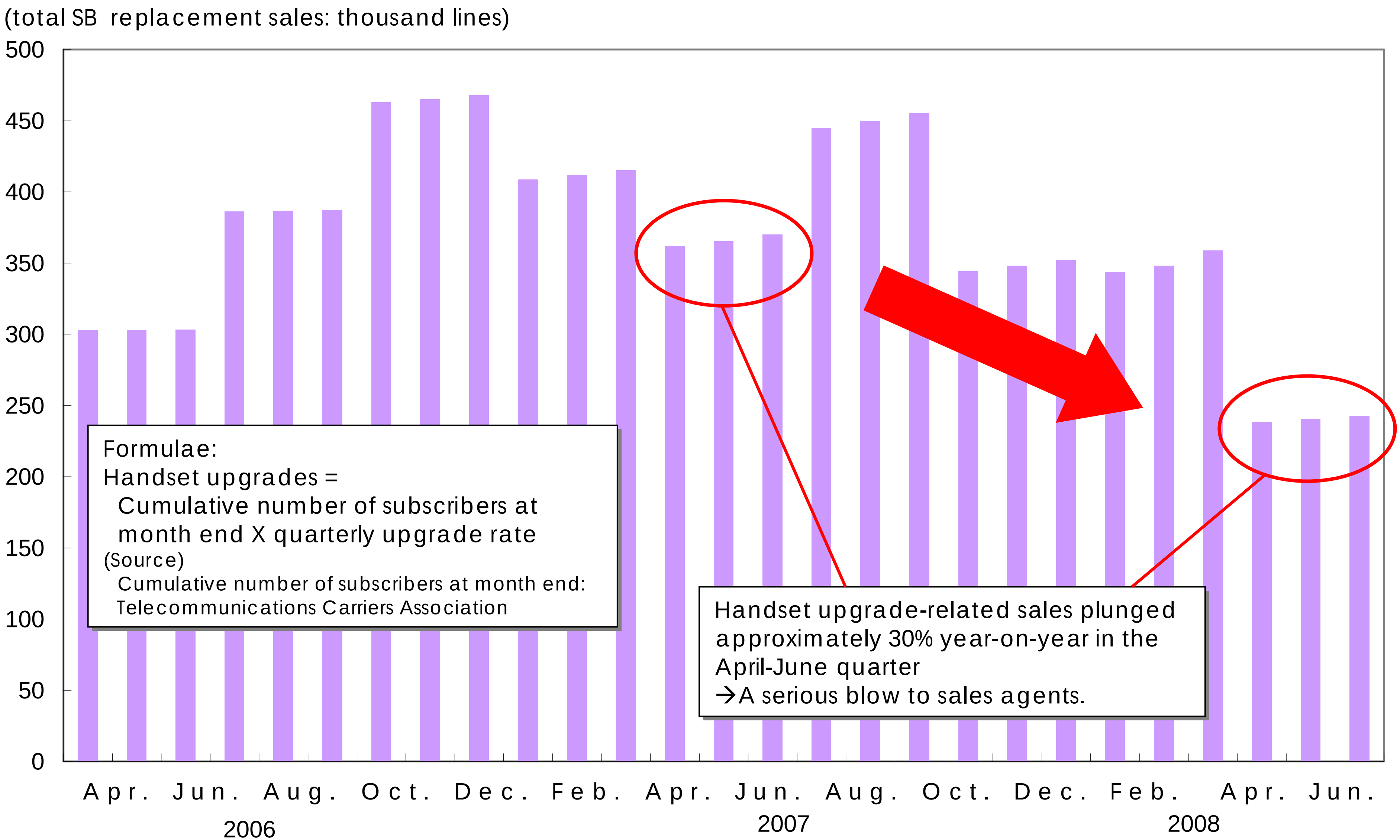
Source: Bell-Park, based on SOFTBANK MOBILE data.

(Reference) SoftBank New Handset Sales (theoretical values)



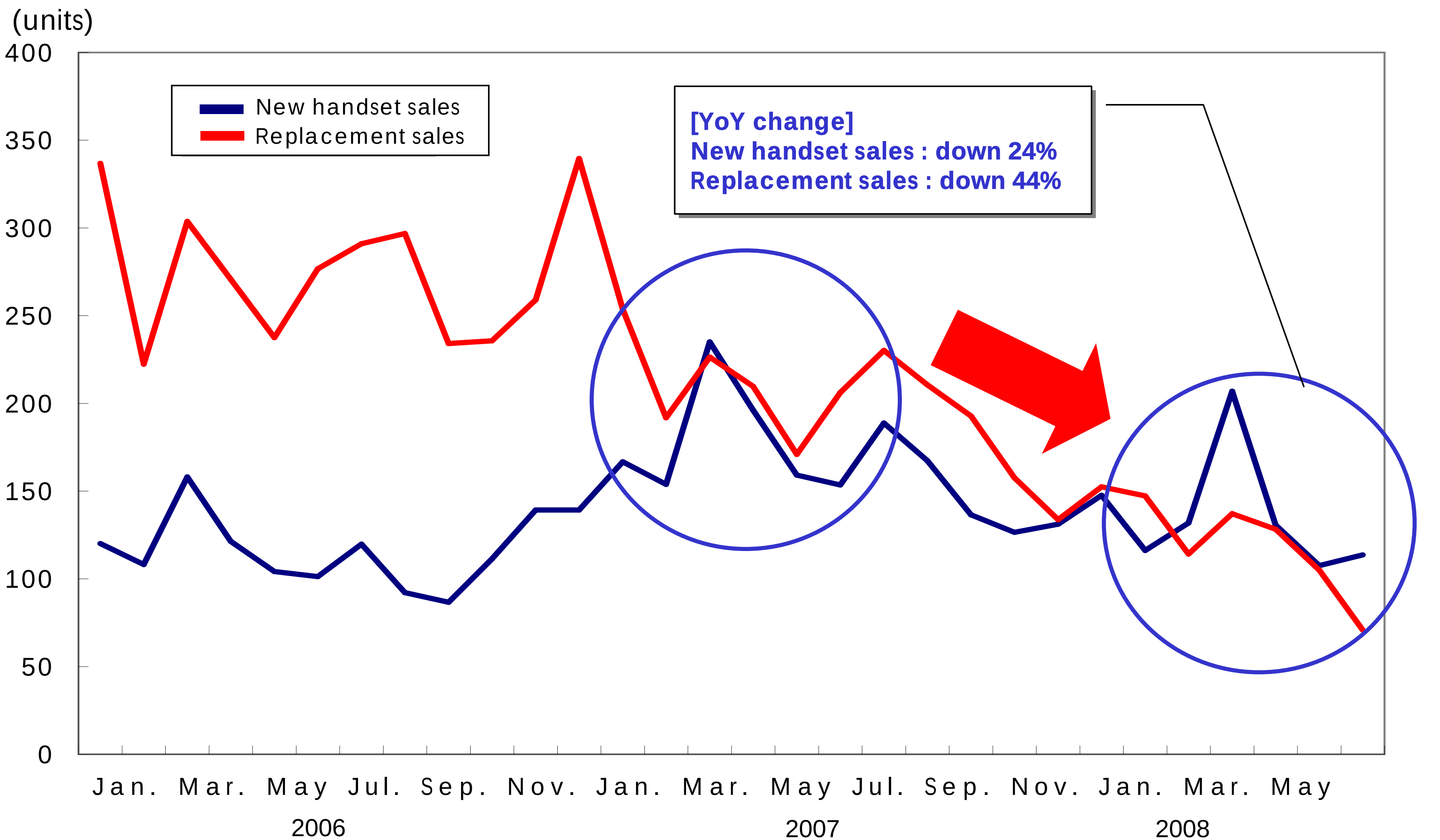
Source: Bell-Park, based on SOFTBANK MOBILE data.

(Reference) SoftBank Replacement Sales (theoretical values)



Source: Bell-Park, based on SOFTBANK MOBILE data.

Handset Sales per Directly Managed Store



1H 2008 Financial Highlights (2/2)

Major Initiatives

➢Improve profitability of shops

One of the most urgent issues is taking action to improve earnings per store, which have dropped with more intense competition among SoftBank shops, including competition among SoftBank STAGE shops, which are quasi-carrier shops. Toward accomplishing this, Bell-Park is reinforcing the sales capabilities of its shops through many initiatives, including staff training and more effective personnel allocation. We are also focusing on sales of accessories and other items to improve profitability.

