

Interim Financial Results for the Fiscal Year Ending December 31, 2008

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 Results for the First Half Year Ended June 30, 2008 (January 1 – June 30, 2008)

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

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
First half year ended June 2008	16,941	12.6	474	(62.4)	481	(61.8)	372	(39.6)
First half year ended June 2007	15,041	29.5	1,262	253.7	1,262	246.9	616	216.4
Year ended December 2007	31,453	29.1	1,684	56.5	1,685	54.9	840	50.8

	Net income per share (basic)	Net income per share (diluted)
	Yen	Yen
First half year ended June 2008	5,788.81	-
First half year ended June 2007	9,679.42	9,621.23
Year ended December 2007	13,135.00	13,063.51

Reference: Equity in earnings of affiliates (million yen) Jun. 2008: - Jun. 2007: - Dec. 2007: -

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of June 30, 2008	8,110	5,038	62.1	78,305.43
As of June 30, 2007	8,555	4,508	52.7	70,249.61
As of December 31, 2007	10,231	4,750	46.4	73,817.27

Reference: Shareholders' equity (million yen) Jun. 2008: 5,038 Jun. 2007: 4,508 Dec. 2007: 4,750

(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
First half year ended June 2008	263	(47)	117	1,889
First half year ended June 2007	284	(93)	7	2,096
Year ended December 2007	213	(581)	24	1,555

2. Dividends

Record date	Dividend per share		
	Interim	Year-end	Annual
	Yen	Yen	Yen
Year ended December 2007	-	1,300.00	1,300.00
Year ending December 2008	-	-	-
Year ending December 2008 (forecast)	-	1,300.00	1,300.00

3. Consolidated Forecasts for the Fiscal Year Ending December 31, 2008 (January 1 – December 31, 2008)

(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	35,800	13.8	980	(41.8)	990	(41.3)	600	(28.6)	9,324.44

4. Others

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

Excluded: 1 (Japan Pro Staff Co., Ltd.)

Note: Please refer to "Corporate Group" on page 8 for further information.

(2) Changes in accounting principles, procedures and presentation methods for preparation of interim consolidated financial statements

1) Changes caused by revision of accounting standards: None

2) Other changes: Yes

(3) Number of shares outstanding (common shares)

1) Number of shares outstanding at the end of period (including treasury stock)

Jun. 2008: 66,928.18 shares Jun. 2007: 66,904.18 shares Dec. 2007: 66,928.18 shares

2) Number of treasury stock at the end of period

Jun. 2008: 2,581.18 shares Jun. 2007: 2,725.50 shares Dec. 2007: 2,577.50 shares

(Reference) Summary of Non-consolidated Financial Results**1. Non-consolidated Financial Results for the First Half Year Ended June 30, 2008 (January 1 – June 30, 2008)**

(1) Non-consolidated results of operations *(Percentages represent year-on-year changes)*

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
First half year ended June 2008	15,940	12.1	457	(63.3)	464	(62.8)	360	(40.0)
First half year ended June 2007	14,223	59.2	1,246	469.1	1,248	423.9	600	417.1
Year ended December 2007	29,618	59.5	1,647	133.1	1,650	122.2	808	149.4

	Net income per share (basic)
	Yen
First half year ended June 2008	5,600.33
First half year ended June 2007	9,432.47
Year ended December 2007	12,629.14

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of June 30, 2008	8,199	5,078	61.9	78,915.97
As of June 30, 2007	8,446	4,576	54.2	71,310.12
As of December 31, 2007	10,059	4,801	47.7	74,616.26

Reference: Shareholders' equity (million yen) Jun. 2008: 5,078 Jun. 2007: 4,576 Dec. 2007: 4,801

2. Non-consolidated Forecasts for the Fiscal Year Ending December 31, 2008 (January 1 – December 31, 2008)

(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	34,600	16.8	980	(40.5)	980	(40.6)	600	(25.8)	9,324.44

*** Cautionary statement with respect to forward-looking statements**

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

Please refer to "1. Results of Operations, (1) Analysis of Results of Operations, 2) Outlook for the full year" on page 4 for further information concerning these forecasts.

1. Results of Operations

(1) Analysis of Results of Operations

1) Summary of the first half

In Japan, businesses faced a difficult operating environment in the first half of the current fiscal year. Concerns rose about the outlook for corporate earnings, amid growing worries over a likely slowdown in the global economy due to the turmoil in the U.S. and European financial market triggered by the subprime mortgage crisis, lower stock prices throughout the world and escalating crude oil and raw material prices.

In this environment, the Bell-Park Group focused on making its mobile phone sales business more profitable.

In the mobile phone sales business, our core operations, carriers actively introduced a variety of new handset models and launched new rate plans, boosting demand for new handsets. However, subscriber growth, at 3.12 million lines, was on a par with the same period in 2007 (January – June), because of subscription cancellations following the suspension of service by TU-KA at the end of March 2008. SoftBank, which is the primary carrier that Bell-Park handles, has been proactive in promoting sales. The company introduced new line-up of handset models and offered a broader choice of colors, innovative rate plan, such as the “White Plan Student Discount” targeting students, and promoted it aggressively through appealing TV commercials. As a result SoftBank saw net subscriber growth for 14 consecutive months from May 2007. On the negative side, the replacement cycle is clearly lengthening as a result of the installment sales system introduced in the fall of 2006, slowing down switchovers to new handset models. In addition, SoftBank in June announced that it would start selling Apple’s iPhone™ 3G in July, a move that led some potential buyers to postpone purchases.

In this environment, the Group concentrated on expanding its sales network and on effective sales promotions as means to boost profitability. As a result, new handset sales rose 11.7% year-on-year to 91,069 units, and replacement sales were 74,239 units, a decline of 10.2%. Specifically, the Group added seven more SoftBank shops to its chain, increasing the network to 111 stores: 93 directly managed and 18 franchised stores. As competition increased among SoftBank shops we implemented several effective sales promotion initiatives to increase customer traffic and also conducted sales campaigns in major supermarkets to target housewives attracted by the low rates of the White Plan.

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 staffing business, to P and P Corporation in June 2008. Japan Pro Staff is now an equity method affiliate of the Company and a consolidated subsidiary of P and P. In luxury phone VERTU, the first shop will be the flagship store and larger (to be opened by the end of 2008) than initially planned. However, the shop will not be operated by Bell-Park as originally planned but managed directly by VERTU, a decision reached through negotiations with VERTU.

Due to the above factors, consolidated operating income was 474 million yen, down 62.4%, on consolidated net sales of 16,941 million yen, up 12.6%, compared to the same period a year earlier. Ordinary income declined 61.8% to 481 million yen and net income was 372 million yen, a decline of 39.6% from the same period a year earlier.

