



Consolidated Financial Summaries for the First Quarter Ended March 2006

April 28, 2006

Company name: Bell-Park Co., Ltd.
Stock code: 9441
Stock exchange listing: JASDAQ
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1. Notes on Preparation of Quarterly Consolidated Financial Summaries

1) Adoption of the simple method for accounting principles: Yes

(Details) The simple method based on the effective tax rate has been applied to the calculation of income taxes. The simple method is also applied to the calculation of certain items that have an insignificant impact on the financial statements.

2) Changes in accounting principles applied in recent fiscal year: None

3) Changes in the scope of consolidation and affiliates accounted for under the equity method: None

2. Consolidated Financial Summaries for the First Quarter Ended March 2006 (Jan. 1 – Mar. 31, 2006)

(1) Results of Operations

Yen in millions, rounded down

| | Net sales | | Operating income | | Ordinary income | |
|-------------------------------------|-------------|--------------|------------------|--------------|-----------------|--------------|
| | Million yen | YoY change % | Million yen | YoY change % | Million yen | YoY change % |
| 1Q ended Mar. 2006 | 5,897 | (1.5) | 232 | 8.4 | 239 | 11.7 |
| 1Q ended Mar. 2005 | 5,989 | 77.5 | 214 | 44.5 | 214 | 45.2 |
| [Reference] Year ended Dec. 2005 | 24,355 | | 948 | | 946 | |

| | Net income | | Net income per share (basic) | Net income per share (diluted) |
|-------------------------------------|-------------|--------------|------------------------------|--------------------------------|
| | Million yen | YoY change % | Yen | Yen |
| 1Q ended Mar. 2006 | 123 | 7.0 | 1,963.33 | 1,946.35 |
| 1Q ended Mar. 2005 | 115 | 164.0 | - | - |
| [Reference] Year ended Dec. 2005 | 483 | | 7,617.43 | 7,583.04 |

Notes:

1. Weighted average number of shares outstanding

1Q ended Mar. 2006: 62,962.51 shares
1Q ended Mar. 2005: -
Year ended Dec. 2005: 63,434.33 shares

2. Each "YoY change" represents its relevant change in percentage compared to the same period of the previous fiscal year.

3. Quarterly earnings per share for the first quarter of the previous fiscal year is not presented, since the Company started releasing quarterly earnings per share from the third quarter of the previous fiscal year.

[Consolidated Results of Operations]

1. Summary of the first quarter

Japan's economy continued to recover in the first quarter of the current fiscal year (January - March 2006) as the effect of the strong corporate sector performance started to make itself felt in the consumer sector.

In this environment, the Bell-Park Group focused on generating earnings in its mobile phone sales business, improving earnings in the recently established network business and developing the staffing services business.

Due to the above factors, three-month period net sales was 5,897 million yen (98.5%, compared to the previous year), operating income was 232 million yen (108.4%), ordinary income was 239 million yen (111.7%), and net income was 123 million yen (107.0%).

2. Summary of results by business segment

Results by business segment were as follows. Year-on-year comparisons of net sales and operating income/loss are not presented, since the Company did not report operating results by segment in the first quarter of the previous fiscal year.

1) Mobile phone sales business

The mobile phone sales market was very strong during the first quarter of 2006 as the net increase in new subscribers increased to 1.61 million compared with 1.51 million one year earlier (January - March 2005). One reason was Japan's economic rebound. More significantly, there were many new models with e-money and other new capabilities and the introduction of more appealing services targeting mobile phone users, such as a music distribution service. However, Vodafone, the primary service handled by Bell-Park, recorded a net increase of only 90,000 subscribers during the first quarter of 2006. This was much less than the increases at NTT DoCoMo (770,000 lines) and au (740,000 lines, including TU-KA). As a result, sales agents affiliated with Vodafone faced an extremely challenging operating environment just as they did in 2005. In March 2006, there were media reports concerning the acquisition of Vodafone K.K. by SOFTBANK CORP. These reports led to hopes among Vodafone sales agents of faster decision-making and other improvements in the operating environment resulting from this acquisition. However, the announcement of this acquisition did not have any effect on operating results during the first quarter of 2006.

In this environment, Bell-Park Group concentrated on upgrading store sales capabilities by continuously training sales personnel and on increasing earnings by adhering rigorously to sales policies. Concerning staff training, Bell-Park continued to work on training. The objective is to enhance store operations by providing workers who are knowledgeable about the increasingly sophisticated nature of mobile phones and services for mobile phone users. In addition, measures were taken to avoid excessive price-cutting and to avoid a reliance solely on sales to first-time users. Bell-Park followed sales policies that placed priority on achieving a balance among handset upgrades, after-sales services and other activities, all aimed at maintaining and enhancing customer satisfaction. Through these actions, Bell-Park focused on consistently generating earnings.

