

Results of Operations

for the First Half of 2021

August 6, 2021

Bell-Park Co., Ltd.

Tokyo Stock Exchange JASDAQ Standard (Stock code: 9441)

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Bell-Park

1. 1H 2021 Financial Highlights

2. 1H 2021 Initiatives

3. 2021 Plan and Shareholder Returns

Statement of Income

Record high first-half sales and operating and ordinary income

Number of mobile phones and other products sold: 572,000 units in 1H 2021 (383,000 units in 1H 2020)

- More people visited stores to review their current service plans
- Performance recovered from April and May 2020 when activities were limited

(million yen)

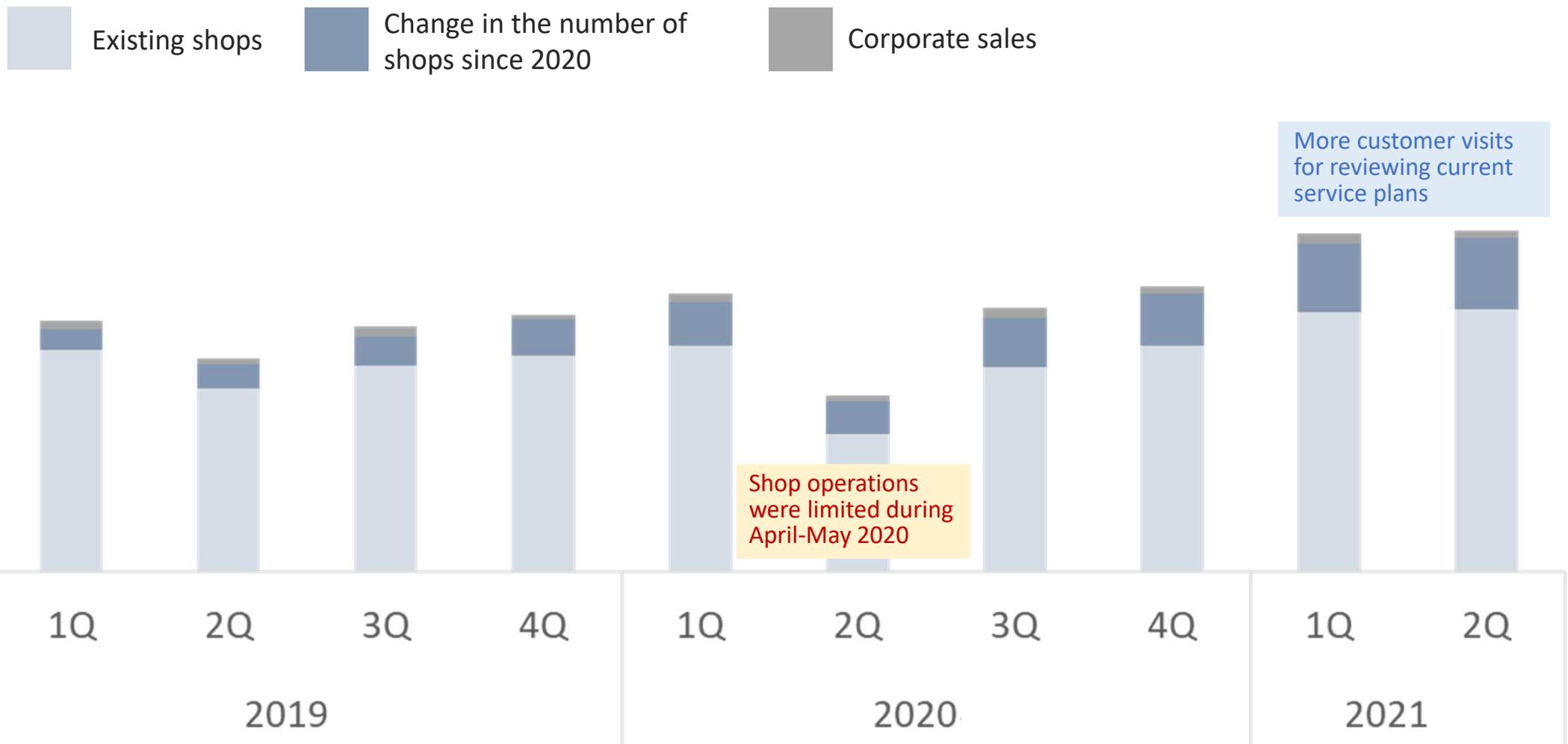
	1H 2020 results	1H 2021 results	YoY change
Net sales	47,406	56,250	+8,843
(Comp.)	(100.0%)	(100.0%)	+18.7%
Operating income	3,421	3,500	+79
	(7.2%)	(6.2%)	+2.3%
Ordinary income	3,430	3,451	+20
	(7.2%)	(6.1%)	+0.6%
Profit attributable to owners of parent	2,368	2,348	-20
	(5.0%)	(4.2%)	-0.9%

