



Consolidated Financial Summaries for the First Quarter Ended March 31, 2007

April 27, 2007

Company name: Bell-Park Co., Ltd.
Stock code: 9441
Stock exchange listing: JASDAQ
URL: <http://www.bellpark.co.jp>
President & CEO: Takeru Nishikawa
Contact: Hiroshi Ishikawa, Corporate Officer, General Manager, Administration Division
Tel: +81-(0)3-3288-5211

1. Notes on Preparation of Quarterly 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 application of the equity method: None

2. Consolidated Financial Summaries for the First Quarter Ended March 31, 2007 (Jan. 1 – Mar. 31, 2007)

(1) Consolidated Results of Operations

Million yen, rounded down

	Net sales		Operating income		Ordinary income	
	Million yen	YoY change %	Million yen	YoY change %	Million yen	YoY change %
1Q ended Mar. 2007	7,659	29.9	720	209.3	720	200.7
1Q ended Mar. 2006	5,897	(1.5)	232	8.4	239	11.7
[Reference] Year ended Dec. 2006	24,356		1,076		1,087	

	Net income		Net income per share (basic)	Net income per share (diluted)
	Million yen	YoY change %	Yen	Yen
1Q ended Mar. 2007	386	213.0	6,092.10	6,066.50
1Q ended Mar. 2006	123	7.0	1,963.33	1,946.35
[Reference] Year ended Dec. 2006	557		8,847.24	8,799.50

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

[Qualitative Information Regarding Consolidated Results of Operations]

(Summary of the first quarter)

In the first quarter (January–March 2007), although personal consumption remained weak, Japan's economy continued a steady recovery, underpinned by rising corporate profit and an improved employment picture.

In this environment, the Bell-Park Group focused on generating earnings in its mobile phone sales business, as well as on expanding staffing services businesses.

Due to the above factors, net sales was 7,659 million yen (129.9%, compared to the previous year), operating income was 720 million yen (309.3%), ordinary income was 720 million yen (300.7%), and net income was 386 million yen (313.0%) in the first quarter of 2007 (cumulative for three months).

(Summary of results by business segment)

Results by business segment were as follows.

1) Mobile phone sales business

In the first quarter, mobile phone carriers initiated several proactive measures, including major sales campaigns to coincide with the launch of new models of mobile phones. These and other efforts lifted quarterly demand for new phones in the mobile phone marketing sector, and pushed up new subscriptions by 1.78 million, surpassing the 1.61 million new subscriptions recorded in the first quarter of 2006. SoftBank, which is the primary source of products sold by the Group, was also active, introducing several new models in multiple colors and combining these with novel rate plans.

While continuing efforts to expand sales during sales campaigns, the Group was highly conscious of the need to raise customer satisfaction in response to rising customer traffic, and for this reason focused on shop sales activities. In the corporate sector, the Group concentrated on signing up new clients by taking full advantage of the opportunities created by SoftBank's introduction of new corporate rate plans. In support of these initiatives, the Group also stepped up recruitment and strengthened employee training systems. The new training center, opened in January 2007, allows us to reinforce employee training systems and to raise employees' marketing skills.

In the first quarter of 2007, segment sales totaled 7,226 million yen (133.2%, compared to the previous year) and operating income was 866 million yen (244.1%).

2) Staffing services business

The provision of mobile phone sales personnel, the primary component of the staffing services business, benefited from solid demand for temporary workers due to a significant shortage of workers at the stores of mobile phone sales agents. However, Japan's economic recovery is having an increasing impact on recruiting activities. Furthermore, some companies are hiring of full-time workers rather than relying on temporary personnel. These trends made it more difficult to recruit temporary staffing personnel, compared to the same period a year ago.

In the staffing services business, the Group made additional investments to secure expansion, following the return to profitability in the previous fiscal year. Specifically, we opened a branch office in Tokai, a region of the country where demand growth is expected.

