

Non-consolidated Financial Results for the Third Quarter of the Fiscal Year Ending December 31, 2009 (Nine Months Ended September 30, 2009)

Company name: Bell-Park Co., Ltd. Stock exchange listing: JASDAQ
 Stock code: 9441 URL: <http://www.bellpark.co.jp>
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 Scheduled date of filing of Quarterly Report: October 30, 2009
 Scheduled date of payment of dividend: -

(Figures are rounded down to the nearest million yen)

1. Financial Results for the Nine Months Ended September 30, 2009 (January 1 – September 30, 2009)

(1) 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	%
Nine months ended Sep. 30, 2009	33,949	-	2,630	-	2,613	-	1,523	-
Nine months ended Sep. 30, 2008	-	-	-	-	-	-	-	-

	Net income per share (basic)	Net income per share (diluted)
	Yen	Yen
Nine months ended Sep. 30, 2009	25,253.18	25,250.77
Nine months ended Sep. 30, 2008	-	-

Note) No figures for the first nine months of 2008 are shown because Bell-Park prepared consolidated financial statements for this period and did not announce non-consolidated performance.

(2) Financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Sep. 30, 2009	15,956	7,011	43.9	116,179.33
As of Dec. 31, 2008	12,109	5,565	46.0	92,226.15

Reference) Shareholders' equity (million yen) Sep. 30, 2009: 7,011 Dec. 31, 2008: 5,565

2. Dividends

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended Dec. 31, 2008	-	0.00	-	1,300.00	1,300.00
Year ending Dec. 31, 2009	-	0.00	-		
Year ending Dec. 31, 2009 (forecast)				2,600.00	2,600.00

Note) Revision of dividend forecast during the period: None

There are no changes to the dividend forecast for the year ending December 31, 2009, announced on October 5, 2009 in the press release "Revisions to Earnings and Dividend Forecasts."

3. Forecasts for the Fiscal Year Ending December 31, 2009 (January 1 – December 31, 2009)

(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	44,436	5.8	3,034	43.1	3,002	43.0	1,668	58.9	24,925.27

Note) Revision of forecast during the period: None

4. Others

- (1) Application of simplified accounting methods and special accounting methods in the preparation of quarterly financial statements: Yes

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

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

1) Changes caused by revision of accounting standards: Yes

2) Other changes: None

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

- (3) Number of shares outstanding (common shares)

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

As of Sep. 30, 2009:	66,928 shares	As of Dec. 31, 2008:	66,928 shares
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- 2) Number of treasury stock at the end of period

As of Sep. 30, 2009:	6,581 shares	As of Dec. 31, 2008:	6,581 shares
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- 3) Average number of shares outstanding during the period

Nine months ended Sep. 30, 2009:	60,347 shares	Nine months ended Sep. 30, 2008:	64,348 shares
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* Cautionary statement with respect to forward-looking statements

- The earnings forecasts have been prepared based on assumptions judged to be valid and information available as of the announcement date of this summary. Actual results may differ substantially from these forecasts for a number of factors. Please refer to "Qualitative Information and Financial Statements, 3. Qualitative Information Regarding Forecasts" on page 4 for assumptions for forecasts and notes of caution for usage.
- Effective from the current fiscal year, the Company has adopted "Accounting Standards for Quarterly Financial Statements" (Accounting Standards Board of Japan (ASBJ) Statement No. 12) and "Guidance on Accounting Standards for Quarterly Financial Statements" (ASBJ Guidance No. 14). In addition, the quarterly financial statements are prepared in accordance with "Regulations for Quarterly Financial Statements."

Qualitative Information and Financial Statements

1. Qualitative Information Regarding Operating Results

In the third quarter of 2009, Japan's economy remained weak despite signs of a recovery in consumer spending. Corporate earnings are declining and the unemployment rate reached a record high, making the employment picture even more negative.

In Japan's mobile phone market, Bell-Park's business field, the cumulative number of subscribers at the four communications carriers is more than 109 million. In the third quarter of 2009 (July-September), there was a net increase of about 1.14 million in the number of subscribers, 3.4% less than the net increase of about 1.18 million subscribers in the third quarter of 2008.