1H 2021 Topics by Sales Channel

Sales channels	Topics	Impact on net sales (YoY change)	Impact on operating income (YoY change)
Carrier shops	<ul style="list-style-type: none"> The number of mobile phones sold increased as more people visited stores to review their current service plans Focused on after-sales support (started full-scale fee-based support services in April 2021) SG&A expenses increased because of more overtime work to serve the larger number of customers, the larger number of shops and other reasons 	 Higher sales mainly due to larger number of mobile phones sold	 A very small negative effect on earnings mainly due to high SG&A expenses including personnel expenses as shops were extremely busy
Corporate sales	<ul style="list-style-type: none"> Mobile phone and PC sales increased partly because people hired to increase the sales force in the previous fiscal year are now contributing to sales 	 Higher sales mainly due to larger sales volume	 Higher earnings due to strong sales

Quarterly Change in the Number of Mobile Phones and Other Products Sold

The number of mobile phones and other products sold increased in 1H 2021 mainly because of increases in the number of people visiting shops and the number of shops



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Area Dominance Strategy Makes Shop Operations More Efficient

Shop efficiency continued to improve in 1H 2021 due to more progress with locating shops to establish a dominant presence in targeted areas

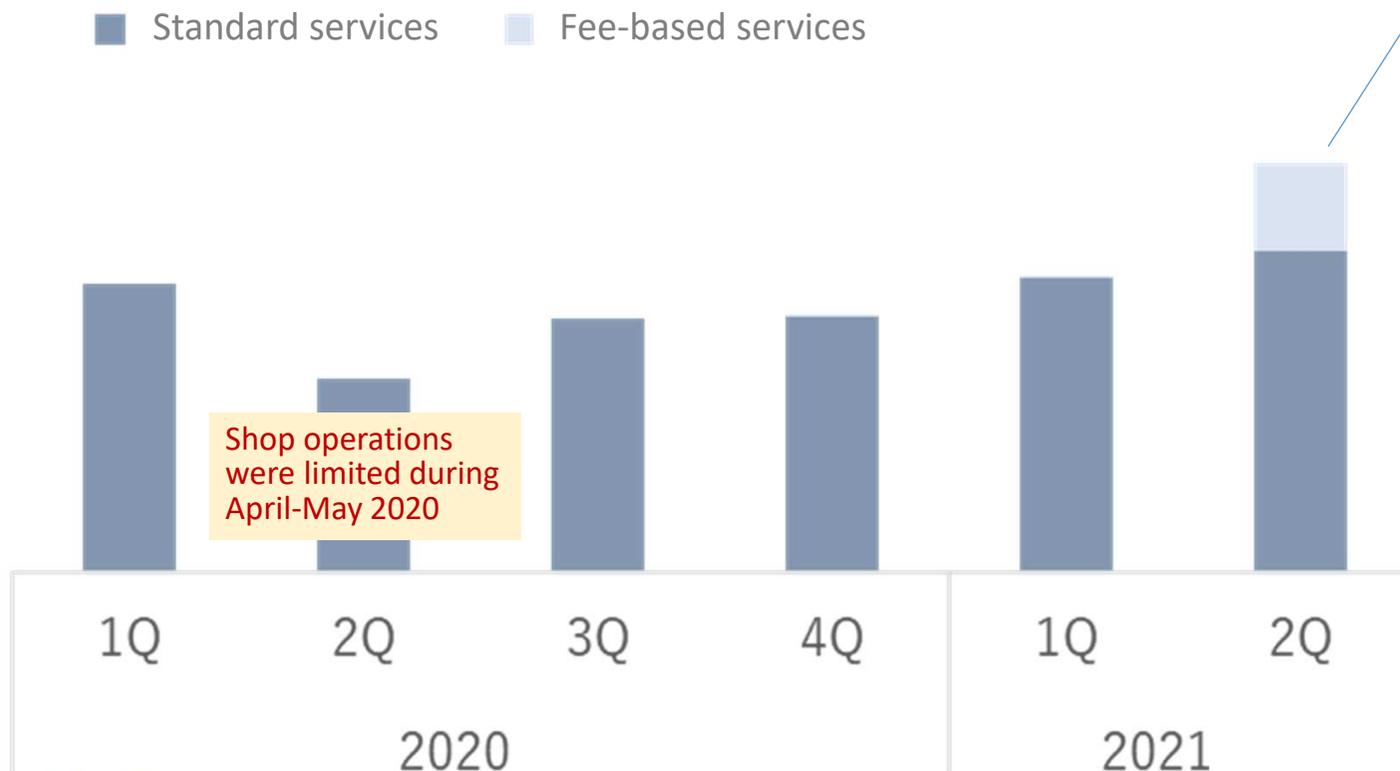
Number of Directly Operated Carrier Shops



