

# Results of Operations

## for the First Half of 2024

August 8, 2024

Bell-Park Co., Ltd.





Tokyo Stock Exchange Standard Market (Stock code: 9441)

# Statement of Income

(million yen)

	1H 2023 results	1H 2024 results	YoY change
<b>Net sales</b>	57,823	57,127	-696
(Comp.)	(100.0%)	(100.0%)	-1.2%
<b>Operating income</b>	2,454	2,710	+255
	(4.2%)	(4.7%)	+10.4%
<b>Ordinary income</b>	2,482	2,763	+280
	(4.3%)	(4.8%)	+11.3%
<b>Profit attributable to owners of parent</b>	1,710	1,999	+289
	(3.0%)	(3.5%)	+16.9%

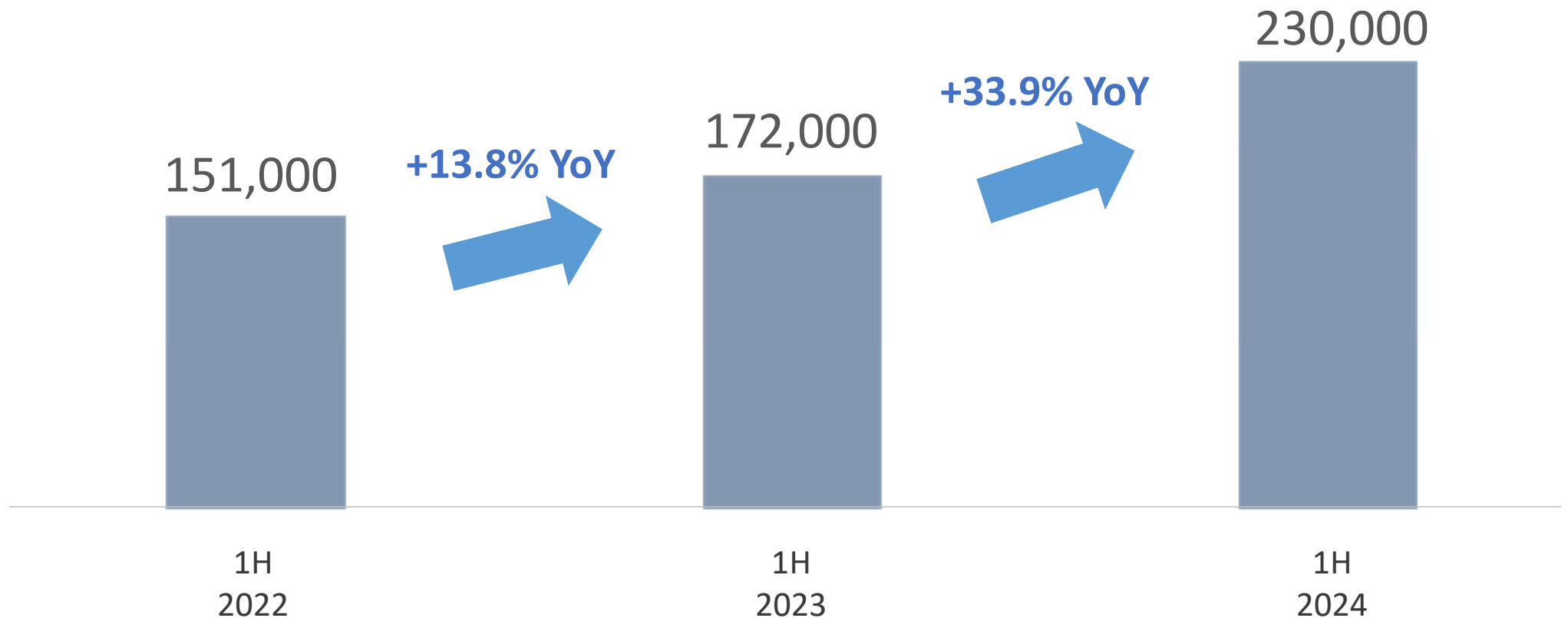
# 1H 2024 Topics by Sales Channel

Sales channels	Topics	Impact on net sales (YoY change)	Impact on operating income (YoY change)
Carrier shops	<p><b><u>Increase in the number of mobile phone sales</u></b></p> <ul style="list-style-type: none"> <li>Increase in communications line subscriptions excluding sales of phones (service contracts for only an SIM card)</li> <li>→ Decrease in net sales due to lower unit sales</li> <li>Increase in sales promotion expenses due to an increase in number of sales promotion events</li> </ul> <p><b><u>Increase in consistent revenue</u></b></p> <ul style="list-style-type: none"> <li>Renewal commissions increased from one year earlier</li> <li>Number of monthly-charge shop smartphone support members steadily increased.</li> <li>(Unlimited support plans are popular, which include data transfers, attaching protective films and other assistance)</li> </ul>		
Corporate solutions	<p><b><u>Increase in the number of mobile phone sales</u></b></p> <ul style="list-style-type: none"> <li>Mobile phone sales increased because of demand among current customers for replacing phones</li> <li>Sales increased for Bell-Park original services, such as an outsourced kitting/installation service</li> </ul>		