Operating 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 of 50% of our equity interest in Japan Pro Staff, a staffing service subsidiary that is now an equity-method affiliate.

2) Outlook for the full year

In the current fiscal year, the Japanese economy is expected to continue to face severe conditions. Concerns continue to mount for a possible global economic slowdown caused by subprime mortgage problems, and increasing uncertainty about corporate earnings and consumer spending amid escalating crude oil and raw material prices.

In this environment, although the mobile phone sales market cannot be expected to enjoy the rapid growth that it saw in the past, now that the total number of mobile phone lines has exceeded 100 million, we nevertheless expect to see growth in demand for new handsets again, thanks to the introduction of Apple's iPhone™ 3G by SoftBank in July, and more severe competition among carriers. At the same time, because carriers have introduced installment sales plans, the handset replacement cycle for existing users may become longer and cause demand to decline. Additionally, we recognize that the decline in sales per store that became evident around last fall will continue through the year, as competition among stores intensifies as a result of the substantial increase in the number of SoftBank Shops. We recognize that in this environment the need for the Group to build a more profitable network and to strengthen the marketing capabilities of each store are important issues that need to be addressed.

Toward addressing the above issues, the Group will implement a range of initiatives, including measures to boost sales of the iPhone™ 3G launched in July, effective sales promotions to increase customer traffic and raise the profitability of each store, training sales staff to enable them to offer customers better information and ideas and developing new products to raise unit sales value. Simultaneously, the Group will strengthen corporate marketing by beefing up sales staff.

Based on this outlook, Bell-Park is forecasting consolidated net sales of 35,800 million yen (up 13.8% year on year), ordinary income of 990 million yen (down 41.3%) and net income of 600 million yen (down 28.6%) for the current fiscal year ending in December 31, 2008.

(2) Analysis of Financial Position

1) Assets, liabilities and net assets

Total assets decreased 2,120 million yen over the end of the previous fiscal year to 8,110 million yen as of June 30, 2008. The main reasons were a 333 million yen increase in cash on hand and in banks, a 1,246 million yen decrease in accounts receivable-trade and operating accounts receivable, and a 1,247 million yen decrease in inventories. The increase in cash on hand and in banks is explained in "2) Cash flows" below.

Liabilities decreased 2,409 million yen to 3,071 million yen. There was a 1,795 million yen decrease in accounts payable-trade and operating accounts payable, a 200 million yen increase in short-term borrowings, a 535 million yen decrease in accrued income taxes, a 98 million yen decrease in allowance for early subscription cancellations, and a 245 million yen decrease in others.

Net assets increased 288 million yen to 5,038 million yen mainly due to net income of 372 million yen.

2) Cash flows

There was an increase of 333 million yen in cash and cash equivalents during the first half of the current fiscal year, to 1,889 million yen as of June 30, 2008.

Net cash provided by operating activities was 263 million yen, compared with 284 million yen one year earlier. This was a net result of income before income taxes of 646 million yen, a gain on sale of investments in affiliates of 173 million yen, a decline in accounts receivable of 1,052 million yen and a decline in inventories of 1,280 million yen, a decrease in accounts payable-trade of 1,795 million yen and income taxes paid of 716 million yen.

Net cash used in investing activities was 47 million yen, compared with 93 million yen one year earlier. There were proceeds of 191 million yen from sale of investments in affiliates resulting in change in scope of consolidation, payments of 93 million yen for purchase of property, plant and equipment, payments of 55 million yen for transfer of a business and of 63 million yen for leasehold deposits.

Net cash provided by financing activities was 117 million yen, compared with 7 million yen one year earlier. There were proceeds from increase in short-term borrowings of 200 million yen, and cash dividends paid of 82 million yen.

(Reference) Trends in cash flow indicators were as follows:

	FY2005	FY2006	FY2007	Interim FY2008
Shareholders' equity ratio (%)	49.7	49.9	46.4	62.1
Shareholders' equity ratio at market cap (%)	103.5	69.0	56.4	77.2
Interest-bearing debt to cash flow ratio	-	-	-	0.4
Interest coverage ratio	-	403.5	295.0	132.8

The shareholders' equity ratio is calculated by dividing shareholders' equity by total assets.

The shareholders' equity ratio at market cap is calculated by dividing market capitalization by total assets.

The interest-bearing debt to cash flow ratio is calculated by dividing interest-bearing debt by operating cash flows.

The interest coverage ratio is calculated by dividing operating cash flows by interest payments.

* All of the above indicators are calculated using figures from the consolidated financial statements.

* Market capitalization is calculated based on the number of shares outstanding (excluding treasury stock)

* Net cash provided by (used in) operating activities on the statement of cash flows is used as operating cash flow.

Interest paid on the statement of cash flows is interest payments.

* Interest-bearing debt is a sum of all liabilities stated on the consolidated balance sheet that incur interest.

* In calculating interest-bearing debt to cash flow ratio for the interim period, we doubled operating cash flow in order to obtain a yearly figure.

* Interest coverage ratio is not listed for FY2005, because operating cash flows were negative.

(3) Fundamental Policy Regarding Distribution of Earnings and Dividends for the Current Fiscal Year

Bell-Park's policy is to return earnings to shareholders in a stable and consistent manner. Dividend payments will also take into consideration the need to maintain sufficient retained earnings to preserve the Group's operating results, expansion of sales network, strengthening its management framework and support aggressive future business expansion.

In accordance with this policy, the Company has planned a year-end dividend applicable to the fiscal year ending December 31, 2008 to 1,300 yen per share. The Company has no plan to distribute an interim dividend.

(4) Business Risks

The following is a list of the primary items that represent risks with regard to the Bell-Park Group's business activities. The Group actively discloses all items that it believes are significant with regard to investment decisions, including items that do not represent business-related risks. However, investors should be aware that this is not a complete risk of risks that can affect operating results. Recognizing that these risks may occur, the Group has a policy of taking steps to prevent their occurrence and to prepare responses.

Mobile phone sales business:

1) Reliance on a particular vendor

SoftBank brand accounts for 100% of the products that Bell-Park purchases and sells. Consequently, the operating results of the Company are highly vulnerable to changes in procurement terms, commissions and other transaction terms of SOFTBANK MOBILE introduction of new products and services by this company, and business outlook of SOFTBANK MOBILE.

2) Sales agent contract

The Company operates SoftBank shops on the basis of a sales agent contract with SOFTBANK MOBILE. This contract is automatically renewed each year, but can be cancelled at any time. Therefore, there is a risk that the sales agent contract may be cancelled.

3) Shop opening plans

The opening of SoftBank shops is determined by the strategies of SOFTBANK MOBILE. Therefore, changes in SOFTBANK MOBILE's strategies can affect the Company's plans for new shops and its results of operations.