SOFTBANK MOBILE, which is the primary communications carrier that Bell-Park handles, introduced the iPhone™3GS on June 26, 2009 as the successor to the iPhone™3G. The popularity of the new handset, which has twice the processing speed of its predecessor, has made it a major source of growth in sales to new subscribers. The iPhone™ 3GS now ranks as the best-selling handset for all carriers in Japan. Furthermore, SOFTBANK MOBILE announced the "Norikae Switchover Discount" service on August 27 for subscribers who are switching from another carrier and started offering the discount on September 1. Sales of replacement handsets were strong thanks to the SOFTBANK MOBILE campaign encouraging 2G subscribers to switch to the 3G service because the 2G service is to be terminated at the end of March 2010. In addition, there was the strong demand for new handsets by 3G subscribers who have completed installment payments, which was introduced in October 2006, on their current handsets. SOFTBANK MOBILE has been running highly successful TV commercials and conducting other high-profile advertising activities. As a result, SOFTBANK MOBILE has ranked first in Japan for two consecutive months, starting in August 2009, in terms of the net increase in subscribers.

In this environment, Bell-Park focused on strengthening sales capabilities in order to take full advantage of these aggressive marketing activities of SOFTBANK MOBILE. Other priorities are building a highly profitable sales network in order to maintain a high sales volume and improving the quality of sales activities. Bell-Park significantly enlarged its sales network by acquiring three SoftBank shops during the third quarter. This resulted in 125 directly managed shops and 50 franchised shops, a total of 175 locations, at the end of September 2009. Due to this larger shop network, sales to new subscribers increased 49.1% to 64,859 units and sales of replacement handsets increased 45.8% to 67,987 units. In all, handset sales totaled 132,846 units, 47.4% higher than the same period one year earlier.

In today's market, the sales commissions of communications carriers must be structured to achieve an improvement in the quality of sales as well as growth in sales volume. While increasing the number of handsets sold, Bell-Park focused on raising sales per customer. This requires measures to prevent short-term cancelations and encourage customers to use new services that meet their needs. Furthermore, individual stores must upgrade their capabilities in order to achieve improvements in both the quantity and quality of sales. By taking actions to increase the volume and quality of sales in response to the policies of SOFTBANK MOBILE, Bell-Park earned a high volume of commissions in the third quarter.

Due to the above factors, for the third quarter of 2009, net sales increased 55.7% to 13,679 million yen, operating income increased 166.8% to 1,227 million yen, ordinary income increased 162.4% to 1,221 million yen, and net income increased 48.5% to 780 million yen.

For the first nine months of 2009, net sales increased 37.3% to 33,949 million yen, operating income increased 186.8% to 2,630 million yen, ordinary income increased 181.1% to 2,613 million yen, and net income increased 72.0% to 1,523 million yen.

Prior-year comparisons are provided solely for reference.

2. Qualitative Information Regarding Financial Position

Total assets increased 3,847 million yen over the end of the previous fiscal year to 15,956 million yen as of September 30, 2009.

Current assets increased 3,520 million yen to 13,684 million yen. This was primarily the net result of increases of 412 million yen in cash and deposits, 1,653 million yen in accounts receivable-trade, and 1,243 million yen in inventories.

Noncurrent assets increased to 2,272 million yen, the result of increases of 73 million yen in property, plant and equipment as the number of shops increased, 175 million yen in intangible assets and 78 million yen in investments and other assets.

Current liabilities increased 2,565 million yen to 7,679 million yen. There was a 1,360 million yen decrease in short-term loans payable but a 3,019 million yen increase in accounts payable-trade and an 884 million yen increase in income taxes payable.

Noncurrent liabilities totaled 1,266 million yen. There was a 162 million yen decrease in long-term loans payable.

Net assets totaled 7,011 million yen mainly because of an increase in retained earnings of 1,445 million yen. The equity ratio was 43.9% at the end of the third quarter.