# Increased Number of New Sales Due to Increased Sales Promotion Events

Number of mobile phones sold to new subscribers at directly operated carrier shops (247 existing shops)

(No. of mobile phones sold)

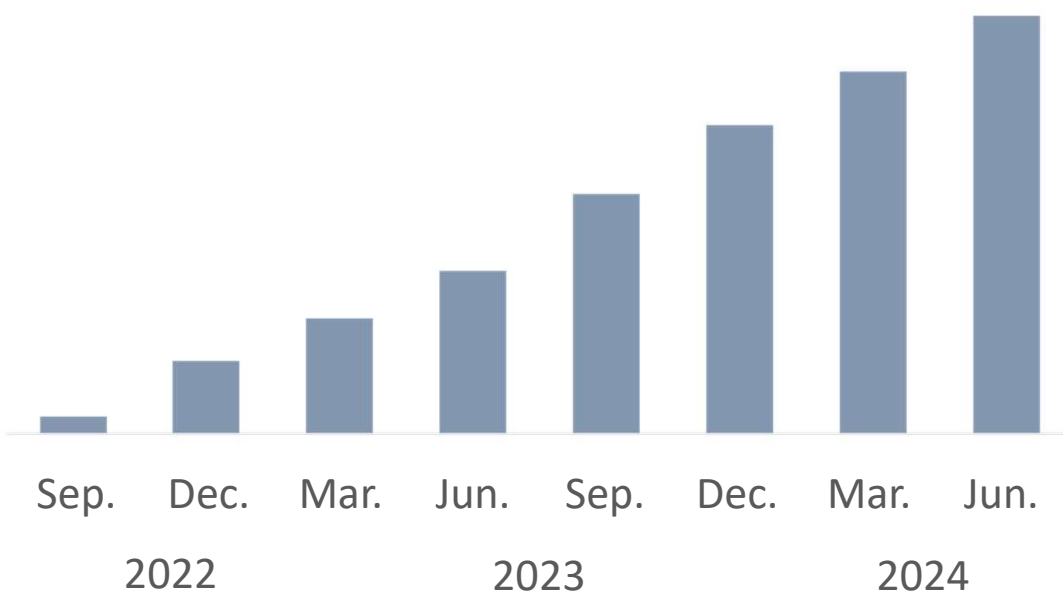


\*There were 293 directly operated carrier shops at the end of June 2024 and 247 existing shops after adjusting for 46 shops opened, acquired, closed or sold between January 2022 and June 2024.

# Monthly-charge Shop Smartphone Support Members

Steady increase in members is a growing source of consistent revenue

Number of monthly-charge shop smartphone support members  
(Directly operated SoftBank and Y!mobile shops)



## The monthly-charge shop smartphone support service

Unlimited use of more than 20 types of support

+ Regular inspections  
4 times in first year and 2 times/year afterward



Complete plan – Unlimited use of all 24 types of support

**¥990/month**

Reduced plan – Unlimited use of 21 types of support  
**¥550/month**

Only for complete plan

PayPay refund About **¥2,000**

Annual benefits for customers

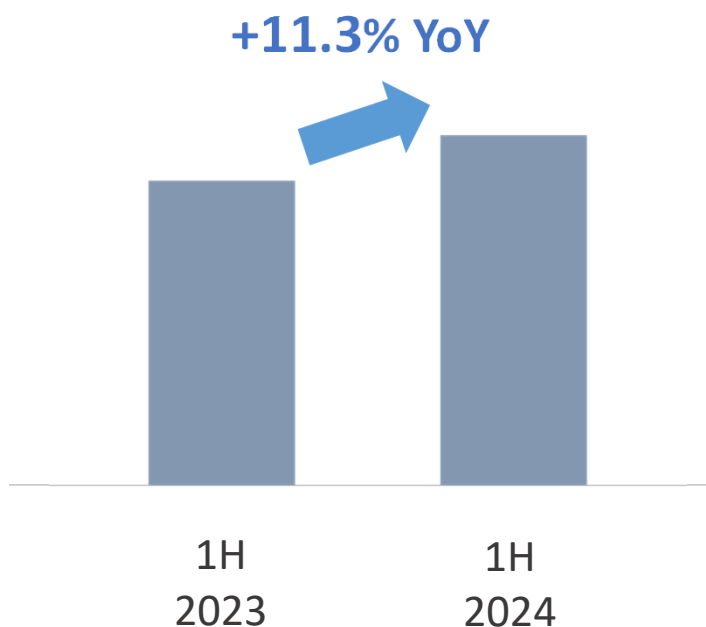
Smartphone accessory coupon About **¥5,500**