In the three-month period of 2006, segment sales totaled 5,425 million yen and operating income was 355 million yen.

2) Network business

The fixed-line communication service sector, where Bell-Park's network business is active, continued to witness intense competition as in the previous year. The main reason was the strengthening of sales activities for telephone services that use fiber-optic networks, a response to the challenge posed by the direct-collection-type fixed line telephone service, which attracted much attention in Japan in 2005.

In this environment, the Bell-Park Group took steps to build a sales framework for its mainstay the direct-collection-type fixed line telephone service that emphasizes productivity and a reduction in the subscriber cancellation rate. These actions are in response to the current poor profitability of the subscription agency business for this service in 2005, the first year of this business, even though Bell-Park signed up a considerable number of subscribers.

Due to these actions, this segment posted sales of 189 million yen and an operating loss of 9 million yen in the three-month period of 2006.

3) Staffing services business

The primary activity in this segment is the provision of employees to sell mobile phones. Demand for this type of staffing service is growing as mobile phone sales agents increase their reliance on employees sent from temporary placement firms.

In this environment, the Bell-Park Group decided to resume growth-oriented investments during the first quarter of 2006 because the staffing services business became profitable, although only slightly, in the second half of 2005. Actions included opening an office in Osaka, the region of Japan with the largest demand for staffing services after Tokyo area, and strengthening sales capabilities by increasing the recruitment of mid-career professionals.

In the three-month period of 2006, segment sales totaled 345 million yen and there was an operating loss of 2 million yen.

(2) Financial Position

Yen in millions, rounded down

| | Total assets | Shareholders' equity | Shareholders' equity ratio | Shareholders' equity per share |
|------------------------------------|--------------|----------------------|----------------------------|--------------------------------|
| | Million yen | Million yen | % | Yen |
| As of Mar. 31, 2006 | 6,594 | 3,447 | 52.3 | 54,736.73 |
| As of Mar. 31, 2005 | 6,441 | 3,105 | 48.2 | - |
| [Reference] As of Dec. 31, 2005 | 6,810 | 3,383 | 49.7 | 53,774.30 |

Notes:

1. Number of shares outstanding at end of period

As of Mar. 31, 2006: 62,984.68 shares

As of Mar. 31, 2005: -

As of Dec. 31, 2005: 62,927.68 shares

2. Quarterly earnings per share as of Mar. 31, 2005 is not presented, since the Company started releasing quarterly earnings per share from the third quarter of the previous fiscal year.

[Cash Flows Position]

Yen in millions, rounded down

| | Net cash provided by (used in) operating activities | Net cash provided by (used in) investing activities | Net cash provided by (used in) financing activities | Cash and cash equivalents at end of period |
|-------------------------------------|---|---|---|--|
| | Million yen | Million yen | Million yen | Million yen |
| 1Q ended Mar. 2006 | (115) | (129) | (49) | 1,224 |
| 1Q ended Mar. 2005 | - | - | - | - |
| [Reference] Year ended Dec. 2005 | (264) | (498) | (48) | 1,517 |

Note: Cash flows for the first quarter of the previous fiscal year are not presented, since the Company started releasing quarterly cash flow data from the third quarter of the previous fiscal year.

[Financial Position]

1. Change in financial position

Total assets as of March 31, 2006 were 6,594 million yen, a decline of 215 million yen from the end of the previous fiscal year. In current assets, cash on hand and in banks declined 293 million yen. In current liabilities, accrued income taxes declined 215 million yen.

There were no significant changes in fixed assets and long-term liabilities.

Total shareholders' equity rose 63 million yen to 3,447 million yen due to the booking of net income. The shareholders' equity ratio was 52.3%.

2. Cash flows position

Cash and cash equivalents at the end of the quarter were 1,224 million yen, a decline of 293 million yen compared to the end of the previous fiscal year.

- Net cash used in operating activities was 115 million yen. Major uses of cash were 227 million yen in income before income taxes and 323 million yen in income taxes paid.
- Net cash used in investing activities was 129 million yen due to acquisition of property, plant and equipment.
- Net cash used in financing activities was 49 million yen due to cash dividend paid.

3. Forecast for the Year Ending December 2006 (Jan. 1 - Dec. 31, 2006)

| | Net sales | Ordinary income | Net income |
|------------|-------------|-----------------|-------------|
| | Million yen | Million yen | Million yen |
| First half | 13,300 | 430 | 220 |
| Full year | 28,500 | 1,050 | 540 |

Note: Previous forecasts for the year ending December 2006 have not been changed.
Actual results may differ significantly from these forecasts for a number of factors.