Strengthening Customer Support Services

In April 2021, started providing smartphone set up support for a fee. Services include transfers of data to the new mobile phone, applying screen protectors and other activities.

Growth of After-sales Services



Started providing support for a fee; after-sales services provided increased along with the number of customers

Customers were not expected to pay for support services. However, a larger than expected number of customers are paying for this service when they buy a smartphone.

Training People for the Future of Carrier Shop Operations

Training gives people the skills to use digital technologies for adding more value to products and services purchased by customers.

(A Bell-Park certification)

Created the Digitalization Qualification



Training for this certification gives people basic knowledge about IT, an understanding of the latest advances in digital devices and services, and other skills. Certified Digitalization personnel can show customers how digitalization can **make their lives more convenient and enjoyable**, such as by linking smartphones and home appliances.

Measures to Prevent the Spread of COVID-19

- All Bell-Park shops are rigorously implementing safety measures during the pandemic while cooperating with mobile phone carriers
- Started telecommunication industry workplace COVID-19 vaccinations in June 2021 (for people at shops and sales agents and administrative personnel at the head office and other locations)

Health questionnaire for all employees



All Bell-Park employees use a smartphone app to submit a questionnaire about their health every week



Carrier shops



Prevention measures include fever checks for customers, disinfection of common areas and surfaces, placing of plastic barriers between customers and store personnel, and periodic saliva PCR tests for COVID-19

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Head office and other locations



People work from home as much as possible (except some departments), and internet is used for internal meetings, interaction with customers, recruiting activities and training activities

Minister's Award of the Anshin Shop Awards 2020 (February 2021)

Bell-Park's SoftBank Yokkaichi Ikuwa Store Received the Anshin Shop Awards Minister of Internal Affairs and Communications Award

Six other Bell-Park operated shops received Judge Special Awards and Diligence Awards (total of 7 shops awarded)

Anshin Shop Award 2020

A contest for certified anshin (safety and confidence) shops that recognizes outstanding activities for protecting consumers

A total of 809 carrier shops in all areas of Japan participated in this contest. After evaluating the activities of these shops, the judges selected 15 shops for awards.



*Anshin shop certification is a program for carrier shops that are dedicated to upgrading measures to protect consumers in accordance with the consumer protection rules of the Japanese government.

Activities of the SoftBank Yokkaichi Ikuwa Store

Utilization of Chromecast

Attachment of arm to monitor

Attachment of Chromecast to monitor HDMI port



Smartphone speaker
(Google Home)

Set up and connection

OK, Google.
Start the
filtering
service.