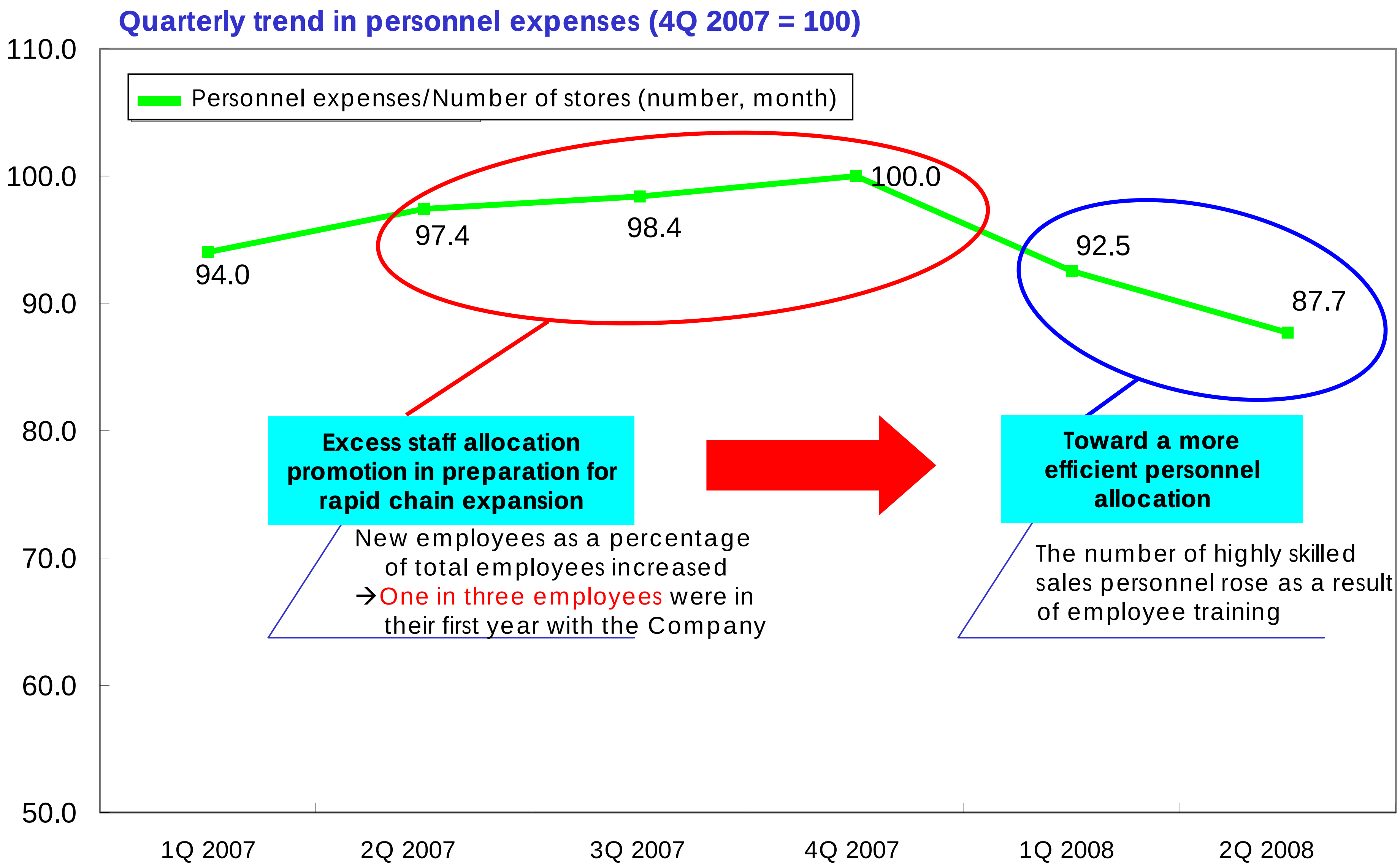
➢Expanded store network

In the first half, Bell-Park concentrated on expanding its store chain, opening eight new directly managed stores and acquiring two more from other chains. As a result, the Bell-Park chain reached 112 stores (94 directly managed and 18 franchised).
We also conducted sales campaigns in major supermarkets to target housewives attracted by the low rates of the White Plan. As a result, sales of new handsets rose 11.7% year-on-year to 91,069 units. But handset replacement sales fell 10.2% to 74,239 units as the replacement cycle lengthened, and customers postponed purchases.

➢Other businesses

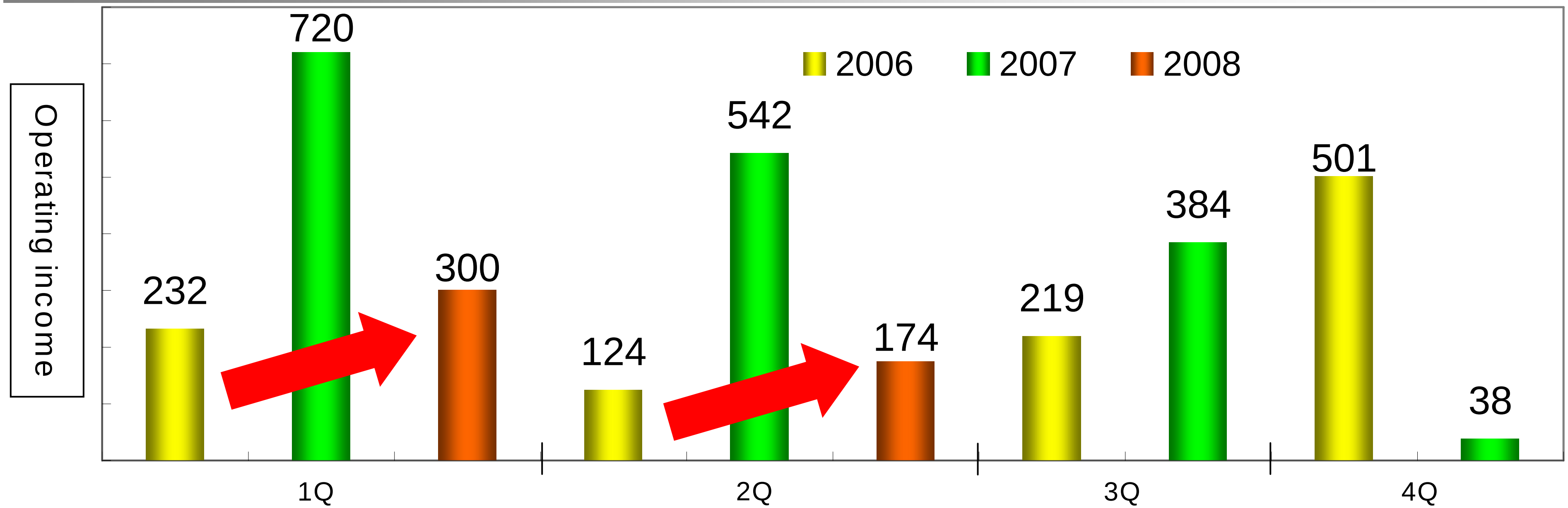
In the other business segment, we sold 50% of our equity interest in Japan Pro Staff Co., Ltd., a wholly owned human resources subsidiary engaged in the staffing business, to P and P Corporation in June. Japan Pro Staff is now an equity method affiliate of Bell-Park. Bell-Park posted an extraordinary income of ¥173 million on the sale of the subsidiary.

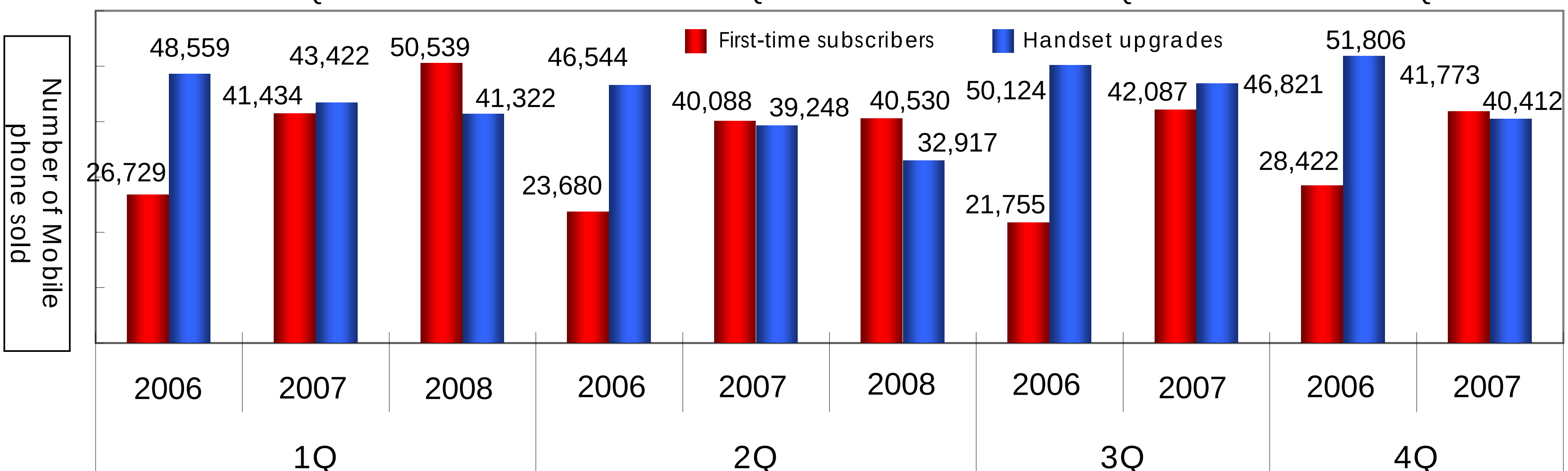
Accomplishment from More Effective Personnel Allocation
(employees per store)



Quarterly Sales and Operating income

(million yen)





Ⅱ Second Half of 2008 Management Policies

Medium-term Outlook

➢Consolidation among mobile phone sales agents

With NTT DoCoMo and KDDI au also introducing installment sales systems, demand from replacement sales is likely to decline throughout the industry. While slower replacement demand produces fewer cancellations, curbing sales costs and raising carrier profitability, lower sales from handset upgrades means fewer handset sales, impacting on sales agent profit. In this environment, more shops will become unprofitable, creating an overcrowded business environment.