Cash flows

There was an increase of 412 million yen in cash and cash equivalents during the first nine months of 2009, to 5,218 million yen as of September 30, 2009.

Cash flows were as follows.

Net cash provided by operating activities was 2,751 million yen. This was a net result of income before income taxes of 2,596 million yen, an increase in notes and accounts receivable-trade of 1,653 million yen, an increase in inventories of 986 million yen, an increase in notes and accounts payable-trade of 3,019 million yen, and an income taxes paid of 312 million yen.

Net cash used in investing activities was 801 million yen. There were payments of 741 million yen for transfer of business and payments of 66 million yen for lease deposits.

Net cash used in financing activities was 1,538 million yen. There were decreases in short-term loans payable of 1,360 million yen and long-term loans payable of 100 million yen, and cash dividends paid of 78 million yen.

3. Qualitative Information Regarding Forecasts

There are no changes to the revised forecasts for the fiscal year ending December 31, 2009, announced on October 5, 2009 in the press release "Revisions to Earnings and Dividend Forecasts."

4. Others

(1) Application of simplified accounting methods and special accounting methods in the preparation of quarterly financial statements

For assets subject to the declining-balance method, depreciation for the period was calculated pro rata based on the amount for the full-year of the current fiscal year.

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

Effective from the current fiscal year, the Company has adopted "Accounting Standards for Quarterly Financial Statements" (ASBJ Statement No. 12) and "Guidance on Accounting Standards for Quarterly Financial Statements" (ASBJ Guidance No. 14). In addition, the quarterly financial statements are prepared in accordance with "Regulations for Quarterly Financial Statements."

5. Non-consolidated Quarterly Financial Statements**(1) Non-consolidated Quarterly Balance Sheets**

	<i>Thousand yen</i>	
	As of Sep. 30, 2009	As of Dec. 31, 2008
Assets		
Current assets		
Cash and deposits	5,218,788	4,806,737
Accounts receivable-trade	5,008,801	3,355,474
Inventories	2,988,607	1,745,590
Other	467,859	257,404
Allowance for doubtful accounts	(1)	(1,609)
Total current assets	<u>13,684,056</u>	<u>10,163,597</u>
Noncurrent assets		
Property, plant and equipment	614,206	540,832
Intangible assets	296,561	121,099
Investments and other assets		
Stocks of subsidiaries and affiliates	67,908	73,531
Lease deposits	1,028,142	956,025
Other	267,465	254,130
Allowance for doubtful accounts	(1,550)	-
Total investments and other assets	<u>1,361,965</u>	<u>1,283,688</u>
Total noncurrent assets	<u>2,272,733</u>	<u>1,945,620</u>
Total assets	<u>15,956,790</u>	<u>12,109,217</u>
Liabilities		
Current liabilities		
Accounts payable-trade	5,270,730	2,250,997
Short-term loans payable	-	1,360,000
Current portion of long-term loans payable	262,500	200,000
Income taxes payable	1,036,118	151,771
Provision for bonuses	233,200	87,280
Allowance for early subscription cancelations	6,944	14,260
Other	869,795	1,049,402
Total current liabilities	<u>7,679,289</u>	<u>5,113,713</u>
Noncurrent liabilities		
Long-term loans payable	1,137,500	1,300,000
Provision for retirement benefits	48,265	41,744
Other	80,661	88,187
Total noncurrent liabilities	<u>1,266,426</u>	<u>1,429,932</u>
Total liabilities	<u>8,945,716</u>	<u>6,543,646</u>
Net assets		
Shareholders' equity		
Capital stock	1,123,904	1,123,904
Capital surplus	1,587,757	1,587,757
Retained earnings	4,750,852	3,305,349
Treasury stock	(451,440)	(451,440)
Total shareholders' equity	<u>7,011,074</u>	<u>5,565,571</u>
Total net assets	<u>7,011,074</u>	<u>5,565,571</u>
Total liabilities and net assets	<u>15,956,790</u>	<u>12,109,217</u>

(2) Non-consolidated Quarterly Statements of Income
(For the Nine-month Period)