\* Amount includes tax

\* The monthly-charge shop smartphone support service includes data transfers, attaching protective films and coatings, regular maintenance, protection for malicious calls and mail at a shop. (The service is provided by SoftBank and Y!mobile shops.)

# Increased Sales of Smartphone Accessories

Sales of smartphone accessories at directly operated carrier shops

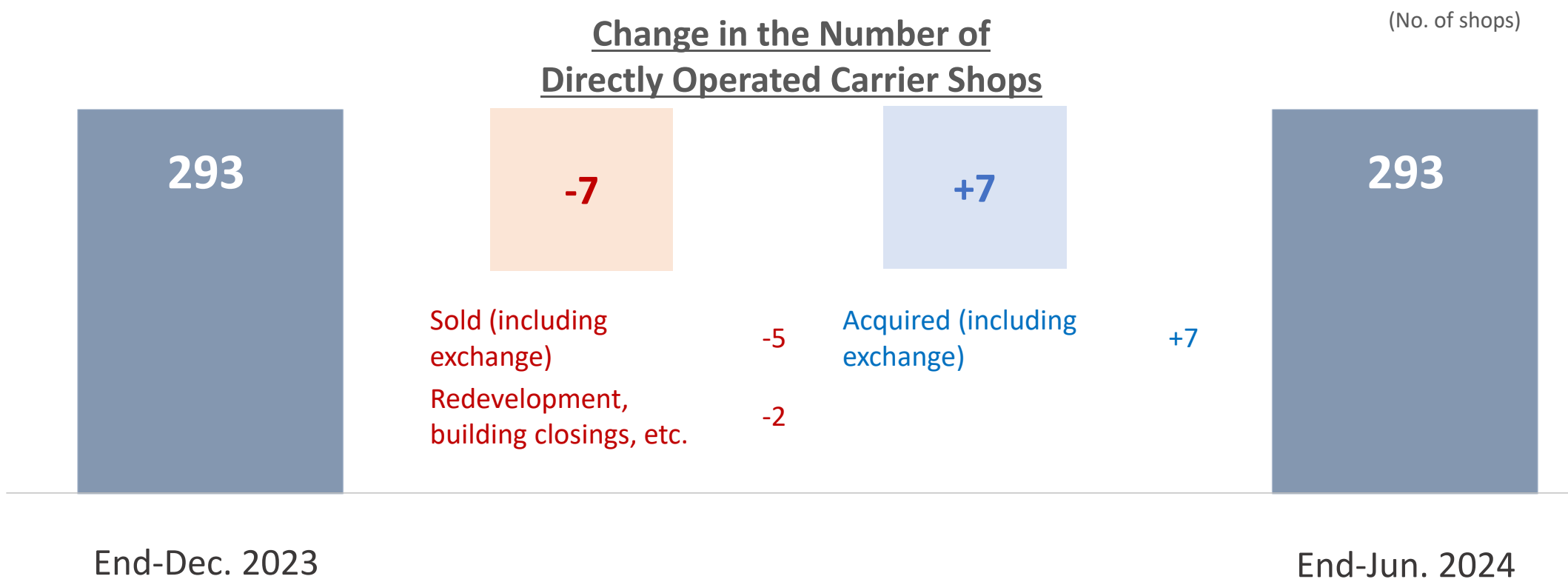


Growing sales of wireless earbuds, chargers with backup, screen coating agent and other accessories



# Progress with Store Network Dominance

Exchanging shops with other phone sales agents and using other measures to establish dominant presences in areas with a network of existing shops  
(The medium-term goal is to increase the number of shops)



# Reduction of Electricity Use



Timers are used to automatically turn off store signs after 10PM

→ These timers lowered electricity use by 8.6% between June 2023 and May 2024 compared with the previous year