In response to this structural change, the support carriers provide to their sales agents may change drastically. Changes in carrier policies toward sales agents might prompt a significant consolidation among mobile phone sales agents.

➢Changes required at the agent level with the popularization of the open-type terminal

The open-type handset is expected to become commonplace. This handset has functions similar to those of a PC, providing subscribers with easy access to the Internet and allowing them to freely add new applications. As these handsets win popularity, mobile phone sales shops will need staff familiar with PCs and the Internet. Mobile phone sales agents will have to hire and train staff to consult on new functions and the Internet.

Outlook for 2H 2008

➢New handset sales trends

With the launch of Apple's iPhone™ 3G in July, SoftBank is expected to step up marketing in the second half. On the other hand, industry analysts predict that total handset sales will decline an estimated 20% from the previous fiscal year as installment sales gain a foothold in the market. As demand cools, it is still uncertain what impact handset-upgrade demand and MNP will have on total new handset sales.

➢Sales commission trends

As competition between carriers heats up, sales agents are putting increasing pressure on carriers for more speedy responses and flexible sales promotion initiatives.

Since carriers are likely to pin hopes on quality (increasing customer value) ,in addition to sales volume, the trend is toward linking commission rates to the quality of sales.

➢Increasing competition among SoftBank sales bases

The sharp increase in the number of SoftBank shops, including quasi-carrier shops in general merchandise stores, has triggered intense competition among SoftBank shops and causing sales per shop to decline. We are of the opinion that this trend will continue in the second half. Given that the shops opened since last year are finding it difficult to become profitable, we expect to see a weeding out of shops with weak finances and poor sales capabilities.

➢Replacement demand trends

We expect replacement demand to be weak in the second half. One reason is the greater competition among SoftBank shops. But SoftBank's introduction of an installment payment system in October 2006 has probably caused many subscribers to use their handsets for longer before seeking a replacement. On the positive side, SoftBank has initiated several measures to encourage the switch from 2G to 3G phones. In addition, SoftBank is likely to a "Fixed Rate Packet Plan" in view of the introduction of Apple's iPhone™ 3G. These and other measures could cause replacement demand to recover to a certain extent.

Management Policies for 2H 2008 (Summary)

Medium-term Management Policies

At a time of intensifying competition in the mobile phone sales industry, that is expected to trigger an extensive shake-out among mobile phone sales agents, emerging as a winner is a major management issue. Toward achieving this goal, we plan to build a highly profitable store network and strengthen selling power in order to respond to changing needs created by the introduction of handsets with more PC-like functions and the new services they make possible.

2H 2008 Management Policies

1) Build a highly profitable store network

- Watch for opportunities to expand our store network
- Focus on raising the profitability of new stores

2) Strengthen selling power

- Provide more training for store managers and store manager candidates
- Step up accessory sales

Note: Management policies for the second half are discussed in more detail from the next page on.

Management Policies for 2H 2008 (1/2)

(1) Build a highly profitable store network

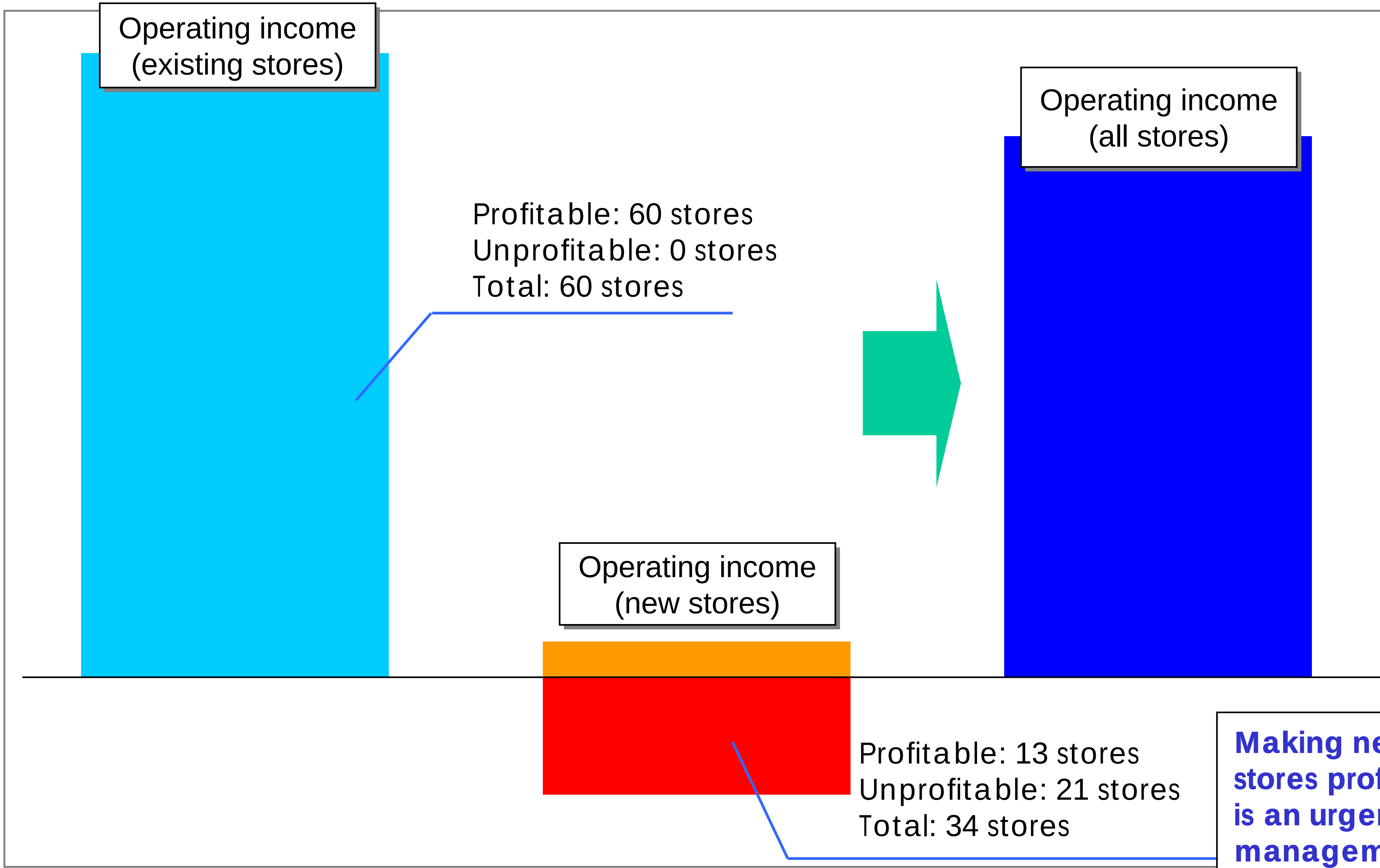
➢Watch for opportunities to expand the store network

Mobile phone sales shops with weak finances and sales capabilities are likely to be weeded out as competition intensifies among SoftBank shops. Taking over shops going out of business offers us an excellent opportunity to expand our store network. The choice of shops to acquire will be based on investment returns, location, and the potential for improved profitability under Bell-Park.

➢Focus on raising the profitability of new stores

Quickly securing the profitability of the many new stores opened in the previous fiscal year is an important management issue in respect of raising overall profitability. We will concentrate sales promotion on making the new stores better known and on increasing their customer traffic.

(Reference) Profitability of Directly Managed Stores



Making new stores profitable is an urgent management issues.

Management Policies for 2H 2008 (2/2)

(2) Strengthen selling power

➢**Provide more training for store managers and store manager candidates**

The quality of human resources is the key to emerging as a winner from the intensifying competition among SoftBank shops. The ability to train capable area managers and store managers will determine whether or not we can succeed and improve our earnings. We plan to establish a system that can provided detailed instructions to stores with considerable growth potential and to train promising store managers and store manager candidates to improve their capabilities.

➢**Step up accessory sales**

In addition to fully leveraging the opportunities offered by popular models like Apple's iPhone™ 3G to improve the profitability of each store, we plan to reinforce sales of mobile phone accessories and services in order to raise the core earnings power in a sustainable manner. Specifically, we will actively offer services such as White Call, and a variety of accessories.

The VERTU Luxury Mobile Handset Business

Bell-Park acquired exclusive rights to distribute VERTU luxury mobile phones in Japan through independent shops under an agreement reached with VERTU on June 28, 2007. Following conclusion of the distributor agreement, Bell-Park, working in cooperation with VERTU, started preparation for the opening of the first store, with a target date of autumn 2008. That original plan has now been amended, under a further agreement separately concluded between Bell-Park and VERTU: the new store will now be positioned as a flagship store, will be much larger than originally planned, and is scheduled to open at the end of 2008. The first VERTU store will also be directly operated by VERTU, not by Bell-Park.

VERTU plans to follow up the opening of the first VERTU store by opening more stores in Japan. The operational format of these stores – whether they are directly managed by VERTU or operated by Bell-Park – will be decided through negotiations with VERTU.

The effect on our business results of changes in the plan for the first VERTU store is insignificant.