	<i>Thousand yen</i>
	Jan. 1 – Sep. 30, 2009
Net sales	33,949,845
Cost of sales	26,540,940
Gross profit	7,408,904
Selling, general and administrative expenses	
Salaries	1,437,309
Other salaries	306,474
Provision for bonuses	233,200
Retirement benefit expenses	16,545
Rents	753,905
Other	2,030,974
Total selling, general and administrative expenses	4,778,410
Operating income	2,630,494
Non-operating income	
Interest income	303
Rent income	5,400
Gain on donation of gift certificates	5,018
Other	8,831
Total non-operating income	19,554
Non-operating expenses	
Interest expenses	25,963
Other	10,591
Total non-operating expenses	36,554
Ordinary income	2,613,493
Extraordinary income	
Gain on sales of noncurrent assets	1
Gain on liquidation of subsidiaries and affiliates	3,513
Total extraordinary income	3,514
Extraordinary loss	
Loss on retirement of noncurrent assets	9,575
Shop closures expenses	10,839
Loss on sales of stocks of subsidiaries and affiliates	474
Total extraordinary losses	20,890
Income before income taxes	2,596,118
Income taxes-current	1,183,121
Income taxes-deferred	(110,957)
Total income taxes	1,072,164
Net income	1,523,953

(3) Non-consolidated Quarterly Statements of Cash Flows

	<i>Thousand yen</i>
	Jan. 1 – Sep. 30, 2009
Net cash provided by (used in) operating activities	
Income before income taxes	2,596,118
Depreciation and amortization	101,179
Amortization of goodwill	46,776
Increase (decrease) in allowance for doubtful accounts	(57)
Increase (decrease) in provision for bonuses	145,919
Increase (decrease) in provision for retirement benefits	6,520
Interest and dividends income	(303)
Interest expenses	25,963
Loss (gain) on sales of noncurrent assets	(1)
Loss on retirement of noncurrent assets	9,575
Loss (gain) on sales of stocks of subsidiaries and affiliates	474
Loss (gain) on liquidation of subsidiaries and affiliates	(3,513)
Decrease (increase) in notes and accounts receivable-trade	(1,653,327)
Decrease (increase) in inventories	(986,060)
Increase (decrease) in notes and accounts payable-trade	3,019,732
Increase (decrease) in accounts payable-other	(45,268)
Increase (decrease) in accrued consumption taxes	(159,656)
Other, net	(26,774)
Subtotal	<u>3,077,298</u>
Interest and dividends income received	303
Interest expenses paid	(13,929)
Income taxes (paid) refund	(312,331)
Net cash provided by (used in) operating activities	<u>2,751,341</u>
Net cash provided by (used in) investing activities	
Purchase of property, plant and equipment	(36,574)
Proceeds from sales of property, plant and equipment	1
Purchase of intangible assets	(13,260)
Proceeds from liquidation of subsidiaries and affiliates	8,062
Proceeds from sales of stocks of subsidiaries and affiliates	600
Payments for transfer of business	(741,002)
Payments for lease deposits	(66,284)
Other, net	47,207
Net cash provided by (used in) investing activities	<u>(801,250)</u>
Net cash provided by (used in) financing activities	
Net increase (decrease) in short-term loans payable	(1,360,000)
Repayment of long-term loans payable	(100,000)
Cash dividends paid	(78,039)
Net cash provided by (used in) financing activities	<u>(1,538,039)</u>
Net increase (decrease) in cash and cash equivalents	<u>412,051</u>
Cash and cash equivalents at beginning of period	<u>4,806,737</u>
Cash and cash equivalents at end of period	<u>5,218,788</u>

Effective from the current fiscal year, the Company has adopted "Accounting Standards for Quarterly Financial Statements" (ASBJ Statement No. 12) and "Guidance on Accounting Standards for Quarterly Financial Statements" (ASBJ Guidance No. 14). In addition, the quarterly financial statements are prepared in accordance with "Regulations for Quarterly Financial Statements."

(4) Going Concern Assumption

No reportable information.