Using the monitor for serving a customer



Use by a customer alone



Assisting a customer/
Registration

The reception counter has a small monitor for accurately explaining to customers important information and services provided by the shop. Videos are used to make explanations easy to understand.

Videos can be viewed by using a smart speaker. This provides opportunities for customers to try new digital devices themselves.

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2021 Consolidated Forecasts

No revisions to the 2021 consolidated forecasts

There is no change in the sales and earnings forecasts for 2021. One reason is that the increase in customer traffic at shops for reviewing phone service plans is settling down somewhat. Another reason is the negative effect of the pandemic, including the emergence of the highly infectious delta variant.

(million yen)

	1H 2020 results	1H 2021 results	YoY change	2021 plan	Progress ratio
Net sales (Comp.)	47,406 (100.0%)	56,250 (100.0%)	+8,843 +18.7%	89,000 (100.0%)	63.2%
Operating income	3,421 (7.2%)	3,500 (6.2%)	+79 +2.3%	4,500 (5.1%)	77.8%
Ordinary income	3,430 (7.2%)	3,451 (6.1%)	+20 +0.6%	4,500 (5.1%)	76.7%
Profit attributable to owners of parent	2,368 (5.0%)	2,348 (4.2%)	-20 -0.9%	2,900 (3.3%)	81.0%

Shareholder Returns

Bell-Park positions the distribution of earnings to shareholders as one of its highest priorities.

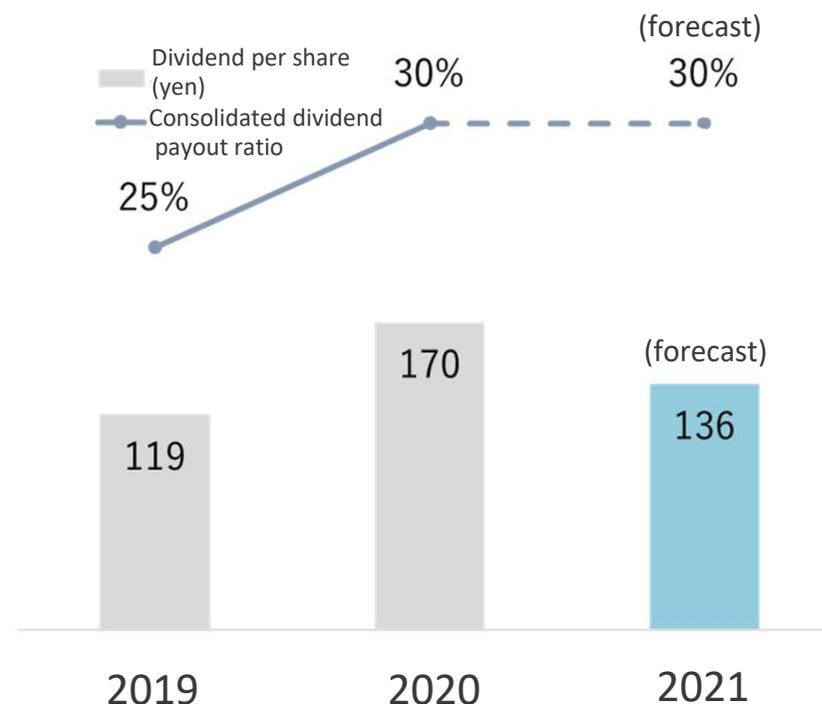
2021 Annual Dividend Forecast

136 yen per share

(2Q-end 68 yen, year-end 68 yen)

Fundamental policy regarding distribution of earnings

Plan to maintain a consolidated dividend payout ratio of at least 30%



* The dividend forecast assumes that profit attributable to owners of parent will be 2,900 million yen in 2021 as forecast.