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 2008 Earnings Plan

2008 Earnings Plan

2008 First-half Earnings Plan (Achievements)

(million yen)

	1H FY2008		
	Plan	Results	Achievement ratio
Net sales	17,900	16,941	94.6%
Ordinary income	460	481	104.7%
Net income	340	372	109.6%

2008 Full-year Earnings Plan

(million yen)

	FY2008		
	Plan	(Ref) FY2007 Results	YoY change
Net sales	35,800	31,453	13.8%
Ordinary income	990	1,685	- 41.3%
Net income	600	840	- 28.6%

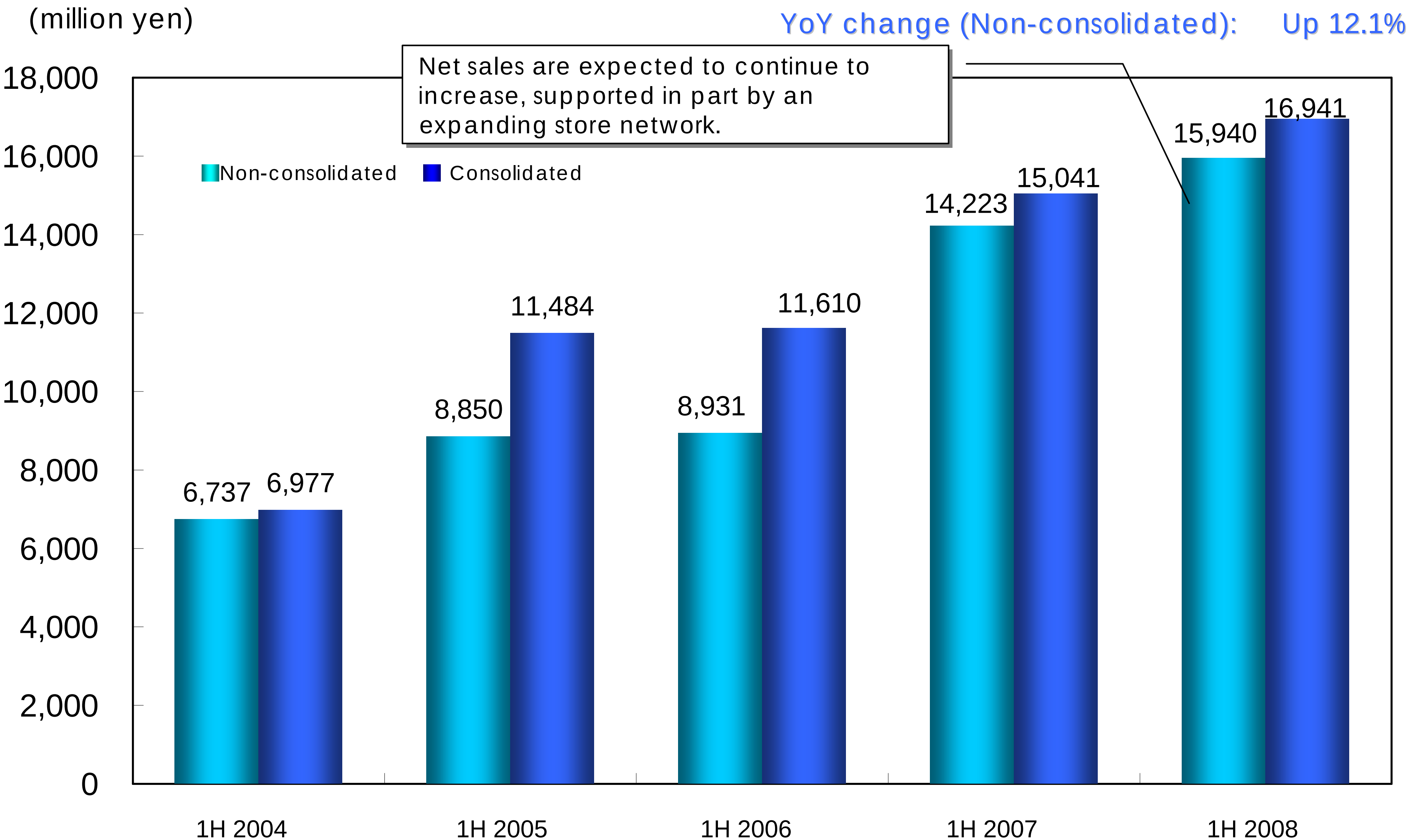
IV Supplementary Material

IV-1 Financial Summaries

1. Net Sales (Consolidated, Non-consolidated)

YoY change (Consolidated): Up 12.6%

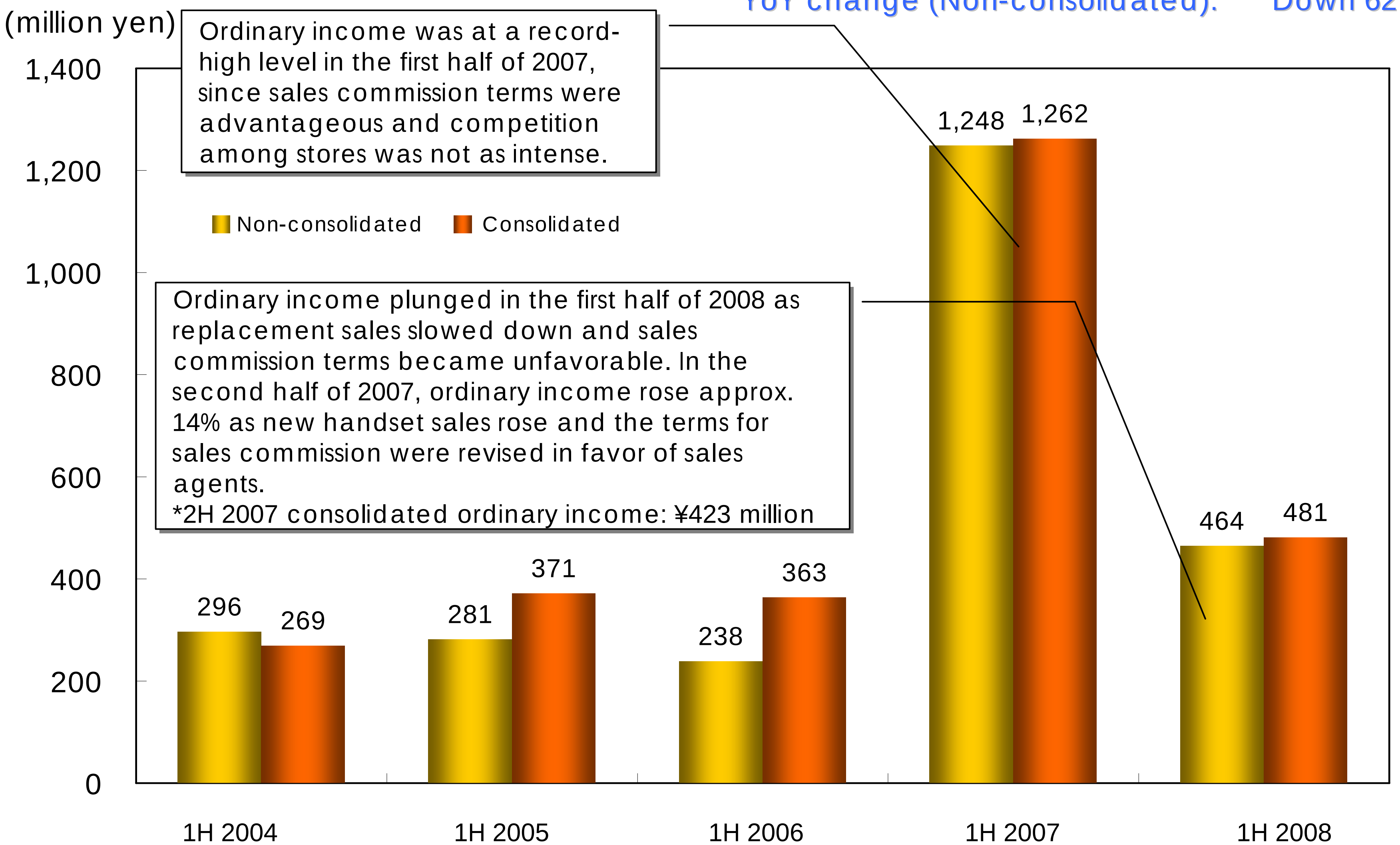
YoY change (Non-consolidated): Up 12.1%