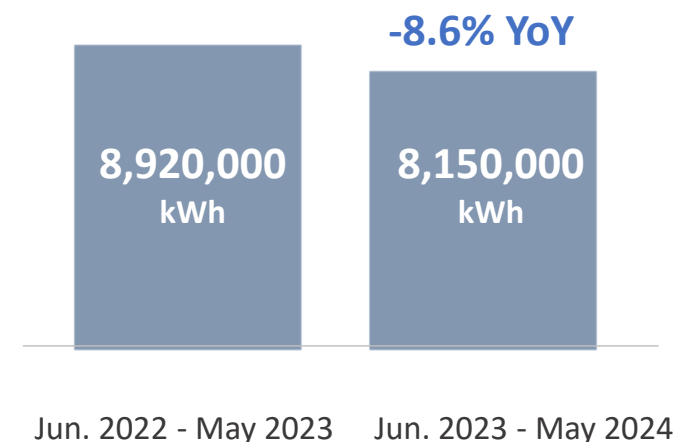


Timers in an electrical panel



Signs switch off at 10PM

Electricity use at directly operated carrier shops





# More Activities to Improve Full-time Employee Retention

## Upgrading and expanding training programs

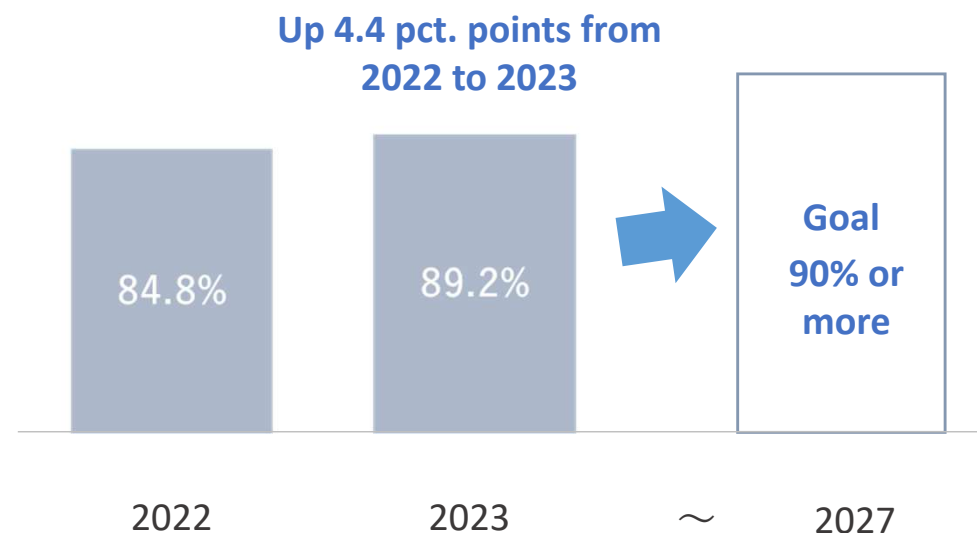
- Knowledge about products and services
- Improvement of customer interaction and consulting skills
- Utilization of Generative AI and other advanced technologies

## A pleasant and productive workplace environment

- DE&I (diversity, equality and inclusion) and health management
- Measures to increase use of paid vacation time and men's' child care leave time off
- More interaction among employees (meetings, company trips, other activities)

Aiming for a full-time employee retention of at least 90% by providing workplace environments that are pleasant and enable people to upgrade skills and achieve career goals

## Full-time employee retention (consolidated)



\* Retention rate = 100% - (Resignations during the year / Number of employees at beginning of the year)