[Consolidated Forecasts]

The achievement rate of net sales, ordinary income and net income for the first three months of the current fiscal year were 44.3%, 55.7% and 56.2%, respectively. The Company will continue to strive to achieve its forecasts for the first half of the current fiscal year.

The Company has decided not to revise the forecasts of operating results released on February 16, 2006 in the Financial Results for the Fiscal Year Ending December 2006.

1. Summary Consolidated Balance Sheet

Thousand yen, %

| Account | FY2006 1Q (As of Mar. 31, 2006) | FY2005 1Q (As of Mar. 31, 2005) | Change | | [Reference] FY2005 (As of Dec. 31, 2005) |
|-------------------------------|------------------------------------|------------------------------------|----------------|------------|--|
| | Amount | Amount | Amount | % | Amount |
| Assets | | | | | |
| I Current assets | 5,093,029 | 5,284,408 | (191,379) | (3.6) | 5,378,008 |
| II Fixed assets | 1,501,834 | 1,156,992 | 344,841 | 29.8 | 1,432,575 |
| Property, plant and equipment | 369,419 | 272,042 | 97,376 | 35.8 | 323,233 |
| Intangible assets | 33,860 | 29,673 | 4,187 | 14.1 | 22,316 |
| Investments and other assets | 1,098,553 | 855,276 | 243,277 | 28.4 | 1,087,025 |
| Total assets | 6,594,863 | 6,441,401 | 153,461 | 2.4 | 6,810,583 |

| | | | | | |
|---|------------------|------------------|------------------|--------------|------------------|
| Liabilities | | | | | |
| I Current liabilities | 2,961,652 | 3,254,712 | (293,060) | (9.0) | 3,243,639 |
| II Long-term liabilities | 185,634 | 81,637 | 103,996 | 127.4 | 183,051 |
| Total liabilities | 3,147,287 | 3,336,350 | (189,063) | (5.7) | 3,426,691 |
| Shareholders' equity | | | | | |
| I Common stock | 1,087,787 | 1,085,035 | 2,751 | 0.3 | 1,086,140 |
| II Capital surplus | 1,542,194 | 1,539,443 | 2,751 | 0.2 | 1,540,547 |
| III Retained earnings | 1,022,555 | 594,153 | 428,401 | 72.1 | 961,866 |
| IV Net unrealized holding gain on securities | 3,074 | - | 3,074 | - | 3,373 |
| V Treasury stock | (208,036) | (113,581) | (94,454) | (83.2) | (208,036) |
| Total shareholders' equity | 3,447,575 | 3,105,050 | 342,525 | 11.0 | 3,383,892 |
| Total liabilities, minority interests and shareholders' equity | 6,594,863 | 6,441,401 | 153,461 | 2.4 | 6,810,583 |