Bell-Park

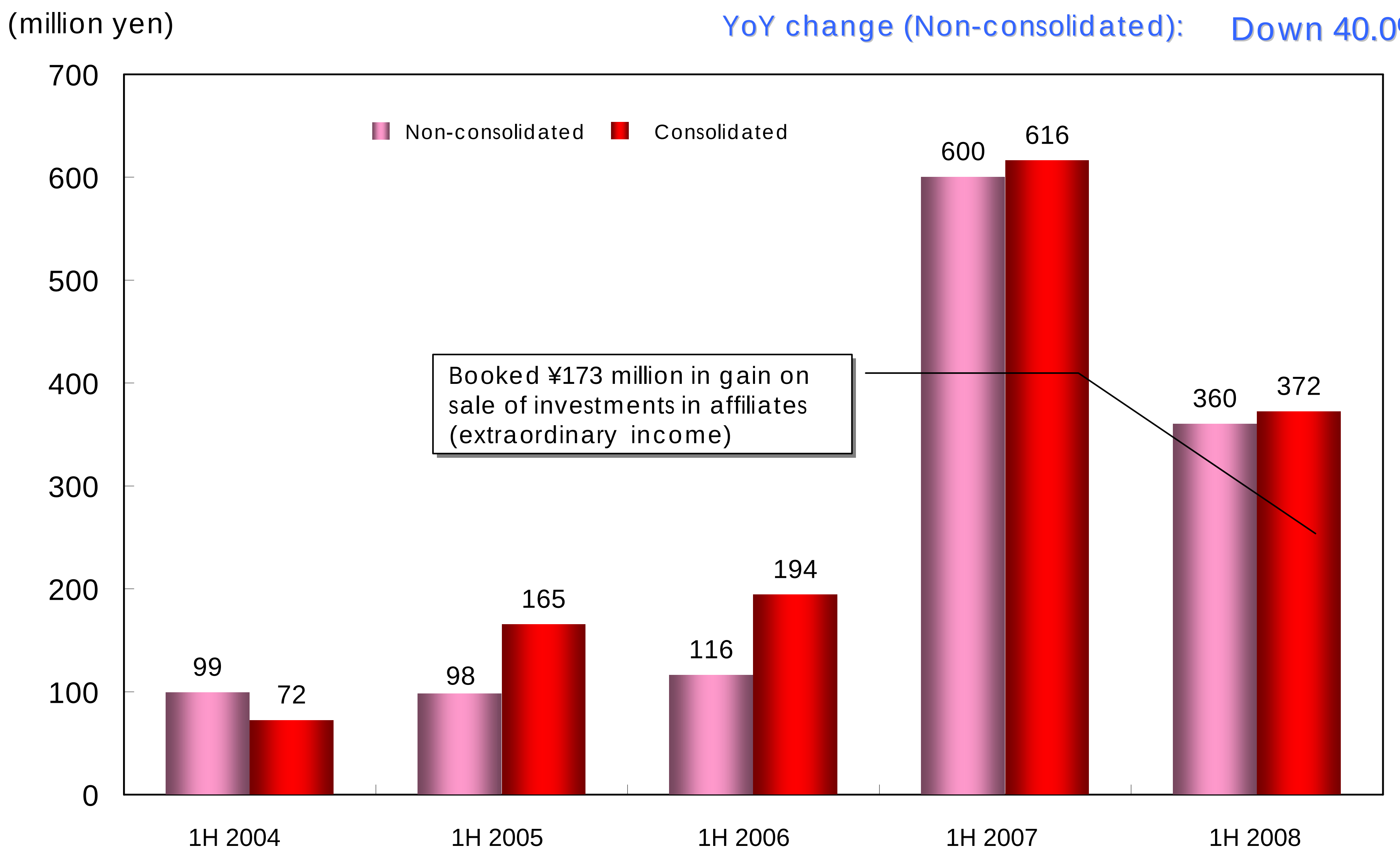
2. Ordinary Income (Consolidated, Non-consolidated)

YoY change (Consolidated): Down 61.8%
YoY change (Non-consolidated): Down 62.8%



3. Net Income (Consolidated, Non-consolidated)

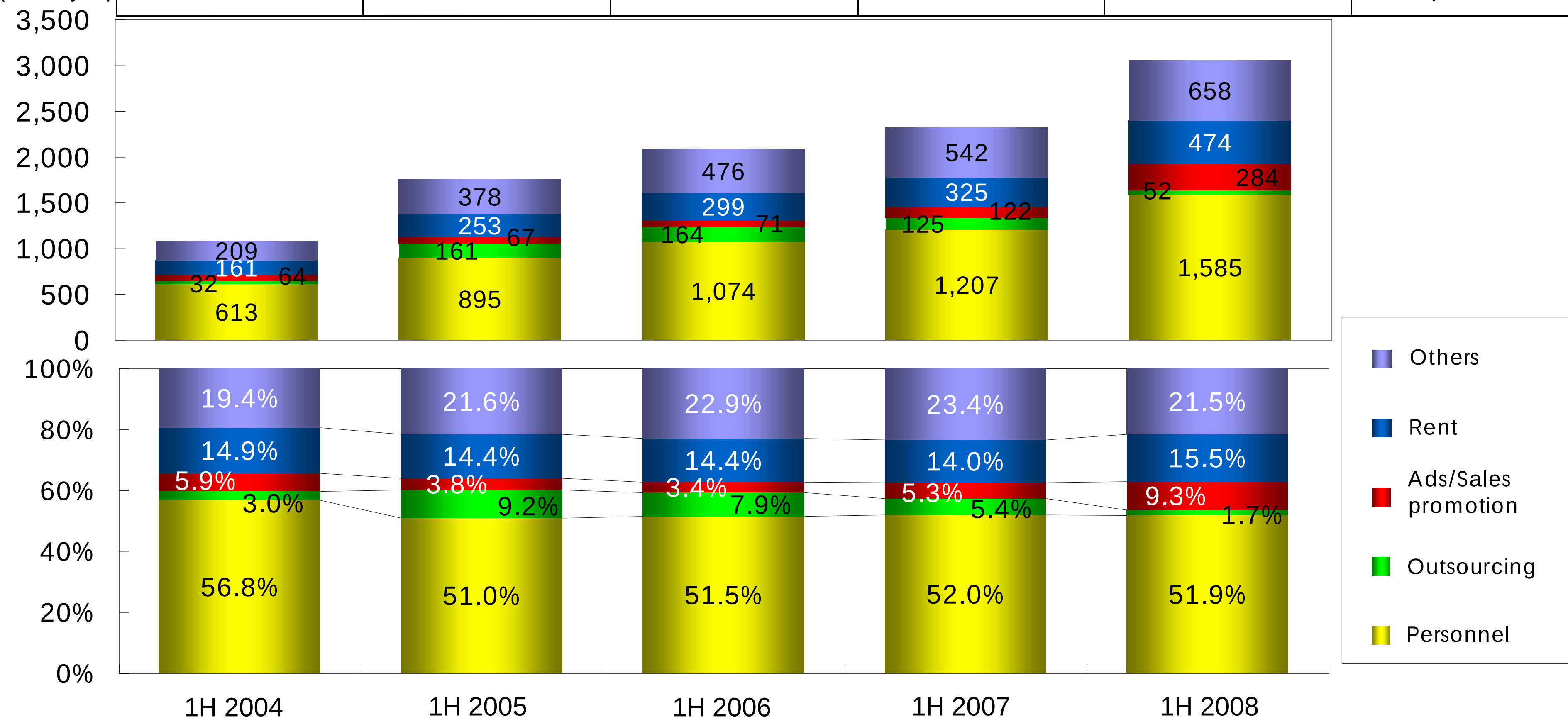
YoY change (Consolidated): Down 39.6%
YoY change (Non-consolidated): Down 40.0%



4. SG&A Expenses (Consolidated)

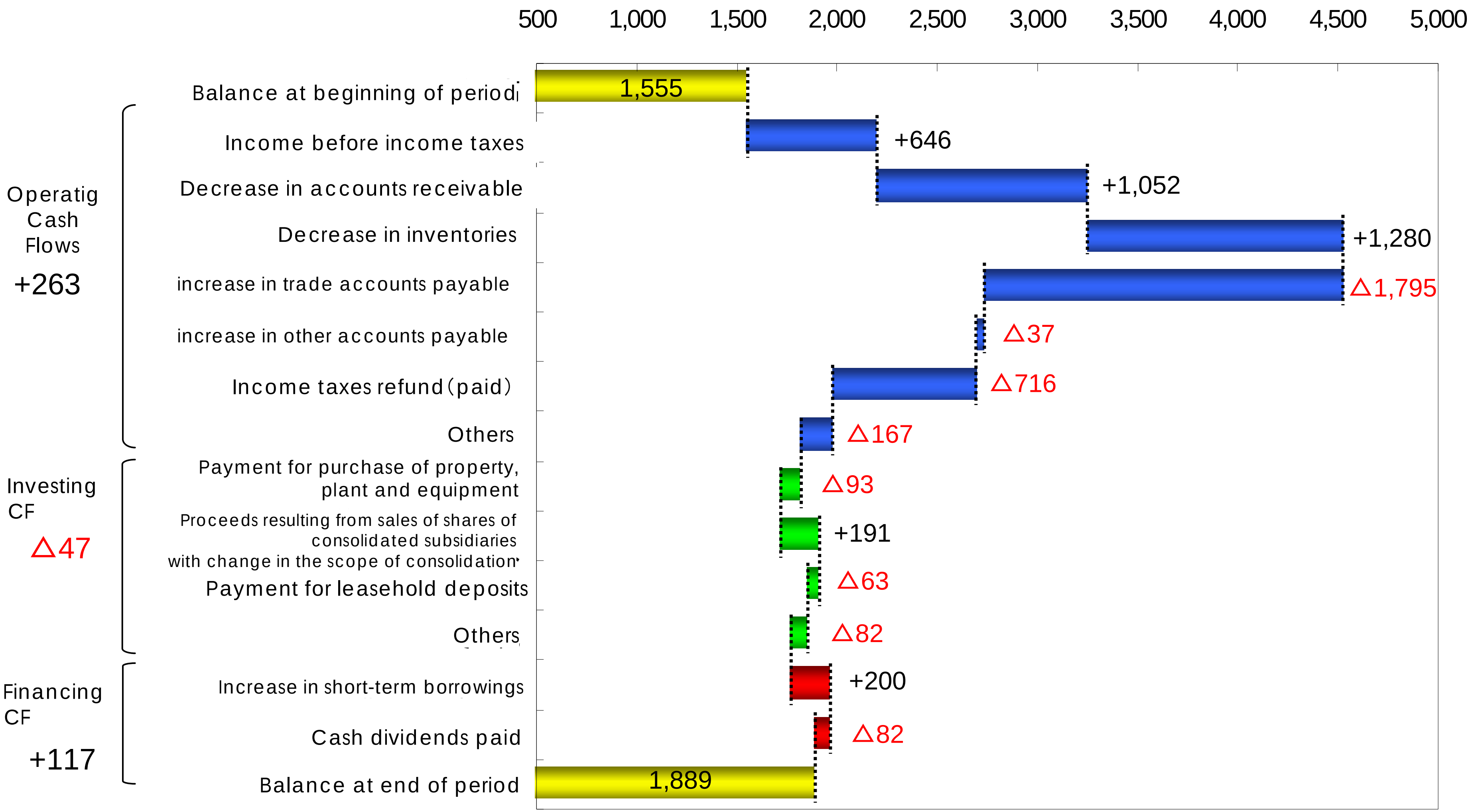
Accounting Period	1H 2004	1H 2005	1H 2006	1H 2007	1H 2008
Gross profit(million yen)	1,339	2,123	2,443	3,586	3,530
Personnel (million yen)	613	895	1,074	1,207	1,585
SG&A (million yen)	1,080	1,755	2,086	2,324	3,055
Gross profit/Personnel	2.19	2.37	2.27	2.97	2.23
Gross profit/SG&A	1.24	1.21	1.17	1.54	1.16