4) Sale of mobile phones

In the mobile phone sales business, the number of new subscribers is falling as Japan's penetration rate climbs. Furthermore, handset life cycles are short and prices can easily drop because of the steady stream of new products incorporating new functions and other forms of added value.

5) Commissions received from mobile communication carriers

The Company receives commissions from mobile communication carriers for acting as their agent in the sale of mobile communication service contracts.

Depending on changes in the business policies of these carriers, there may be revisions in terms affecting these commissions, such as the amount paid, period over which commissions are paid, services for which commissions are paid, proportion of each subscription line's calling charges and other items. A major change in these terms could have a significant impact on the Company's results of operations.

Furthermore, contracts with communication carriers include a requirement to pay a cancellation fee when customers cancel a subscription soon after signing up. Consequently, the Company maintains an allowance for early subscription cancellations that is based on estimated payments in accordance with past short-term cancellation rates. Nevertheless, the possibility exists that an increase in these cancellations may cause cancellation fees to exceed the allowance. This could have a significant impact on the Company's results of operations.

6) Competition with other mobile phone retailers

New products and services are constantly emerging due to technological progress in the mobile communication industry. There are a large number of primary sales agents throughout Japan that have sales agent contracts with carriers as Bell-Park does. Furthermore, the rising penetration rate of mobile phones is reducing sales to new subscribers. These trends indicate that the Company and other mobile phone retailers will face an increasingly competitive environment.

This competition could lower the Company's profit margins and have other negative effects on results of operations.

7) Mobile Business Study Group

In September 2006, the Ministry of Internal Affairs and Communications announced its "New Competition Promotion Program 2010" for fair rules that can promote competition in the telecommunications market. Along with this, the Mobile Business Study Group was established. This group examined a broad range of issues since January 2007, including the need to revise the framework for sales incentives in the mobile communications industry (Note 1) and the elimination of SIM locks (Note 2) and it released its final report on September 20, 2007. In its final report, in order to clarify murky handset prices and telecommunications charges, the group calls for the partial introduction of rate plans that segregate communications charges and handset prices within fiscal 2008 and the full implementation of such segregated rate plans by 2010. Depending on the direction taken by this study group, handset prices could soar and replacement cycle could become longer if the framework for sales incentives is revised. As a result, the overall size of the mobile phone market could shrink and there could have a significant impact on the Company's results of operations.

(Note 1) Sales incentives

Sales incentives are part of the commissions that sales agents receive from mobile communications carriers. These commissions are determined separately for each handset model. To make it easier for current mobile phone subscribers to purchase a new model, carriers pay sales incentives to sales agents for the purpose of funding discounts on new handsets. An amount equal to the sales incentive is subsequently collected by adding this amount to the monthly subscription rate paid by the customer.

(Note 2) SIM lock

A SIM (subscriber identity module) is an IC card issued by each mobile communications carrier. This card contains a unique identification number to specify each handset's telephone number. In order to recover sales incentives, carriers design handsets so they can be used only with that carrier's SIM.

If this SIM lock is released, mobile phone service subscribers will be able to use handsets sold by another carrier by simply replacing the SIM card.

Customer information:

With respect to the leakage of customer information, the Group is striving to reinforce its internal management system through means including employee training. However, in the event of an inadvertent leak of customer information, there could be an adverse impact on the Group's financial condition and operating results due to erosion in public confidence or a requirement to pay financial damages. In addition, there may be an increase in expenses required to establish a customer information protection system in the future.

2. Corporate Group

The Bell-Park group of companies is made up of Bell-Park Co., Ltd., four consolidated subsidiaries, and an equity-method affiliate. The Group is engaged in the mobile phone sales business, which mainly involves the sale of mobile phones.

Business activities and the positioning of each company are as follows.

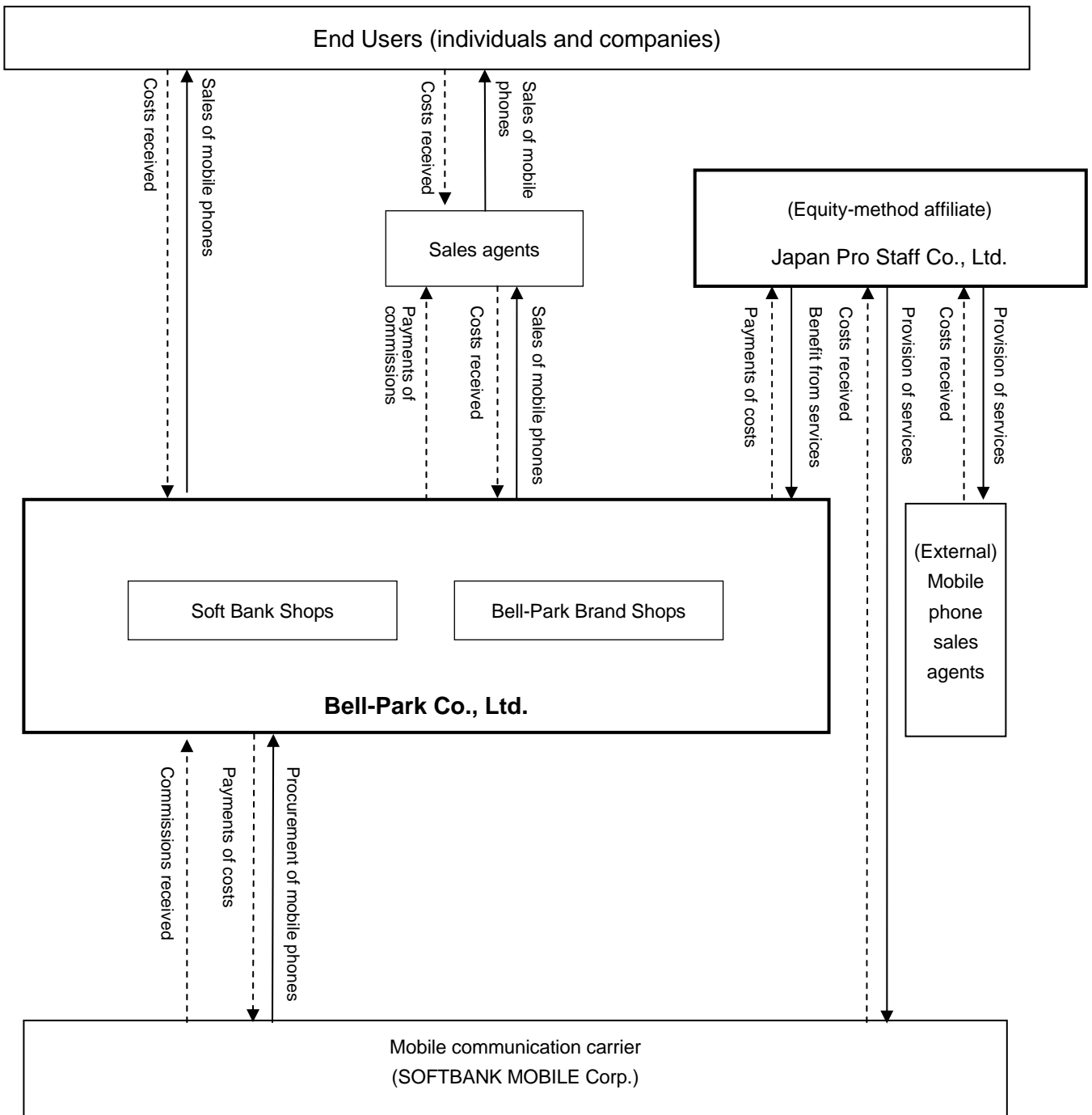
Bell-Park Co., Ltd. is engaged mainly in the following activities.