(5) Significant Changes in Shareholders' Equity

No reportable information.

(6) Subsequent Events

Disposal of Treasury Stock and Secondary Offering of Stock

Bell-Park has implemented disposal of treasury stock and secondary offering of stock following the resolution approved by its Board of Directors on October 5, 2009, and payment was completed on October 21, 2009. Proceeds are used for capital expenditures, working capital and the repayment of long-term loans payable. In addition, this offering has been conducted for the purposes of improving the composition of the Company's shareholders and increasing the liquidity of Company stock.

1. Secondary stock offering for disposal of treasury stock

- (1) Type and number of shares: 5,567 shares of common stock
- (2) Offering price: 114,654 yen per share
- (3) Disposal price: 108,153 yen per share
- (4) Selling method: All shares to be sold will be purchased by Nikko Cordial Securities Inc.
- (5) Application period: October 15, 2009 (Thursday) to October 16, 2009 (Friday)
- (6) Payment date: October 21, 2009 (Wednesday)
- (7) Transfer date: October 22, 2009 (Thursday)

2. Secondary offering of stock by Company shareholders

- (1) Type and number of shares: 1,195 shares of common stock
- (2) Seller and number of shares: Takeru Nishikawa 1,195 shares
- (3) Offering price: The offering price will be the same as the offering price to be paid for the secondary stock offering for disposal of treasury stock.
- (4) Offering method: The offering method will be the same as the method used for the secondary stock offering for disposal of treasury stock. All shares to be offered will be purchased by Nikko Cordial Securities Inc.
The difference between the offering price and the underwriting price paid by the Underwriter to the sellers (same as the disposal price paid for secondary stock offering for disposal of treasury stock) will be the fee for the Underwriter.
- (5) Application period: Same as the application period for the secondary stock offering for disposal of treasury stock.
- (6) Transfer date: Same as the transfer date for the secondary stock offering for disposal of treasury stock.

3. Secondary offering of stock (using over-allotment)

- (1) Type and number of shares: 1,014 shares of common stock
- (2) Seller: Nikko Cordial Securities Inc.
- (3) Offering price: The offering price will be the same as the offering price to be paid for the secondary stock offering for disposal of treasury stock.
- (4) Offering method: In consideration of the amount of demand for the secondary stock offering for disposal of treasury stock and the secondary offering by Company shareholders, Nikko Cordial Securities Inc. may borrow Company stock from shareholder Takeru Nishikawa for sale using the secondary offering.
- (5) Application period: Same as the application period for the secondary stock offering for disposal of treasury stock.
- (6) Transfer date: Same as the transfer date for the secondary stock offering for disposal of treasury stock.

4. Disposal of treasury stock using private placement

- (1) Type and number of shares: 1,014 shares of common stock
- (2) Disposal price: Same as the disposal price for the secondary stock offering for disposal of treasury stock.
- (3) Purchaser and number of shares: Nikko Cordial Securities Inc. 1,014 shares
- (4) Application period (application date): November 17, 2009 (Tuesday)
- (5) Payment date: November 18, 2009 (Wednesday)

Reference Material

Financial Statements, etc of the Previous Quarter

Bell-Park prepared consolidated financial statements in previous fiscal years and did not announce non-consolidated performance for the first quarter and third quarter. Consequently, financial and other data for the first nine months of 2008 are not shown in this document.

Financial statements and other information that was announced for the first nine months of 2008 are shown below.

Summary consolidated Statements of Income

For the Nine-month Period (Jan 1 – Sep. 30, 2008)

Thousand yen

Account	Jan. 1 – Sep. 30, 2008
	Amount
I Net sales	25,736,365
II Cost of sales	20,361,827
Gross profit	5,374,538
III Selling, general and administrative expenses	4,423,228
Operating income	951,309
IV Non-operating income	19,975
V Non-operating expenses	14,352
Ordinary income	956,932
VI Extraordinary income	173,711
VII Extraordinary loss	15,638
Income before income taxes	1,115,005
Income taxes	206,772
Net income	908,233

** 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.*