(million yen)



5. Composition of Cash Flows (Consolidated)

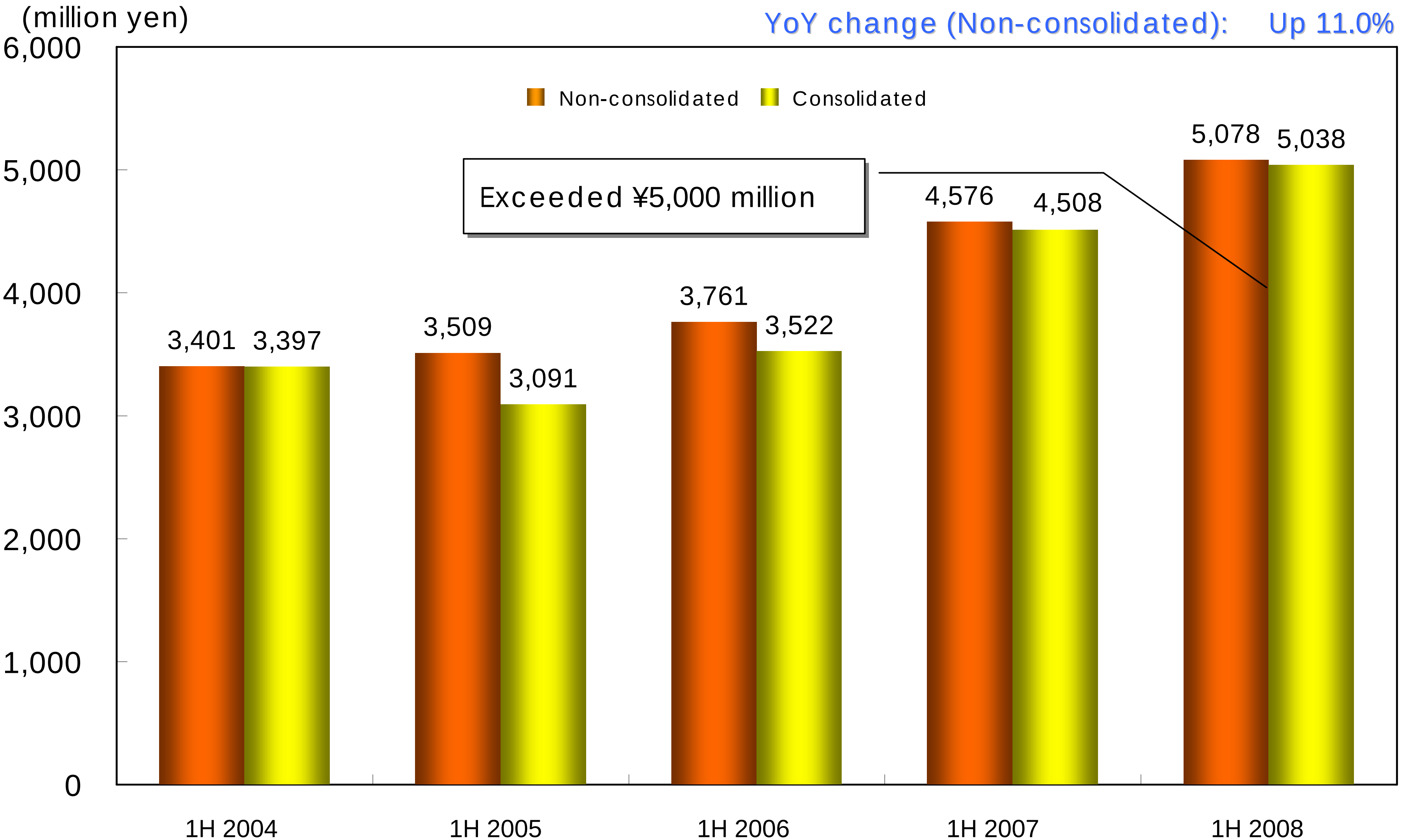
(million yen)



6. Net Assets (Consolidated, Non-consolidated)

YoY change (Consolidated): Up 11.8%

YoY change (Non-consolidated): Up 11.0%



7. Financial Indicators (Consolidated)

		1H 2004	1H 2005	1H 2006	1H 2007	1H 2008
Profitability	Ratio of ordinary income to total assets	10.2%	11.2%	11.4%	30.9%	10.5%
	Return on equity	4.2%	10.8%	11.3%	29.4%	15.2%
	Cash flow margin	3.6%	-	-	1.9%	1.6%
	Gross profit margin	19.2%	18.5%	21.1%	23.8%	20.8%
	Ratio of ordinary income to net sales	3.9%	3.2%	3.1%	8.4%	2.8%
Efficiency	Capital turnover (times/year)	2.65	3.47	3.65	3.68	3.69
	Receivables turnover period (day)	36.6	34.5	33.8	34.3	31.7
	Inventory turnover period (day)	18.2	19.6	21.2	20.7	24.4
Safety	Equity ratio	67.2%	48.4%	59.6%	52.7%	62.1%
	Current ratio	265.4%	158.9%	196.5%	176.9%	206.1%

Equity ratio rebounded to the 60% level for the first time in four years.
Current ratio also recovered to the 200% level.

