



October 31, 2007

## Financial Summaries for the Nine Months Ended September 30, 2007

Company name: Bell-Park Co., Ltd. Stock exchange listing: JASDAQ  
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(Figures are rounded down to the nearest million yen)

### 1. Consolidated Financial Summaries for the Nine Months Ended September 30, 2007 (Jan. 1 – Sep. 30, 2007)

(1) Consolidated results of operations (Percentages represent year-on-year changes)

	Net sales		Operating income		Ordinary income	
	Million yen	%	Million yen	%	Million yen	%
Nine months ended Sep. 2007	23,395	34.4	1,646	186.3	1,646	182.0
Nine months ended Sep. 2006	17,404	(3.6)	575	(21.3)	583	(20.5)
Year ended Dec. 2006	24,356		1,076		1,087	

	Net income		Net income per share (basic)	Net income per share (diluted)
	Million yen	%	Yen	Yen
Nine months ended Sep. 2007	817	162.9	12,790.33	12,706.00
Nine months ended Sep. 2006	310	(15.3)	4,936.74	4,903.23
Year ended Dec. 2006	557		8,847.24	8,799.50

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Sep. 30, 2007	8,943	4,722	52.8	73,435.69
As of Sep. 30, 2006	5,898	3,640	61.7	57,730.63
As of Dec. 31, 2006	7,789	3,884	49.9	61,599.13

(3) Consolidated cash flow position

	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
Nine months ended Sep. 2007	278	(240)	20	1,956
Nine months ended Sep. 2006	414	(10)	(160)	1,761
Year ended Dec. 2006	553	(11)	(161)	1,897

### 2. Dividends

Record date	Dividend per share		
	Interim	Year-end	Annual
	Yen	Yen	Yen
Year ended Dec. 2006	-	1,300.00	1,300.00
Year ending Dec. 2007	-	-	-
Year ending Dec. 2007 (forecast)	-	1,300.00	1,300.00

### 3. Consolidated Forecasts for the Year Ending December 31, 2007 (January 1, 2007 – December 31, 2007)

The Company has reviewed the current performance trends and revised the previously released forecast of August 2, 2007 as follows. Please refer to "Qualitative Information and Financial Statements, 3. Qualitative Information Regarding Consolidated Forecasts" on page 4 for further information.

(Percentages represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	30,300	24.4	1,900	76.6	1,900	74.7	920	65.0	14,306.45

**4. Others**

- (1) Changes in consolidated subsidiaries during the period (changes in scope of consolidation): None
- (2) Adoption of the simple method for accounting principles: Yes
- (3) Changes in accounting principles from the most recent fiscal year: Yes

Note: Please refer to "Qualitative Information and Financial Statements, 4. Others" on page 4 for further information.

\* Cautionary statement with respect to forward-looking statements

The above forecasts are based on judgments made in accordance with information currently available.  
Actual figures may differ from these forecasts for a number of factors.

## Qualitative Information and Financial Statements

### 1. Qualitative Information Regarding Consolidated Operating Results

The Japanese economy was relatively strong in the first nine months of 2007 as corporate profit rose, the employment picture brightened and consumer spending, which has an important bearing on our business performance, recovered. In this environment, the Bell-Park Group focused on making its mobile phone sales business more profitable and on expanding the staffing services business.

Due to the above factors, net sales totaled 23,395 million yen (134.4%, compared to the same period of the previous year), operating income 1,646 million yen (286.3%), ordinary income 1,646 million yen (282.0%), and net income 817 million yen (262.9%).

Results by business segment were as follows.

#### (1) Mobile phone sales business

In the mobile communications industry, all carriers in Japan are conducting aggressive sales activities that include the introduction of many new handsets. These activities are producing growth in demand for new mobile phone service subscriptions. During the first nine months of 2007, there was a net increase of 4.39 million in mobile phone subscriptions, well above the 3.63 million net increase in the first nine months of 2006. SoftBank, which is the primary source of products sold by Bell-Park, took many actions to attract subscribers. This company introduced a large number and variety of handsets in multiple colors, innovative rate plans, and opened more stores. As a result, SoftBank ranked first in Japan in net growth in subscribers for five months in a row from May.