Bell-Park

Lovely future

Appendix

Profile of Bell-Park

Name	Bell-Park Co., Ltd.	Business	Information and communication device sales and service business
Capital (as of Jun. 30, 2021)	1,148 million yen	No. of carrier shops (as of Jun. 30, 2021)	Total: 363 stores (62 stores) <small>*Franchised stores in parentheses</small> 299 (53) SoftBank Shops 49 (9) Y!mobile Shops 8 Docomo Shops 7 au Shops
Headquarters	Hirakawacho Center Bldg., 1-4-12 Hirakawa-cho, Chiyoda-ku, Tokyo	Bell-Park group companies	Consolidated subsidiary Bell-Park Next Co., Ltd. Non-consolidated subsidiaries Bellbride, Inc. B-Lab, Inc. Wactive Inc.
Founded	February 2, 1993, 29th fiscal year		
No. of employees (consolidated) (as of Jun. 30, 2021)	2,334 (full time: 1,925; temporary: 409)		

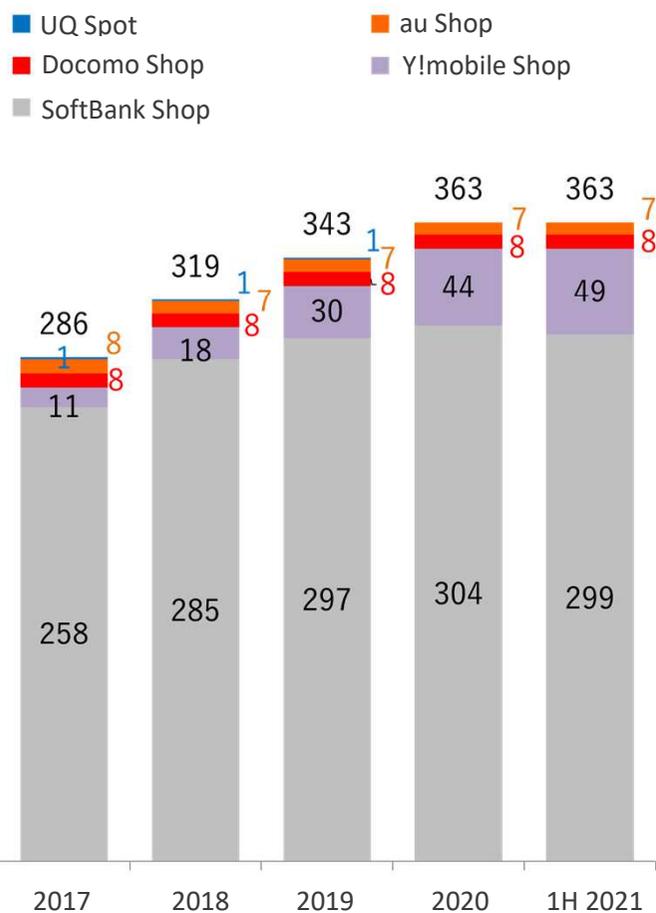
5-year Financial Summary

(million yen)