IV Supplementary Material

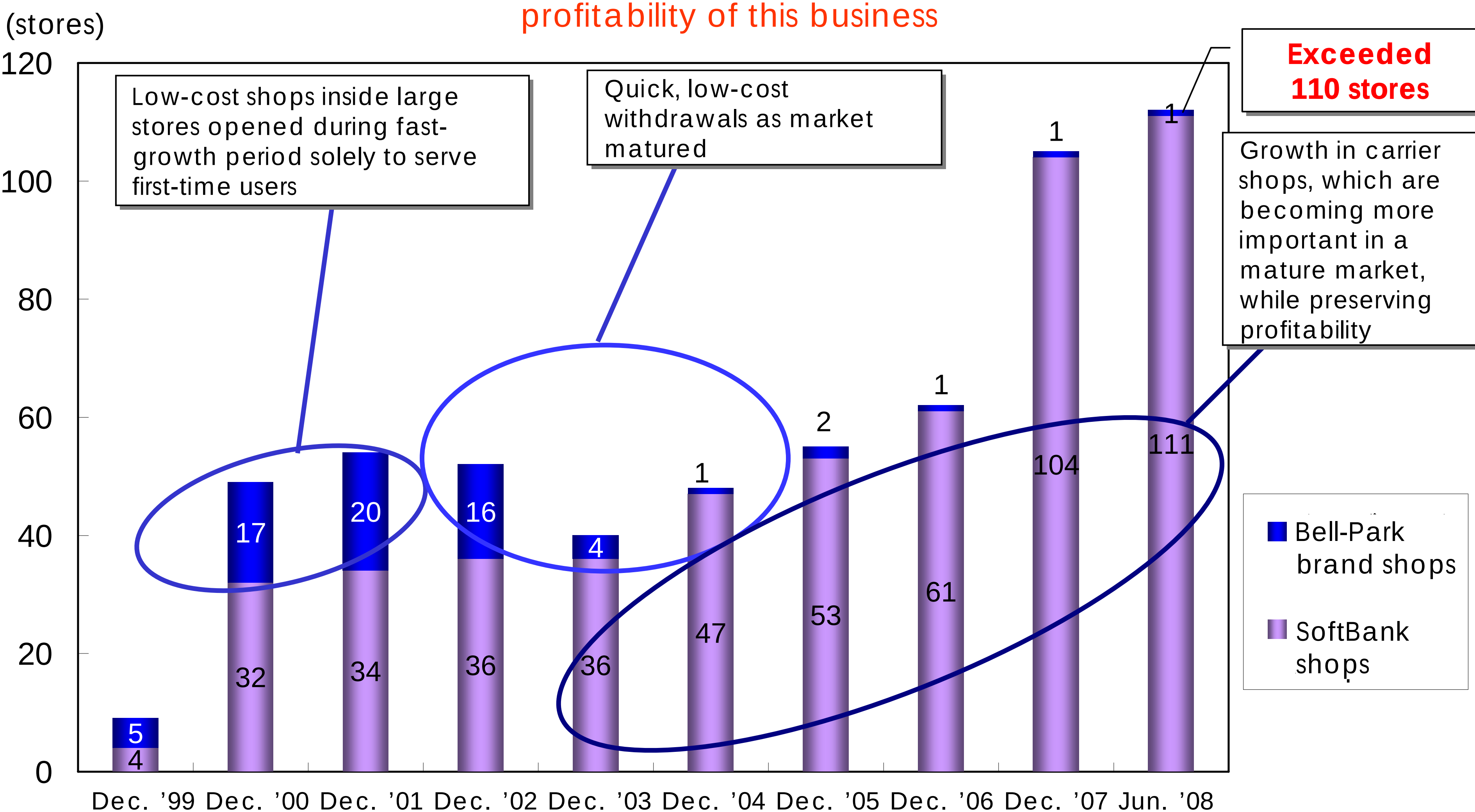
IV-2 Operating Summaries

1. Changes in the Number of Stores

2. Number of Stores

Steadily invest the cash generated since our IPO in expanding the store network

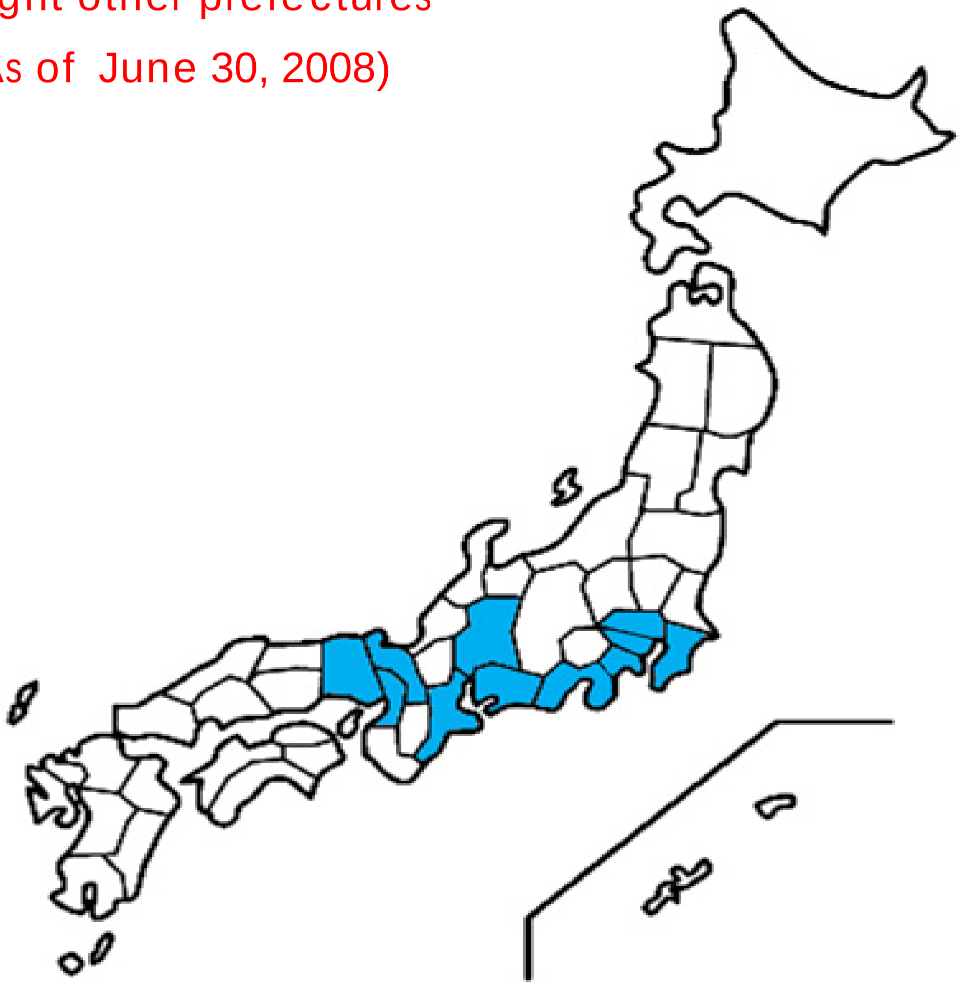
Make stores into “carrier shops” in response to shifts in customer needs and profitability of this business



3.Store Network

111 SoftBank shops, one Bell-Park's own brand shop in Tokyo, Osaka, Kyoto and eight other prefectures

(As of June 30, 2008)



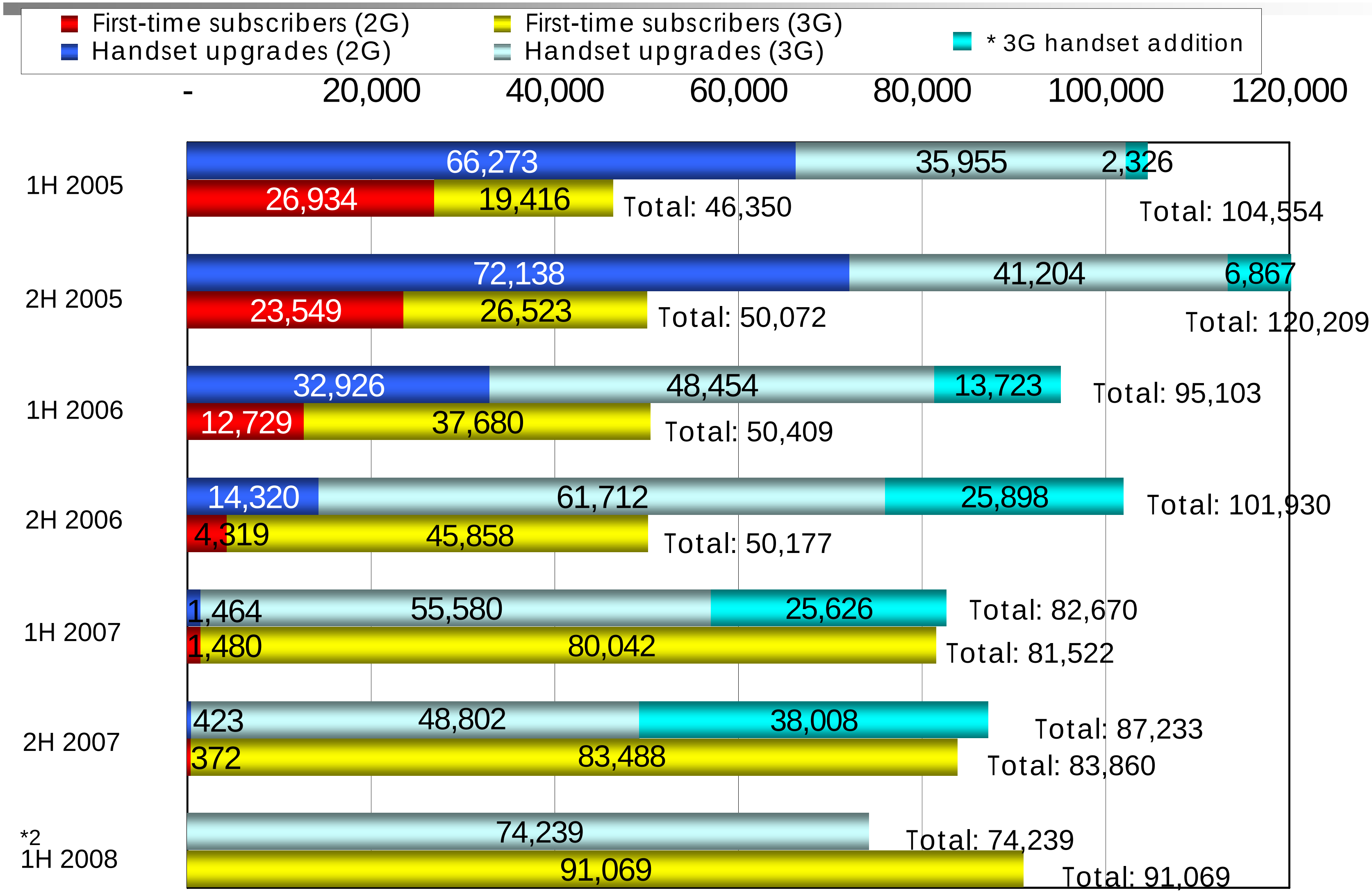
Kanto Area Stores

No.of stores	SoftBank shop: Direct	SoftBank shop: Franchise	Bell-park Brand shop
Tokyo	44	0	0
Kanagawa	7	0	0
Chiba	11	0	0
Saitama	14	0	0
Subtotal	76	0	0