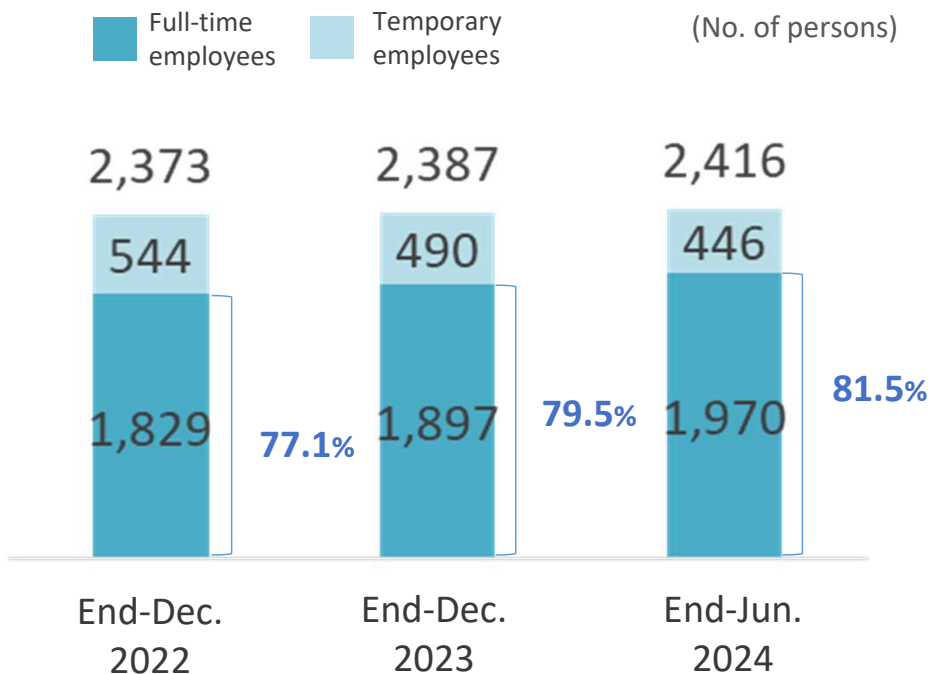
\* DE&I is the concept of increasing diversity, equity, and inclusion in an organization and creating an environment where diverse human resources respect each other and can demonstrate their abilities.

# Higher Pct. of Full-time Employees by Hiring Experienced People

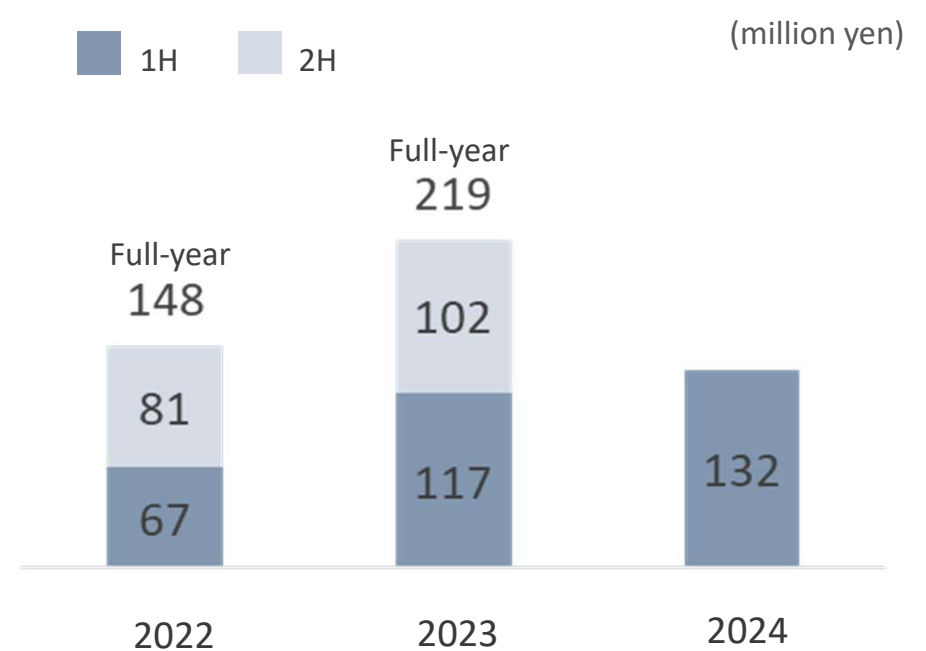
Started increasing hiring of people with prior work experience in 2022 and these people are now more than 80% of all full-time employees.

Continuing to provide training to [further strengthen consulting capabilities](#).