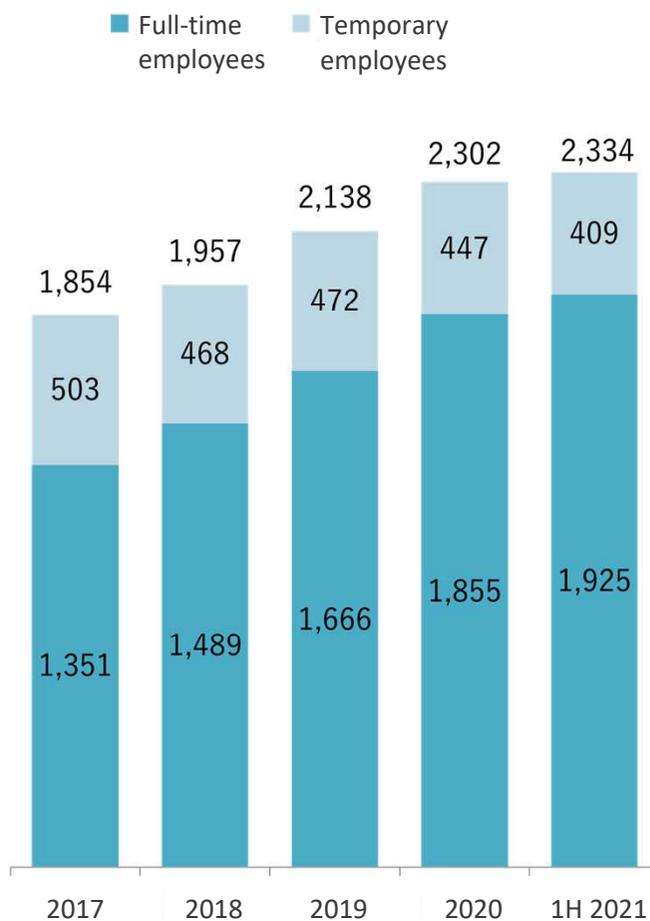
	1H 2017	1H 2018	1H 2019	1H 2020	1H 2021
Net sales	42,909	48,363	51,378	47,406	56,250
Gross profit	9,190	9,730	12,264	12,366	13,979
Personnel, etc.	4,439	4,452	5,084	5,336	6,305
Rent	1,068	1,121	1,230	1,314	1,448
Ads/sales promotion	828	712	1,774	540	833
Others	1,445	1,545	1,810	1,754	1,891
SG&A expenses	7,781	7,832	9,899	8,945	10,478
Operating income	1,408	1,898	2,364	3,421	3,500
Ordinary income	1,415	1,912	2,380	3,430	3,451
Profit attributable to owners of parent	842	1,260	1,601	2,368	2,348

Number of Carrier Shops, Employees and Mobile Phones Sold

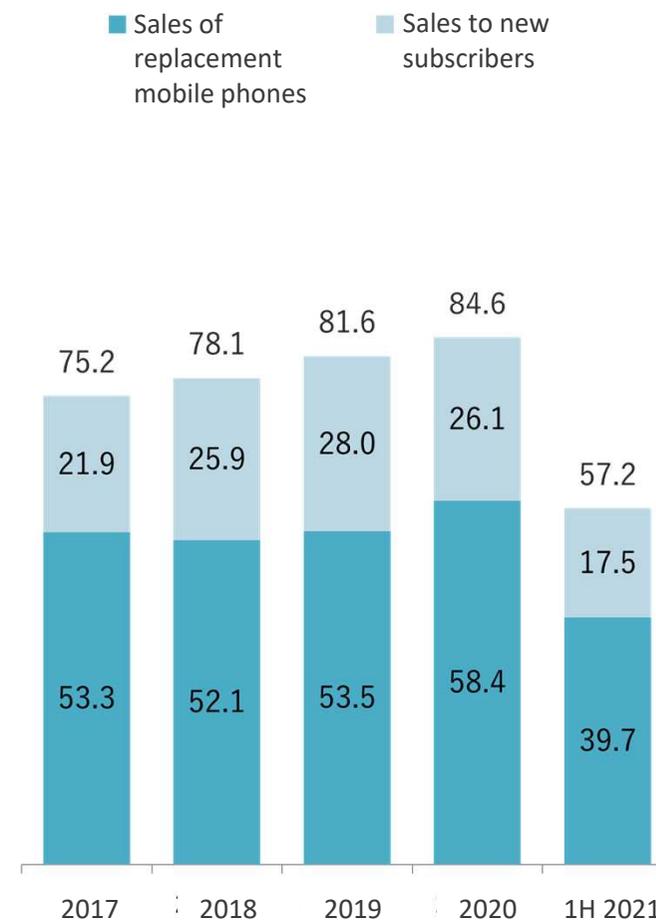
Number of Carrier Shops



Number of Employees



Number of Mobile Phones Sold (10 thousand units)