Tokai/Kansai Area Stores

No.of stores	SoftBank shop: Direct	SoftBank shop: Franchise	Bell-park Brand shop
Aichi	7	0	1
Shizuoka	1	0	0
Gifu	1	0	0
Mie	4	0	0
Osaka	4	3	0
Kyoto	0	3	0
Hyogo	0	12	0
Subtotal	17	18	1

4. Number of Mobile Phones Sold

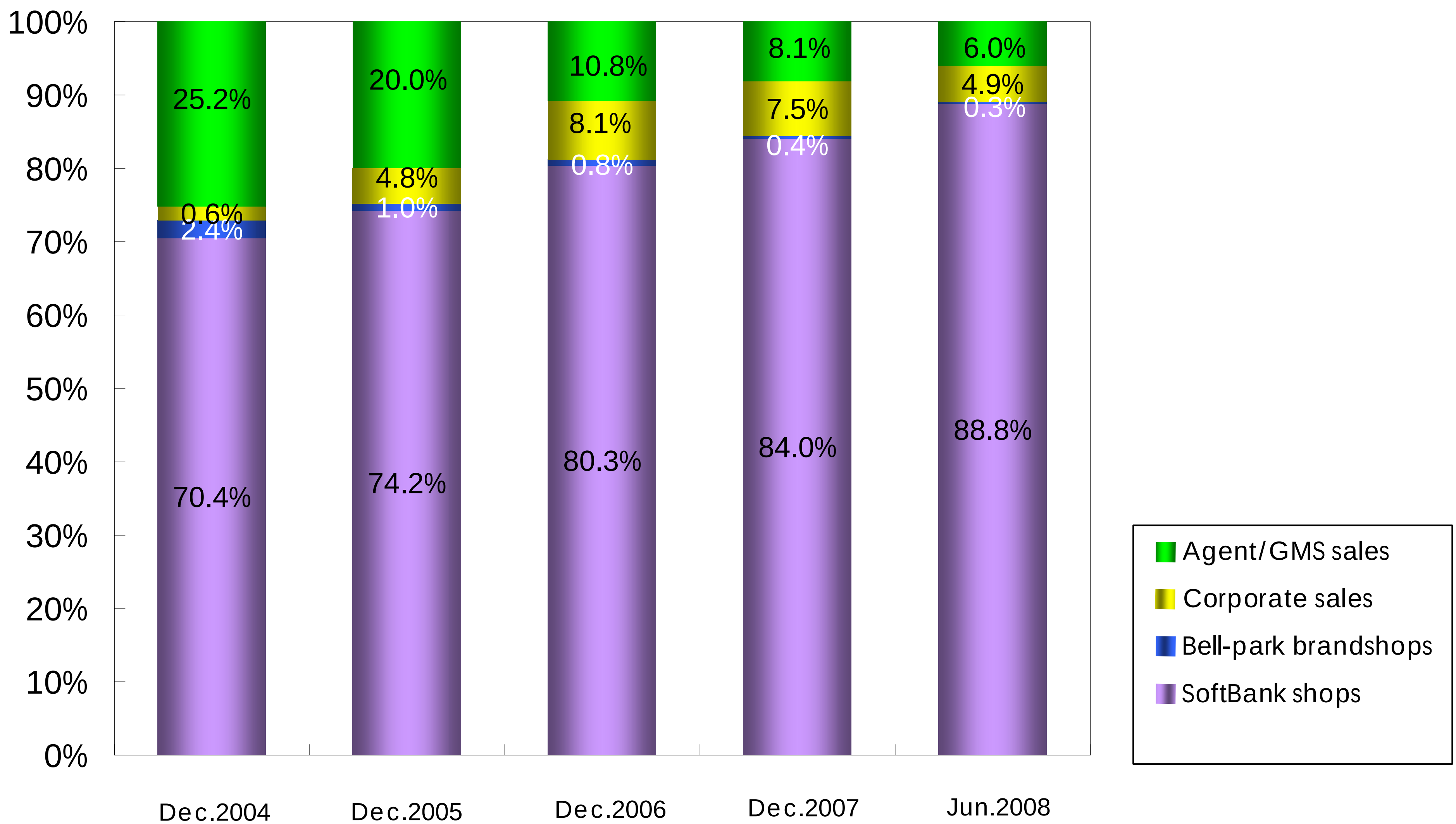


Mobile phone upgrades vs. Sales to first-time users
2.26
2.40
1.89
2.03
1.01
1.04
0.82

Note 1: 3G handset addition: 3G handset upgrade by owners of SOFTBANK MOBILE's 3G handsets
Note 2: Since the share of 2G handsets in total sales has become insignificant, separate data is not provided for 2G and 3G handsets. Effective from the current fiscal year, 3G sales data includes 2G sales.

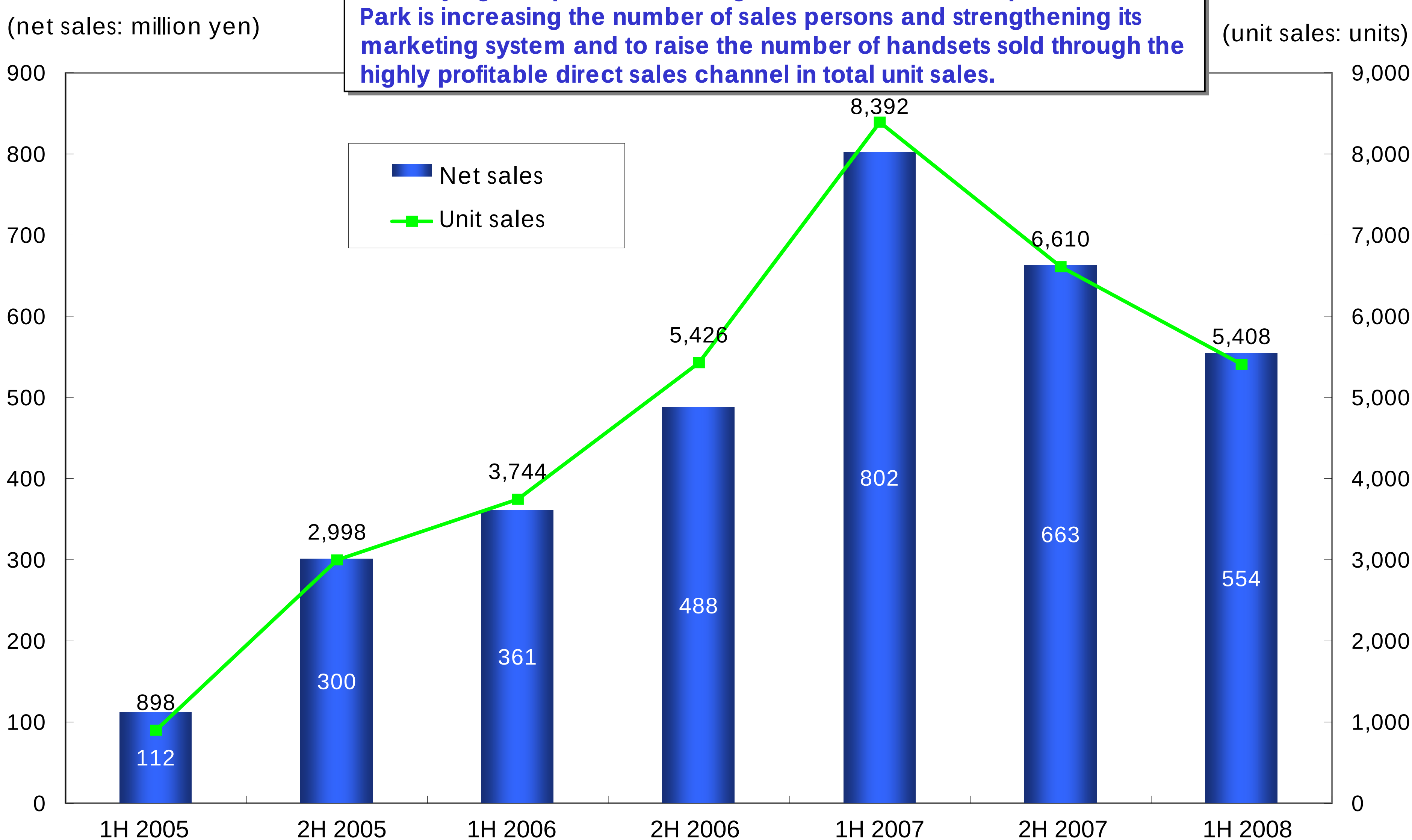
Bell-Park

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



6. Corporate Sales

Intensifying competition is driving down unit sales. In response, Bell-Park is increasing the number of sales persons and strengthening its marketing system and to raise the number of handsets sold through the highly profitable direct sales channel in total unit sales.



7. Sales of Accessories and other Items

Consolidated operating income, less gross profit on accessories, etc.

+

Accessories, etc. (Gross profit)

Consolidated operating income

Gross profit on accessories and other items represents approx. 5% of consolidated gross profit and roughly 40% of consolidated operating income.

Bell-Park is concentrating on promoting sales of accessories and other items in order to raise sales per customer.

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.