In this environment, the Group actively focused on sales promotion activities to increase customer traffic. Furthermore, in conjunction with Softbank Mobile's policy of rapidly opening stores, 15 SoftBank shops were opened in the first nine months with the aim of increasing future earnings.

In the first nine months of 2007, consolidated segment sales totaled 21,915 million yen (136.5%, compared to the same period of the previous year) and operating income was 1,989 million yen (209.4%).

#### (2) Staffing services business

Demand remained strong for mobile phone sales personnel, which is the primary component of the staffing services business. The main reason was consistent strong demand for personnel at the stores of mobile phone sales agents, reflecting carriers' policy of opening more stores. However, it is difficult to recruit temporary staffing personnel because of the strong demand for workers in Japan.

Due to these favorable market conditions, the Group opened a new office in the Tokai region, where growth in demand is foreseen. Sales in this business increased due to growth in the number of temporary staffing personnel in conjunction with an increase in the office network during the first nine months. As a result, the Company moved slightly in the black at the operating income level.

This segment posted sales of 1,425 million yen (128.6%, compared to the same period of the previous year) and an operating income of 0 million yen (11 million yen loss one year earlier) in the first nine months of 2007.

#### (3) Other business

In this segment, which mainly involves processing applications for fixed-line communication service contracts, the Company significantly downsized operations through actions that included the February 2007 relocation of the Shinjuku call center to Chiyoda ward.

In the first nine months of 2007, segment sales totaled 168 million yen (39.7%, compared to the same period of the previous year) and operating income 13 million yen (60 million yen loss one year earlier).

## **2. Qualitative Information Regarding Consolidated Financial Position**

Total assets increased 1,154 million yen over the end of the previous fiscal year to 8,943 million yen as of September 30, 2007. Current assets were 7,291 million yen due to an 840 million yen increase in inventories. Fixed assets increased 269 million yen to 1,651 million yen due to increases in property, plant and equipment of 176 million yen and investments and other assets of 93 million yen. Current liabilities increased 313 million yen to 4,133 million yen due to increases in accrued income taxes of 384 million yen, reserve for employees' bonuses of 109 million yen, and allowance for early subscription cancellations of 82 million yen, and decrease in accounts payable - trade and accounts payable - other of 381 million yen. There were no significant changes in long-term liabilities. Net assets increased 838 million yen to 4,722 million yen from net income of 817 million yen. Consequently, the equity ratio was 52.8%.

### **(Cash Flows)**

There was an increase of 58 million yen in cash and cash equivalents as of September 30, 2007, to 1,956 million yen compared with December 31, 2006.

Net cash provided by operating activities was 278 million yen. Main contributing factors were income before income taxes of 1,669 million yen, depreciation and amortization of 58 million yen, a 140 million yen decrease in accounts receivable, a 109 million yen increase in reserve for employees' bonuses, an 82 million yen increase in allowance for early subscription cancellations. Cash outflows were an 850 million yen increase in inventories, a 381 million yen decrease in accounts payable, and income taxes paid of 576 million yen.

Net cash used in investing activities was 240 million yen. Main contributing factor was proceeds from sales of investment securities of 115 million yen. Cash outflows were payment for purchase of property, plant and equipment of 180 million yen, and payment for leasehold deposits of 187 million yen.

Net cash provided by financing activities was 20 million yen. Main contributing factors were proceeds from issuance of new shares of 65 million yen, and proceeds from disposal of treasury stock of 37 million yen. Cash outflow was cash dividends paid of 81 million yen.

## **3. Qualitative Information Regarding Consolidated Forecasts**

The Company hereby revises its forecasts of consolidated and non-consolidated operating results for the first half and full year of the fiscal year ending December 31, 2007 on August 2, 2007. Regarding forecasts, please refer to revisions to the consolidated and non-consolidated forecasts for the fiscal year ending December 31, 2007 announced on October 31, 2007.

## **4. Others**

(1) Changes in consolidated subsidiaries during the period (changes in scope of consolidation)

Not applicable.

(2) Adoption of the simple method for accounting principles

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.