- 1) Accepts applications for mobile communication service contracts from new users as an agent of mobile communication carriers, and sales of mobile phones to users.
- 2) Accepts applications from current mobile communication service subscribers for a change to a new model of phone as an agent of mobile communication carriers, and sales of mobile phones to users.
- 3) Accepts applications from current mobile communication service subscribers for changes in subscription terms as an agent of mobile communication carriers.
- 4) Consignment sales of mobile phones through Bell-Park's secondary sales agents.
- 5) Outright sales of mobile phones to Bell-Park's secondary sales agents.
- 6) Acts as intermediary for installment credit contracts

Equity-method affiliate Japan Pro Staff Co., Ltd. is engaged mainly in the following activities.

- 1) Supplies personnel mainly to work at retail shops selling mobile phones and other products.
- 2) Trains sales personnel as an agent for mobile communication carriers operating retail shops selling mobile phones.
- 3) Recruits employees for companies.

A flowchart of business operations is shown below.



Note: There are four more consolidated subsidiaries, but these companies are not shown because it has no material impact on consolidated operations.

Effective from the first half of the current fiscal year, Japan Pro Staff Co., Ltd., a consolidated subsidiary in prior periods, is reclassified as an equity-method affiliate, as the Company sold a part of its equity interest in Japan Pro Staff in June 2008.

3. Management Policies

(1) Fundamental Management Policies

We strongly believe in our ability, potential and the possibilities of the future. We will continue to diligently pursue excellence by innovatively meeting the challenges and opportunities that arise. The goal is the mutual prosperity of customers, shareholders, vendors and all other stakeholders. Management is also committed to strictly observing all laws and regulations and, to preserve the trust of the public, conducting business operations that are fair and transparent in every respect.

(2) Targeted Performance Indicators

The Group's medium- and long-term strategy is to expand and reinforce its sales network in the mobile phone sales business. To execute these strategies and generate new sources of growth, the Group believes that the reliable procurement of funds is a key factor. Therefore, the Group is placing emphasis on (1) increasing ordinary income and (2) increasing cash flow margin.

(3) Medium- and Long-term Strategies

The mobile phone sales industry –the industry in which the Group operates– underwent dizzying changes in 2006 and 2007, including SoftBank's acquisition of Vodafone Japan, the introduction of number portability system, the entry of new carriers, the introduction of inexpensive rate plans, and the introduction of installment sales as a new sales method. The Group recognizes that the operating environment will likely change at even faster pace in the future due to the introduction of new technologies and stronger competition on the services front as companies enhance the functionality of their handsets, including the further fusion of Internet and broadcast features.

In this environment, the Group is dedicated to becoming a highly profitable organization with a focus on communications-related businesses. As its medium-term policy, the Group will concentrate on strengthening its mobile phone sales business to assure it emerge as a winner in the mobile phone sales industry. Along with seeking to expand the size of the business by treating this changing business environment as a business opportunity, the Group will work to build an efficient and expanding framework of operations, raise its marketing ability at the store level and strengthen its negotiating skills with carriers.

(4) Key Issues

Key issues in each business segment based on these medium- and long-term policies described above are as follows.

(1) Build a highly profitable store network

Competition for customers intensified as customer traffic per store dropped following a rush of SoftBank shop openings last year. We recognize that increasing the number of stores at prime locations and raising the profitability of our stores is an important management issue.

(2) Strengthen selling power

It is difficult to differentiate our shops from those of other mobile phone sales agencies, since store formats are standardized. Under the circumstances, increasing our selling power and raising the sales volume are also important management issues.

(3) Strengthen management organization

We will strengthen our corporate governance organization, establish an internal control system, secure competent employees and strengthen employee education and training systems.

(5) Internal Control Systems

The items concerned have been submitted to JASDAQ Securities Exchange and entered in the “Corporate Governance Statement.”

JASDAQ Securities Exchange: <http://jds.jasdaq.co.jp/tekiji/>

(6) Other Important Business Matters

No reportable information.

4. Interim Consolidated Financial Statements

(1) Interim Consolidated Balance Sheets

Account	*	Interim FY2007 (As of Jun. 30, 2007)		Interim FY2008 (As of Jun. 30, 2008)		FY2007 (As of Dec. 31, 2007)	
		Thousand yen	%	Thousand yen	%	Thousand yen	%
Assets							
I. Current assets							
1. Cash on hand and in banks		2,096,567		1,889,236		1,555,296	
2. Accounts receivable -trade and operating accounts receivable		2,692,421		2,322,998		3,569,575	
3. Inventories		2,013,449		1,645,020		2,892,220	
4. Other current assets		201,159		215,832		306,700	
5. Allowance for doubtful accounts		(1,496)		(1,269)		(722)	
Total current assets		7,002,101	81.9	6,071,818	74.9	8,323,070	81.3
II. Fixed assets							
1. Property, plant and equipment	*1						
(1) Buildings		349,565		485,437		449,578	
(2) Other		90,152		122,427		133,928	
Total property, plant and equipment		439,718	5.1	607,864	7.5	583,506	5.7
2. Intangible assets		27,000	0.3	98,812	1.2	73,065	0.7
3. Investments and other assets							
(1) Investment securities		34,341		80,356		34,341	
(2) Leasehold deposits		792,686		965,042		933,340	
(3) Others		260,821		286,497		284,022	
(4) Allowance for doubtful accounts		(1,358)		-		-	
Total investments and other assets		1,086,491	12.7	1,331,896	16.4	1,251,704	12.3
Total fixed assets		1,553,209	18.1	2,038,573	25.1	1,908,276	18.7
Total assets		8,555,311	100.0	8,110,391	100.0	10,231,346	100.0