2. Summary Consolidated Income Statements

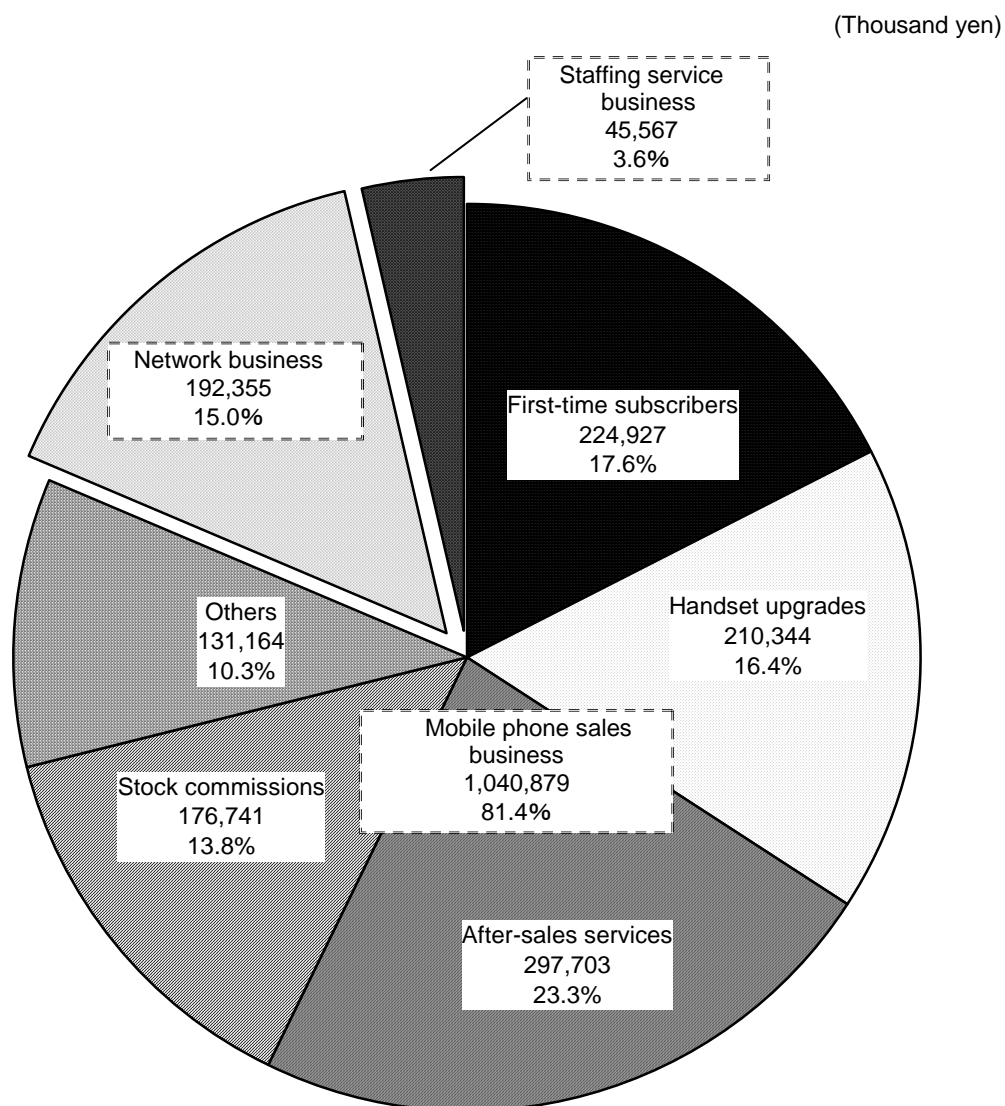
Thousand yen, %

| Account | FY2006 1Q (Jan.1 – Mar. 31, 2006) | FY2005 1Q (Jan. 1 – Mar. 31, 2005) | Change | | [Reference] FY2005 (Jan. 1 – Dec. 31, 2005) |
|---|---|--|-----------|-------|--|
| | Amount | Amount | Amount | % | Amount |
| I Net sales | 5,897,040 | 5,989,732 | (92,691) | (1.5) | 24,355,489 |
| II Cost of goods sold | 4,618,239 | 4,979,158 | (360,919) | (7.2) | 19,671,400 |
| Gross profit | 1,278,801 | 1,010,573 | 268,228 | 26.5 | 4,684,088 |
| III Selling, general and administrative expenses | 1,045,958 | 795,696 | 250,262 | 31.5 | 3,735,328 |
| Operating income | 232,842 | 214,876 | 17,965 | 8.4 | 948,760 |
| IV Non-operating income | 10,372 | 3,244 | 7,128 | 219.7 | 22,363 |
| V Non-operating expenses | 3,726 | 3,706 | 20 | 0.6 | 24,866 |
| Ordinary income | 239,488 | 214,415 | 25,073 | 11.7 | 946,257 |
| VI Extraordinary income | - | - | - | - | - |
| VII Extraordinary loss | 12,209 | 4,364 | 7,845 | 179.8 | 18,267 |
| Income before income taxes | 227,278 | 210,050 | 17,228 | 8.2 | 927,989 |
| Income taxes | 103,662 | 94,557 | 9,105 | 9.6 | 444,783 |
| Net income | 123,616 | 115,493 | 8,122 | 7.0 | 483,206 |

(Reference)

1. Composition of Consolidated Gross profit

The composition of consolidated gross profit for the three months (January 1 – March 31, 2006) is as follows:



After-sales service: Commissions received from telecom carriers for services on consignment related to handset upgrades, service plan changes, repair and maintenance.

Others: Prepaid mobile phones, accessories, etc.

Beginning with the first quarter of 2006, Bell-Park has revised some categories of its gross profit for reporting purposes. The "First-time subscribers" category has been established to combine the former "First-time subscribers (2G)" and First-time subscribers (3G)" categories. Also, the "Handset upgrades" category has been established to combine the former "Handset upgrades (2G)" and "Handset upgrades (3G)" categories.

(Reference)

2. Number of Mobile Phones Sold

Monthly unit sales for the three months (January 1 – March 31, 2006) are summarized below.

(Units)