Helped by an expanding network, the number of temporary staff placed by the Group increased favorably, boosting sales in the quarter under review. However, the segment wound up the quarter with an operating loss, due mainly to up-front investment.

In the first quarter of 2007, segment sales totaled 413 million yen (119.7%, compared to the previous year) and there was an operating loss of 5 million yen (a loss of 2 million yen one year earlier).

3) Other business

The other business segment, where fixed-line communication service contracts is the core business, recorded an operating loss of 1 million yen (a loss of 9 million yen one year earlier) on sales of 52 million yen (27.9%, compared to the previous year) in the first quarter of 2007.

(2) Consolidated Financial Position

Million yen, rounded down

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Mar. 31, 2007	8,599	4,237	49.3	66,477.61
As of Mar. 31, 2006	6,594	3,447	52.3	54,736.73
[Reference]				
As of Dec. 31, 2006	7,789	3,884	49.9	61,599.13

[Consolidated Cash Flow Position]

Million yen, 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. 2007	(309)	(47)	(17)	1,522
1Q ended Mar. 2006	(115)	(129)	(49)	1,224
[Reference]				
Year ended Dec. 2006	553	(11)	(161)	1,897

[Qualitative Information Regarding Consolidated Financial Position]

(Change in financial position)

Total assets at the end of the first quarter were 8,599 million yen, an increase of 810 million yen from the end of the previous fiscal year. In current assets, cash on hand and in banks decreased 374 million yen, accounts receivable - trade and accounts receivable – other increased 230 million yen, and inventories increased 889 million yen. In current liabilities, accounts payable - trade and accounts payable – other increased 286 million yen.

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

Net assets rose 353 million yen to 4,237 million yen due to the booking of net income. The equity ratio was 49.3%.

(Cash flows position)

Cash and cash equivalents at the end of the first quarter were 1,522 million yen, a decrease of 374 million yen compared to the end of the previous fiscal year.

- Net cash used in operating activities was 309 million yen. The main items were 750 million yen in income before income taxes, a 230 million yen increase in account receivables, an 889 million yen increase in inventories, a 286 million yen increase in account payables, and income taxes paid of 290 million yen.
- Net cash used in investing activities was 47 million yen. The main item was 49 million yen in acquisition of investment securities.
- Net cash used in financing activities was 17 million yen due to proceeds from issuance of new stock of 40 million yen on the exercise of stock options, and cash dividends paid of 67 million yen.

3. Consolidated Forecast for the Year Ending December 31, 2007 (Jan. 1 - Dec. 31, 2007)

	Net sales	Ordinary income	Net income
	Million yen	Million yen	Million yen
First half	14,200	1,050	520
Full year	28,800	1,700	830

Note: Estimated net income per common share for the year ending Dec. 31, 2007: 13,019.67 yen

Forecasts regarding future performance in these materials are based estimates and judgments of the Company's management made in accordance with information available at the time this report was prepared. Forecasts therefore embody risks and uncertainties. Actual results may differ significantly from these forecasts for a number of factors.

[Qualitative Information Regarding Forecasts]

There are no changes to the revised forecasts for the fiscal year ending December 31, 2007, announced on April 10, 2007 in the press release "Revisions to Consolidated and Non-consolidated Forecasts for the First-half and Full-year of Fiscal Year Ending December 31, 2007".

4. Reasons for discontinuing the disclosure of non-consolidated business results

The Group acquired all the businesses of Nikka Co., Ltd., a consolidated subsidiary, on December 31, 2006. As a result, the total sales, ordinary income, assets, liabilities and net assets of consolidated subsidiaries have become insignificant as a percentage of total consolidated profit/loss, assets, liabilities and net assets, respectively. The Company decided not to present non-consolidated business results in view of these considerations.