Account	*	Interim FY2007 (As of Jun. 30, 2007)		Interim FY2008 (As of Jun. 30, 2008)		FY2007 (As of Dec. 31, 2007)	
		Thousand yen	%	Thousand yen	%	Thousand yen	%
Liabilities							
I. Current liabilities							
1. Accounts payable-trade and operating accounts payable		2,336,926		1,540,651		3,336,117	
2. Short-term borrowings		-		200,000		-	
3. Accrued income taxes		598,665		201,503		736,598	
4. Reserve for employees' bonuses		90,960		101,278		79,580	
5. Allowance for early subscription cancellations		14,481		45,814		144,161	
6. Other current liabilities		918,222		857,127		1,059,715	
Total current liabilities		3,959,256	46.3	2,946,375	36.4	5,356,174	52.4
II. Long-term liabilities							
1. Liability for employees' retirement benefits		37,930		40,998		39,063	
2. Other long-term liabilities		49,597		84,298		85,917	
Total long-term liabilities		87,528	1.0	125,297	1.5	124,981	1.2
Total liabilities		4,046,784	47.3	3,071,672	37.9	5,481,155	53.6
Net assets							
I. Shareholders' equity							
1. Common stock		1,122,881	13.1	1,123,904	13.9	1,123,904	11.0
2. Capital surplus		1,581,356	18.5	1,587,769	19.6	1,587,769	15.5
3. Retained earnings		1,991,202	23.3	2,504,127	30.9	2,215,280	21.6
4. Treasury stock		(186,913)	(2.2)	(177,082)	(2.3)	(176,763)	(1.7)
Total shareholders' equity		4,508,526	52.7	5,038,719	62.1	4,750,191	46.4
Total net assets		4,508,526	52.7	5,038,719	62.1	4,750,191	46.4
Total liabilities and net assets		8,555,311	100.0	8,110,391	100.0	10,231,346	100.0

(2) Interim Consolidated Statements of Income

Account	*	Interim FY2007 (Jan. 1 – Jun. 30, 2007)		Interim FY2008 (Jan. 1 – Jun. 30, 2008)		FY2007 (Jan. 1 – Dec. 31, 2007)				
		Thousand yen	%	Thousand yen	%	Thousand yen	%			
I. Net sales		15,041,132	100.0	16,941,315	100.0	31,453,080	100.0			
II. Cost of goods sold		11,454,769	76.2	13,410,981	79.2	24,566,596	78.1			
Gross profit		3,586,363	23.8	3,530,333	20.8	6,886,484	21.9			
III. Selling, general and administrative expenses	*1	2,324,085	15.4	3,055,802	18.0	5,202,169	16.5			
Operating income		1,262,277	8.4	474,530	2.8	1,684,314	5.4			
IV. Non-operating income										
1. Interest income		41		79		103				
2. Insurance reimbursement		-		152		-				
3. Leasing income		4,206		4,206		8,412				
4. Gain on donation of gift certificates		-		5,938		3,719				
5. Other non-operating income		3,545	7,793	0.1	3,360	13,737	0.0	3,886	16,121	0.1
V. Non-operating expenses										
1. Interest expenses		682		1,987		724				
2. Leasing expenses		5,377		4,206		10,754				
3. Other non-operating expenses		1,849	7,908	0.1	540	6,733	0.0	3,556	15,035	0.1
Ordinary income		1,262,162	8.4	481,534	2.8	1,685,399	5.4			
VI. Extraordinary income	*2									
1. Gain on sale of fixed assets		12,004		-		12,004				
2. Gain on sale of investment securities		13		-		13				
3. Gain on sale of investments in affiliates		-		173,711		-				
4. Gain on transfer of business		18,000		-		18,000				
5. Other extraordinary income		-	30,018	0.2	-	173,711	1.0	40,926	70,944	0.2
VII. Extraordinary loss	*3									
1. Loss on sale of fixed assets		60		12		60				
2. Loss on removal of fixed assets	*4	531		1,557		11,034				
3. Loss on sale of investment securities		3,525		-		3,525				
4. Loss on valuation of investments securities		-		5,249		-				
5. Shop closures expenses		-		1,718		8,412				
6. Loss on sale of membership rights		-	4,116	0.0	190	8,727	0.0	-	23,032	0.1
Income before income taxes		1,288,063	8.6	646,518	3.8	1,733,312	5.5			
Income taxes - current		698,584		191,048		999,572				
Income taxes - deferred		(27,243)	671,341	4.5	82,967	274,015	1.6	(107,060)	892,511	2.8
Net income		616,721	4.1	372,502	2.2	840,800	2.7			

(3) Interim Consolidated Statement of Changes in Shareholders' Equity

Interim FY2007 (Jan. 1 – Jun. 30, 2007)

Thousand yen

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of Dec. 31, 2006	1,090,878	1,545,286	1,456,454	(208,036)	3,884,583
Changes in the period					
New stock issue	32,002	32,002			64,005
Dividend of surplus			(81,973)		(81,973)
Net income			616,721		616,721
Disposal of treasury stock		4,067		21,122	25,190
Changes (net) in items other than shareholders' equity					
Total changes in the period	32,002	36,070	534,748	21,122	623,943
Balance as of Jun. 30, 2007	1,122,881	1,581,356	1,991,202	(186,913)	4,508,526

	Valuation and translation adjustments		Total net assets
	Net unrealized holding gain on securities	Total valuation and translation adjustments	
Balance as of Dec. 31, 2006	(346)	(346)	3,884,236
Changes in the period			
New stock issue			64,005
Dividend of surplus			(81,973)
Net income			616,721
Disposal of treasury stock			25,190
Changes (net) in items other than shareholders' equity	346	346	346
Total changes in the period	346	346	624,290
Balance as of Jun. 30, 2007	-	-	4,508,526

Interim FY2008 (Jan. 1 – Jun. 30, 2008)

Thousand yen

	Shareholders' equity					Total net assets
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	
Balance as of Dec. 31, 2007	1,123,904	1,587,769	2,215,280	(176,763)	4,750,191	4,750,191
Changes in the period						
Dividend of surplus			(83,655)		(83,655)	(83,655)
Net income			372,502		372,502	372,502
Acquisition of treasury stock				(318)	(318)	(318)
Total changes in the period			288,846	(318)	288,528	288,528
Balance as of Jun. 30, 2008	1,123,904	1,587,769	2,504,127	(177,082)	5,038,719	5,038,719

FY2007 (Jan. 1 – Dec. 31, 2007)

Thousand yen

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of Dec. 31, 2006	1,090,878	1,545,286	1,456,454	(208,036)	3,884,583
Changes in the fiscal year					
New stock issue	33,025	33,025			66,051
Dividend of surplus			(81,973)		(81,973)
Net income			840,800		840,800
Disposal of treasury stock		9,457		31,272	40,730
Changes (net) in items other than shareholders' equity					
Total changes in the fiscal year	33,025	42,483	758,826	31,272	865,608
Balance as of Dec. 31, 2007	1,123,904	1,587,769	2,215,280	(176,763)	4,750,191