(3) Changes in accounting principles from the most recent fiscal year

Effective from the current period, property, plant and equipment purchased on or after April 1, 2007 is depreciated in line with methods prescribed in the revised Corporate Tax Law. The impact of this change is minimal.

**5. Summary Consolidated Financial Statements****(1) Summary Consolidated Balance Sheets***Thousand yen, %*

Account	As of Sep. 30, 2006	As of Sep. 30, 2007	Change		[Reference] As of Dec. 31, 2006
	Amount	Amount	Amount	%	Amount
<b>Assets</b>					
I. Current assets	4,527,661	7,291,983	2,764,322	61.1	6,406,996
Cash on hand and in banks	1,761,661	1,956,051	194,390	11.0	1,897,932
Accounts receivable -trade and accounts receivable -other	1,864,743	2,828,971	964,227	51.7	2,969,299
Inventories	753,172	2,232,957	1,479,785	196.5	1,392,184
Other current assets	148,083	274,002	125,918	85.0	147,580
II. Fixed assets	1,371,021	1,651,931	280,910	20.5	1,382,749
Property, plant and equipment	335,810	495,030	159,220	47.4	318,133
Intangible assets	32,338	29,168	(3,170)	(9.8)	30,135
Investments and other assets	1,002,872	1,127,732	124,859	12.5	1,034,480
Total assets	5,898,682	8,943,915	3,045,232	51.6	7,789,745
<b>Liabilities</b>					
I. Current liabilities	2,173,186	4,133,673	1,960,487	90.2	3,820,622
Accounts payable - trade and accounts payable - other	1,351,003	2,277,873	926,869	68.6	2,659,594
Other current liabilities	822,182	1,855,800	1,033,617	125.7	1,161,028
II. Long-term liabilities	85,194	87,835	2,641	3.1	84,886
Total liabilities	2,258,380	4,221,509	1,963,128	86.9	3,905,509
<b>Net assets</b>					
I. Shareholders' equity					
1. Common stock	1,090,878	1,123,576	32,697	3.0	1,090,878
2. Capital surplus	1,545,286	1,586,166	40,880	2.6	1,545,286
3. Retained earnings	1,209,866	2,191,827	981,960	81.2	1,456,454
4. Treasury stock	(208,036)	(179,164)	28,872	(13.9)	(208,036)
Total shareholders' equity	3,637,995	4,722,405	1,084,410	29.8	3,884,583
II. Valuation and translation adjustments					
1. Net unrealized holding gain on securities	2,306	-	(2,306)	-	(346)
Total valuation and translation adjustments	2,306	-	(2,306)	-	(346)
Total net assets	3,640,302	4,722,405	1,082,103	29.7	3,884,236
Total liabilities and net assets	5,898,682	8,943,915	3,045,232	51.6	7,789,745

**(2) Summary Consolidated Statements of Income***Thousand yen, %*

Account	Jan. 1 – Sep. 30, 2006	Jan. 1 – Sep. 30, 2007	Change		[Reference] Jan. 1 – Dec. 31, 2006
	Amount	Amount	Amount	%	Amount
I. Net sales	17,404,474	23,395,093	5,990,618	34.4	24,356,373
II. Cost of goods sold	13,751,397	18,085,525	4,334,127	31.5	19,159,840
Gross profit	3,653,077	5,309,568	1,656,490	45.3	5,196,532
III. Selling, general and administrative expenses	3,077,970	3,662,880	584,910	19.0	4,120,374
Operating income	575,107	1,646,687	1,071,580	186.3	1,076,157
IV. Non-operating income	18,316	10,697	(7,618)	(41.6)	27,444
V. Non-operating expenses	9,765	11,297	1,531	15.7	15,732
Ordinary income	583,657	1,646,087	1,062,429	182.0	1,087,870
VI. Extraordinary income	31,315	30,736	(578)	(1.8)	39,732
VII. Extraordinary loss	32,788	7,069	(25,718)	(78.4)	81,541
Income before income taxes	582,185	1,669,754	1,087,569	186.8	1,046,061
Income taxes	271,257	852,407	581,150	214.2	488,545
Net income	310,927	817,346	506,418	162.9	557,515

*\* This financial report is solely a translation of summary of "Kessan Tanshin" (in Japanese, including attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.*