[Attachment]

1. Summary Consolidated Balance Sheets

Thousand yen, %

Account	As of Mar. 31, 2007	As of Mar. 31, 2006	Change		[Reference] As of Dec. 31, 2006
	Amount	Amount	Amount	%	Amount
Assets					
I. Current assets	7,149,422	5,093,029	2,056,392	40.4	6,406,996
Cash on hand and in banks	1,522,943	1,224,465	298,478	24.4	1,897,932
Accounts receivable -trade and accounts receivable -other	3,199,951	2,427,427	772,524	31.8	2,969,299
Inventories	2,282,033	1,271,438	1,010,595	79.5	1,392,184
Other current assets	144,493	169,698	(25,205)	(14.9)	147,580
II. Fixed assets	1,450,470	1,501,834	(51,364)	(3.4)	1,382,749
Property, plant and equipment	342,505	369,419	(26,913)	(7.3)	318,133
Intangible assets	27,232	33,860	(6,628)	(19.6)	30,135
Investments and other assets	1,080,731	1,098,553	(17,822)	(1.6)	1,034,480
Total assets	8,599,892	6,594,863	2,005,028	30.4	7,789,745

Liabilities					
I. Current liabilities	4,278,013	2,961,652	1,316,361	44.4	3,820,622
Accounts payable - trade and accounts payable - other	2,946,326	2,006,262	940,063	46.9	2,659,594
Other current liabilities	1,331,687	955,389	376,297	39.4	1,161,028
II. Long-term liabilities	83,951	185,634	(101,683)	(54.8)	84,886
Total liabilities	4,361,965	3,147,287	1,214,678	38.6	3,905,509
Shareholders' equity					
I. Common stock	-	1,087,787	-	-	-
II. Capital surplus	-	1,542,194	-	-	-
III. Retained earnings	-	1,022,555	-	-	-
IV. Net unrealized holding gain on securities	-	3,074	-	-	-
V. Treasury stock	-	(208,036)	-	-	-
Total shareholders' equity	-	3,447,575	-	-	-
Total liabilities and shareholders' equity	-	6,594,863	-	-	-
Net assets					
I. Shareholders' equity					
1. Common stock	1,111,287	-	-	-	1,090,878
2. Capital surplus	1,564,008	-	-	-	1,545,286
3. Retained earnings	1,761,416	-	-	-	1,456,454
4. Treasury stock	(197,749)	-	-	-	(208,036)
Total shareholders' equity	4,238,962	-	-	-	3,884,583
II. Valuation and translation adjustments					
1. Net unrealized holding gain on securities	(1,035)	-	-	-	(346)
Total valuation and translation adjustments	(1,035)	-	-	-	(346)
Total net assets	4,237,926	-	-	-	3,884,236
Total liabilities and net assets	8,599,892	-	-	-	7,789,745

2. Summary Consolidated Income Statements

Thousand yen, %

Account	Jan.1 – Mar. 31, 2007	Jan. 1 – Mar. 31, 2006	Change		[Reference] Jan. 1 – Dec. 31, 2006
	Amount	Amount	Amount	%	Amount
I Net sales	7,659,055	5,897,040	1,762,015	29.9	24,356,373
II Cost of goods sold	5,867,474	4,618,239	1,249,234	27.1	19,159,840
Gross profit	1,791,581	1,278,801	512,780	40.1	5,196,532
III Selling, general and administrative expenses	1,071,469	1,045,958	25,510	2.4	4,120,374
Operating income	720,112	232,842	487,269	209.3	1,076,157
IV Non-operating income	3,869	10,372	(6,503)	(62.7)	27,444
V Non-operating expenses	3,766	3,726	39	1.1	15,732
Ordinary income	720,215	239,488	480,726	200.7	1,087,870
VI Extraordinary income	30,313	-	30,313	-	39,732
VII Extraordinary loss	60	12,209	(12,149)	(99.5)	81,541
Income before income taxes	750,468	227,278	523,189	230.2	1,046,061
Income taxes	363,532	103,662	259,870	250.7	488,545
Net income	386,935	123,616	263,319	213.0	557,515