	Valuation and translation adjustments		Total net assets
	Net unrealized holding gain on securities	Total valuation and translation adjustments	
Balance as of Dec. 31, 2006	(346)	(346)	3,884,236
Changes in the fiscal year			
New stock issue			66,051
Dividend of surplus			(81,973)
Net income			840,800
Disposal of treasury stock			40,730
Changes (net) in items other than shareholders' equity	346	346	346
Total changes in the fiscal year	346	346	865,955
Balance as of Dec. 31, 2007	-	-	4,750,191

(4) Interim Consolidated Statements of Cash Flows

		Interim FY2007 (Jan. 1 – Jun. 30, 2007)	Interim FY2008 (Jan. 1 – Jun. 30, 2008)	FY2007 (Jan. 1 – Dec. 31, 2007)
Account	*	Thousand yen	Thousand yen	Thousand yen
I. Cash flows from operating activities				
Income before income taxes		1,288,063	646,518	1,733,312
Depreciation and amortization		32,422	76,514	95,245
Amortization of goodwill		5,452	3,709	10,920
Increase (decrease) in allowance for doubtful accounts		(620)	546	(2,751)
Increase in reserve for employees' bonuses		35,098	26,258	23,718
Increase (decrease) in allowance for early subscription cancellations		(4,331)	(98,347)	125,349
Increase in liability for employees' retirement benefits		8,616	5,047	9,749
Interest and dividend income		(41)	(79)	(103)
Interest expenses		682	1,987	724
Gain on sale of investment securities		3,511	-	3,511
Gain on sale of investments in affiliates		-	(173,711)	-
Gain (loss) on sale of fixed assets		(11,413)	12	(11,944)
Gain on transfer of business		(18,000)	-	(18,000)
Compensation for eviction		-	-	(39,152)
Decrease (increase) in accounts receivable-trade and operating accounts receivable		276,877	1,052,795	(600,276)
Decrease (increase) in inventories		(630,570)	1,280,850	(1,509,340)
Increase (decrease) in accounts payable-trade and operating accounts payable		(322,668)	(1,795,466)	676,522
Increase (decrease) in accounts payable-other		41,899	(37,499)	24,535
Others		(11,123)	(6,661)	231,384
Subtotal		693,857	982,474	753,404
Interests and dividends received		41	79	103
Interests paid		(682)	(1,987)	(724)
Compensation received for eviction		-	-	39,152
Income taxes refund (paid)		(408,990)	(716,723)	(578,208)
Net cash provided by operating activities		284,225	263,843	213,728

		Interim FY2007 (Jan. 1 – Jun. 30, 2007)	Interim FY2008 (Jan. 1 – Jun. 30, 2008)	FY2007 (Jan. 1 – Dec. 31, 2007)
Account	*	Thousand yen	Thousand yen	Thousand yen
II. Cash flows from investing activities				
Payment for purchase of investment securities		(49,083)	-	(49,083)
Proceeds from sale of investment securities		115,571	-	115,571
Payment for purchase of property, plant and equipment		(71,210)	(93,483)	(324,755)
Proceeds from sale of property, plant and equipment		13,315	67	13,315
Payment for purchase of Intangible assets		-	(9,437)	(58,621)
Proceeds from sale of investments in affiliates resulting in change in scope of consolidation		-	191,658	-
Payment for purchase of business		-	(55,253)	-
Proceeds from transfer of business		27,429	-	27,429
Payment for leasehold deposits		(121,732)	(63,278)	(304,041)
Others		(7,410)	(17,320)	(1,063)
Net cash used in investing activities		(93,120)	(47,045)	(581,248)
III. Cash flows from financing activities				
Increase in short-term borrowings		-	200,000	-
Proceeds from issuance of new shares		64,005	-	66,051
Proceeds from disposal of treasury stock		25,190	-	40,730
Payment for purchase of treasury stock		-	(318)	-
Cash dividends paid		(81,665)	(82,539)	(81,896)
Net cash provided by financing activities		7,529	117,141	24,885
IV. Increase (decrease) in cash and cash equivalents		198,635	333,939	(342,635)
V. Cash and cash equivalents at beginning of year		1,897,932	1,555,296	1,897,932
VI. Cash and cash equivalents at end of period	*1	2,096,567	1,889,236	1,555,296

Segment Information

a. Operating segment information

Interim FY2007 (Jan. 1 – Jun. 30, 2007)

Thousand yen

	Mobile phone sales business	Staffing services business	Other business	Total	Elimination or corporate	Consolidated
Net sales						
(1) Sales to third parties	14,109,961	813,709	117,461	15,041,132	-	15,041,132
(2) Internal sales and transfers	-	75,338	-	75,338	[75,338]	-
Total	14,109,961	889,048	117,461	15,116,471	[75,338]	15,041,132
Operating expenses	12,629,252	891,089	104,418	13,624,760	154,094	13,778,854
Operating income (loss)	1,480,708	(2,041)	13,043	1,491,711	[229,433]	1,262,277

Notes:

- Operating segments are classified on the basis of products, the type and nature of services.
- Principal products and services in each operating segment are as follows:
 - Mobile phone sales business: Mobile phone sales and accepting applications for mobile phone service
 - Staffing services business: Provision of temporary employees to companies, and recruiting and training employees for other companies
 - Other business: Handling applications for fixed-line communication service contracts
- Among operating expenses, the undistributed operating expenses listed under "Elimination or corporate" amounted to 232,682 thousand yen. The undistributed operating expenses generally comprise expenses associated with the administrative division of the Company.
- Change in business segment

In prior periods, the Company's operations were classified mainly into three operating segments, "Mobile phone sales business," "Network business" and "Staffing services business," however, effective from the second half of the previous fiscal year, the Company has renamed the Network business segment the Other business segment. This action was taken because net sales, operating income and assets in the former Network business segment account for less than 10% of these figures for all business segments. Furthermore, the Company plans to significantly downsize the Network business. Segment information for Interim FY2006 would be as follows if we used business segmentation for Interim FY2007.

Thousand yen

	Mobile phone sales business	Staffing services business	Other business	Total	Elimination or corporate	Consolidated
Net sales						
(1) Sales to third parties	10,663,797	582,736	364,020	11,610,554	-	11,610,554
(2) Internal sales and transfers	-	131,973	-	131,973	[131,973]	-
Total	10,663,797	714,710	364,020	11,742,527	[131,973]	11,610,554
Operating expenses	10,079,848	726,970	366,760	11,173,579	80,069	11,253,648
Operating income (loss)	583,948	(12,260)	(2,740)	568,948	[212,042]	356,905

Interim FY2008 (Jan. 1 – Jun. 30, 2008)

In Interim FY2007, the Company's operations were classified mainly into three operating segments, "Mobile phone sales business," "Staffing services business" and "Other business," however, effective from Interim FY2008, operating segment information is not presented, since the amounts for net sales and operating income of the mobile phone sales business represent more than 90% of total net sales and operating income, following the sale to P and P of a portion of our equity interest in Japan Pro Staff, a staffing service subsidiary that is now an equity-method affiliate.