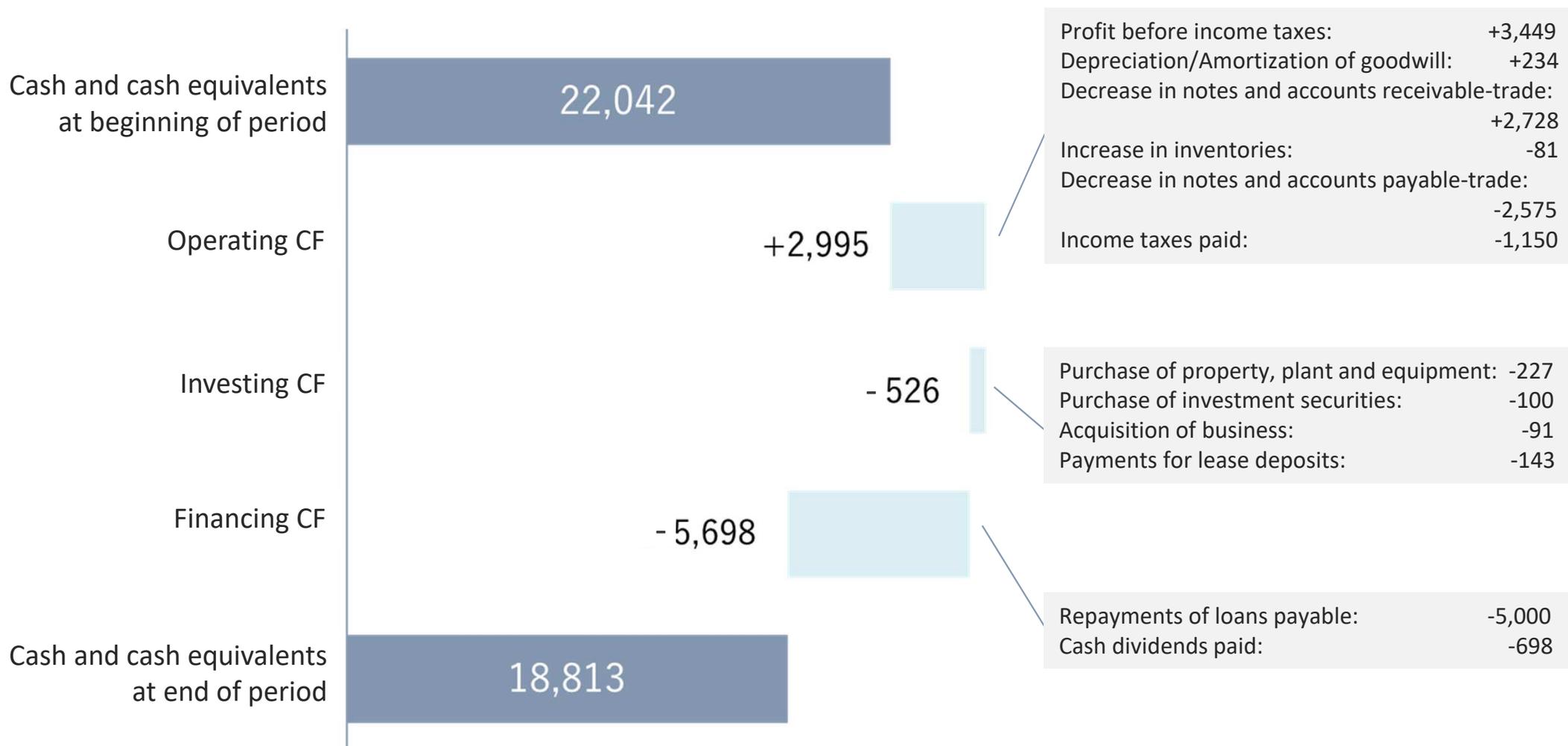
Balance Sheet

(million yen)

	End-Dec. 2020	End-Jun. 2021	YoY change
Current assets	40,420	34,674	-5,745
Noncurrent assets	5,951	5,939	-11
Assets	46,371	40,614	-5,757
Current liabilities	18,980	11,517	-7,463
Noncurrent liabilities	730	802	+72
Liabilities	19,710	12,319	-7,390
Net assets	26,661	28,295	+1,633

Cash Flows

(million yen)



Forward-Looking Statements

All plans, strategies and financial forecasts that are not based on historical facts are forward-looking statements. Such statements are based on the judgment of management in accordance with information available when these materials were prepared. Actual results may differ significantly from these statements due to changes in the operating environment and many other factors.