FY2007 (Jan. 1 – Dec. 31, 2007)

Thousand yen

	Mobile phone sales business	Staffing services business	Other business	Total	Elimination or corporate	Consolidated
I. Net sales and operating income						
Net sales						
(1) Sales to third parties	29,398,204	1,832,542	222,333	31,453,080	-	31,453,080
(2) Internal sales and transfers	2,925	154,001	250	157,177	[157,177]	-
Total	29,401,130	1,986,544	222,583	31,610,257	[157,177]	31,453,080
Operating expenses	27,271,376	1,980,387	195,209	29,446,974	321,791	29,768,765
Operating income	2,129,753	6,156	27,373	2,163,283	[478,969]	1,684,314

Notes:

- Operating segments are classified on the basis of products, the type and nature of services.
- Principal products and services in each operating segment are as follows:
 - Mobile phone sales business: Mobile phone sales and accepting applications for mobile phone service
 - Staffing services business: Provision of temporary employees to companies, and recruiting and training employees for other companies
 - Other business: Handling applications for fixed-line communication service contracts
- Among operating expenses, the undistributed operating expenses listed under "Elimination or corporate" amounted to 478,969 thousand yen. The undistributed operating expenses generally comprise expenses associated with the administrative division of the Company.

b. Geographical segment information

Interim FY2007 (Jan. 1 – Jun. 30, 2007), Interim FY2008 (Jan. 1 – Jun. 30, 2008), FY2007 (Jan. 1 – Dec. 31, 2007)
 Geographic segment information is not presented since the Company did not have consolidated subsidiaries or branch offices in areas other than Japan.

c. Overseas sales

Interim FY2007 (Jan. 1 – Jun. 30, 2007), Interim FY2008 (Jan. 1 – Jun. 30, 2008), FY2007 (Jan. 1 – Dec. 31, 2007)
 The Company operates mainly in Japan and has no overseas sales.

5. Interim Non-consolidated Financial Statements

(1) Interim Non-consolidated Balance Sheets

Account	*	Interim FY2007 (As of Jun. 30, 2007)		Interim FY2008 (As of Jun. 30, 2008)		FY2007 (As of Dec. 31, 2007)	
		Thousand yen	%	Thousand yen	%	Thousand yen	%
Assets							
I. Current assets							
1. Cash on hand and in banks		1,977,680		1,866,754		1,395,487	
2. Accounts receivable-trade		228,725		241,364		443,256	
3. Operating accounts receivable		2,286,864		2,081,633		2,925,806	
4. Inventories		2,013,431		1,644,075		2,892,205	
5. Other current assets		193,605		215,506		301,522	
6. Allowance for doubtful accounts		(1,496)		(1,269)		(722)	
Total current assets		6,698,811	79.3	6,048,064	73.8	7,957,556	79.1
II. Fixed assets							
1. Property, plant and equipment	*1	432,166	5.1	607,864	7.4	573,824	5.7
2. Intangible assets		103,354	1.2	145,970	1.8	134,073	1.3
3. Investments and other assets							
(1) Investments in affiliates		125,173		142,925		225,173	
(2) Long-term loans receivable		102,349		16,275		16,437	
(3) Leasehold deposits		776,213		965,042		897,543	
(4) Deferred tax assets		95,750		80,084		92,425	
(5) Others		184,183		193,248		197,913	
(6) Allowance for possible losses on investments		(35,816)		-		(35,816)	
(7) Allowance for doubtful accounts		(35,846)		-		-	
Total investments and other assets		1,212,008	14.4	1,397,576	17.0	1,393,677	13.9
Total fixed assets		1,747,529	20.7	2,151,412	26.2	2,101,575	20.9
Total assets		8,446,340	100.0	8,199,476	100.0	10,059,131	100.0

Account	Interim FY2007 (As of Jun. 30, 2007)		Interim FY2008 (As of Jun. 30, 2008)		FY2007 (As of Dec. 31, 2007)	
	Thousand yen	%	Thousand yen	%	Thousand yen	%
Liabilities						
I. Current liabilities						
1. Accounts payable-trade	2,097,366		1,257,495		2,833,668	
2. Operating accounts payable	239,492		283,155		503,180	
3. Short-term borrowings	-		250,000		-	
4. Accrued income taxes	598,278		201,308		734,082	
5. Reserve for employees' bonuses	86,919		101,278		75,352	
6. Allowance for early subscription cancellations	14,481		45,814		144,161	
7. Other current liabilities	748,367		857,120		844,854	
Total current liabilities	3,784,904	44.8	2,996,172	36.6	5,135,299	51.1
II. Long-term liabilities						
1. Liability for employees' retirement benefits	35,249		40,998		36,307	
2. Other long-term liabilities	49,597		84,298		85,917	
Total long-term liabilities	84,846	1.0	125,297	1.5	122,224	1.2
Total liabilities	3,869,751	45.8	3,121,470	38.1	5,257,524	52.3
Net assets						
I. Shareholders' equity						
1. Common stock	1,122,881	13.3	1,123,904	13.7	1,123,904	11.2
2. Capital surplus						
(1) Additional paid-in capital	1,577,289		1,578,312		1,578,312	
(2) Other capital surplus	4,067		9,457		9,457	
Total capital surplus	1,581,356	18.7	1,587,769	19.4	1,587,769	15.8
3. Retained earnings						
(1) Legal reserve	8,078		8,078		8,078	
(2) Other retained earnings						
Retained earnings brought forward	2,051,186		2,535,335		2,258,618	
Total retained earnings	2,059,265	24.4	2,543,413	31.0	2,266,696	22.5
4. Treasury stock	(186,913)	(2.2)	(177,082)	(2.2)	(176,763)	(1.8)
Total shareholders' equity	4,576,589	54.2	5,078,006	61.9	4,801,607	47.7
Total net assets	4,576,589	54.2	5,078,006	61.9	4,801,607	47.7
Total liabilities and net assets	8,446,340	100.0	8,199,476	100.0	10,059,131	100.0

(2) Interim Non-consolidated Statements of Income

Account	*	Interim FY2007 (Jan. 1 – Jun. 30, 2007)		Interim FY2008 (Jan. 1 – Jun. 30, 2008)		FY2007 (Jan. 1 – Dec. 31, 2007)				
		Thousand yen	%	Thousand yen	%	Thousand yen	%			
I. Net sales		14,223,434	100.0	15,940,360	100.0	29,618,212	100.0			
II. Cost of goods sold		10,784,945	75.8	12,570,679	78.9	23,045,183	77.8			
Gross profit		3,438,489	24.2	3,369,680	21.1	6,573,028	22.2			
III. Selling, general and administrative expenses	*1	2,192,060	15.4	2,912,469	18.2	4,925,752	16.6			
Operating income		1,246,428	8.8	457,211	2.9	1,647,276	5.6			
IV. Non-operating income	*2	9,695	0.1	13,966	0.0	18,315	0.1			
V. Non-operating expenses	*3	7,900	0.1	6,723	0.0	15,027	0.1			
Ordinary income		1,248,223	8.8	464,454	2.9	1,650,564	5.6			
VI. Extraordinary income	*4	30,018	0.2	192,908	1.2	63,030	0.2			
VII. Extraordinary loss	*5	9,567	0.1	8,727	0.0	18,209	0.1			
Income before income taxes		1,268,673	8.9	648,634	4.1	1,695,385	5.7			
Income taxes - current		700,040		190,342		1,000,167				
Income taxes - deferred		(32,354)	667,685	4.7	97,919	288,261	1.8	(113,201)	886,965	3.0
Net income		600,987	4.2	360,373	2.3	808,419	2.7			

(3) Interim Non-consolidated Statement of Changes in Shareholders' Equity

Interim FY2007 (Jan. 1 – Jun. 30, 2007)

Thousand yen

	Shareholders' equity								
	Common stock	Capital surplus			Retained earnings			Treasury stock	Total shareholders' equity
		Additional paid-in capital	Other capital surplus	Total capital surplus	Legal reserve	Other retained earnings Retained earnings brought forward	Total retained earnings		
Balance as of Dec. 31, 2006	1,090,878	1,545,286	-	1,545,286	8,078	1,532,172	1,540,250	(208,036)	3,968,379
Changes in the period									
New stock issue	32,002	32,002		32,002					64,005
Dividend of surplus						(81,973)	(81,973)		(81,973)
Net income						600,987	600,987		600,987
Disposal of treasury stock			4,067	4,067				21,122	25,190
Changes (net) in items other than shareholders' equity									
Total changes in the period	32,002	32,002	4,067	36,070	-	519,014	519,014	21,122	608,209
Balance as of Jun. 30, 2007	1,122,881	1,577,289	4,067	1,581,356	8,078	2,051,186	2,059,265	(186,913)	4,576,589

	Valuation and translation adjustments		Total net assets
	Net unrealized holding gain on securities	Total valuation and translation adjustments	
Balance as of Dec. 31, 2006	(346)	(346)	3,968,033
Changes in the period			
New stock issue			64,005
Dividend of surplus			(81,973)
Net income			600,987
Disposal of treasury stock			25,190
Changes (net) in items other than shareholders' equity	346	346	346
Total changes in the period	346	346	608,556
Balance as of Jun. 30, 2007	-	-	4,576,589

Interim FY2008 (Jan. 1 – Jun. 30, 2008)

Thousand yen

	Shareholders' equity									Total net assets
	Common stock	Capital surplus			Legal reserve	Retained earnings		Treasury stock	Total shareholders' equity	
		Additional paid-in capital	Other capital surplus	Total capital surplus		Other retained earnings	Total retained earnings			
Balance as of Dec. 31, 2007	1,123,904	1,578,312	9,457	1,587,769	8,078	2,258,618	2,266,696	(176,763)	4,801,607	4,801,607
Changes in the period										
Dividend of surplus						(83,655)	(83,655)		(83,655)	(83,655)
Net income						360,373	360,373		360,373	360,373
Acquisition of treasury stock								(318)	(318)	(318)
Total changes in the period						276,717	276,717	(318)	276,399	276,399
Balance as of Jun. 30, 2008	1,123,904	1,578,312	9,457	1,587,769	8,078	2,535,335	2,543,413	(177,082)	5,078,006	5,078,006

FY2007 (Jan. 1 – Dec. 31, 2007)

Thousand yen

	Shareholders' equity								
	Common stock	Capital surplus			Retained earnings			Treasury stock	Total shareholders' equity
		Additional paid-in capital	Other capital surplus	Total capital surplus	Legal reserve	Other retained earnings Retained earnings brought forward	Total retained earnings		
Balance as of Dec. 31, 2006	1,090,878	1,545,286	-	1,545,286	8,078	1,532,172	1,540,250	(208,036)	3,968,379
Changes in the fiscal year									
New stock issue	33,025	33,025		33,025					66,051
Dividend of surplus						(81,973)	(81,973)		(81,973)
Net income						808,419	808,419		808,419
Disposal of treasury stock			9,457	9,457				31,272	40,730
Changes (net) in items other than shareholders' equity									
Total changes in the fiscal year	33,025	33,025	9,457	42,483	-	726,445	726,445	31,272	833,227
Balance as of Dec. 31, 2007	1,123,904	1,578,312	9,457	1,587,769	8,078	2,258,618	2,266,696	(176,763)	4,801,607

	Valuation and translation adjustments		Total net assets
	Net unrealized holding gain on securities	Total valuation and translation adjustments	
Balance as of Dec. 31, 2006	(346)	(346)	3,968,033
Changes in the fiscal year			
New stock issue			66,051
Dividend of surplus			(81,973)
Net income			808,419
Disposal of treasury stock			40,730
Changes (net) in items other than shareholders' equity	346	346	346
Total changes in the fiscal year	346	346	833,574
Balance as of Dec. 31, 2007	-	-	4,801,607

Subsequent Events

Interim FY2007 (Jan. 1 – Jun. 30, 2007)	Interim FY2008 (Jan. 1 – Jun. 30, 2008)	FY2007 (Jan. 1 – Dec. 31, 2007)
	<p>Stock repurchase</p> <p>Bell-Park Co., Ltd. serves notice that at a meeting held on August 7, 2008, the Board of Directors approved a resolution of a stock repurchase program pursuant to Article 156 which is applicable in accordance with Article 165, paragraph 3 of the Company Act, with details as follows:</p> <p>1. Rationale The stock repurchase program will enable Bell-Park to adopt timely and flexible financial strategies in response to changes in the operating environment.</p> <p>2. Details of Stock Repurchase Program</p> <p>(1) Type of shares authorized for repurchase: Common stock of the Company</p> <p>(2) Total number of shares to be repurchased: Up to 4,000 shares (6.2% of total shares outstanding (excluding treasury stock))</p> <p>(3) Total value of shares to be repurchased: Up to 300 million yen</p> <p>(4) Repurchase schedule: August 8, 2008 to December 31, 2008</p> <p>(5) Method of repurchase: Purchase on the JASDAQ market (through a trust bank)</p>	

** 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.*