Full-time/temporary employee ratio

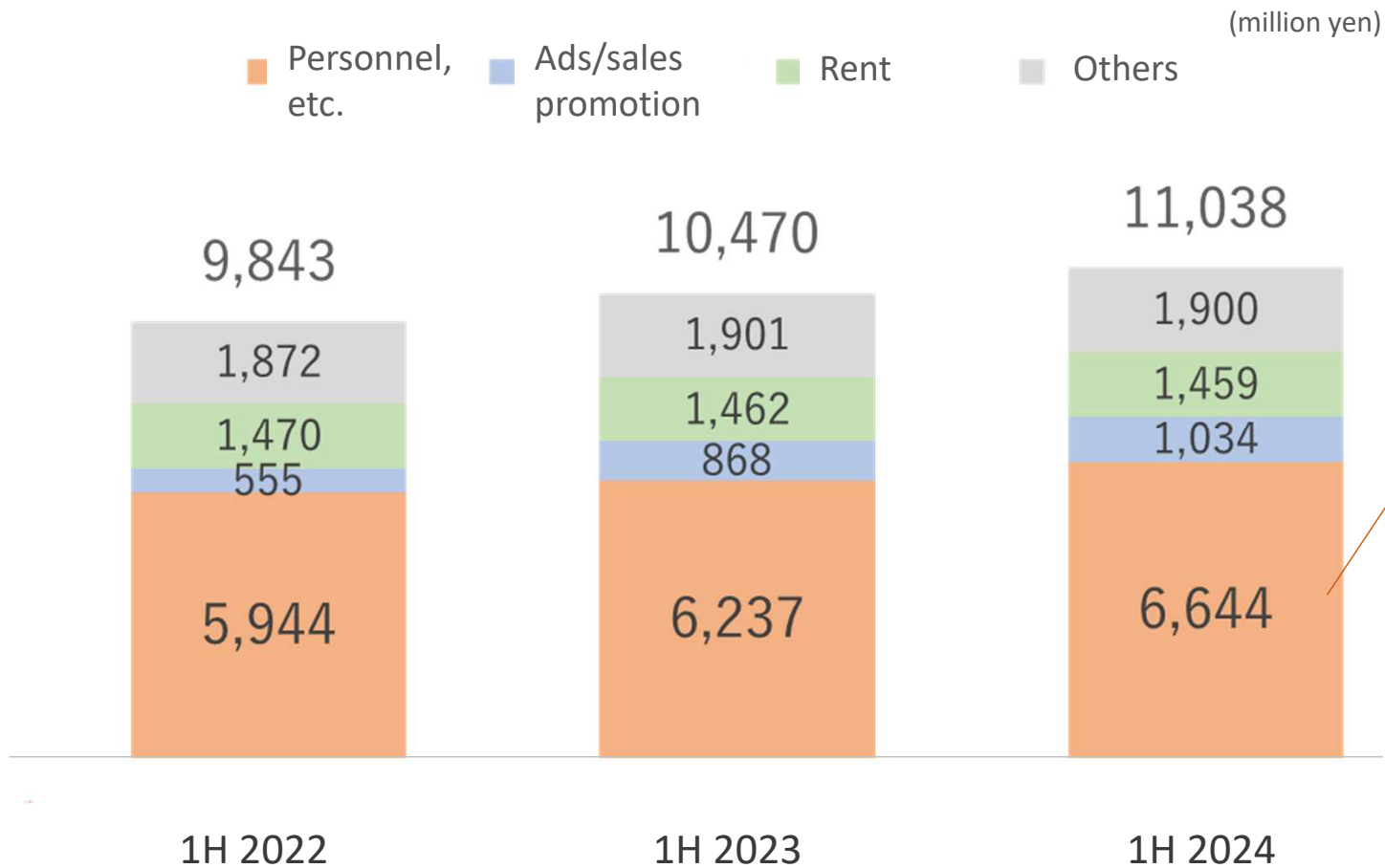


Recruiting expenses



# SG&A Expenses

SG&A expenses increased mainly due to personnel expenses



**Personnel expenses  
+407 million yen**

More people for sales promotion events  
Payments of bonuses to offset inflation and other higher expenses

# Prioritizing Training Programs to Drive Medium/Long-term Growth

Eight Bell-Park employees have won the Grand Prix at the past nine competitions (2015-2023)

**Customer Service No. 1 Grand Prix 2023 hosted by SoftBank Corp.**

(Held on February 15, 2024)



**Bell-Park employee  
received the Grand Prix  
(1st place) award**

Four Bell-Park employees won awards, including one who placed third and two who won the Special Prize

# Online Customer Interaction for Higher Productivity



Anshin Shop Awards 2023

Minister of Internal Affairs and Communication Award

SoftBank Aeon Mall Suzuka

(Awarded on February 19, 2024)

Cooperating with nearby shops to eliminate waiting time for almost all customers

Visualization of available personnel at nearby shops allows these individuals to serve customers online at a busy shop.

## 課題解決 Action

### 着目した点 | リモート受付

- ・同一時間帯に「近隣店」ではスタッフが空いている
- ・店舗間をリモートで繋ぐことで人手不足を解消

Action

<課題解決に向けたアクション①>  
近隣店の受付状況をリアルタイムで可視化  
・どこかの店舗で待ち時間が発生しているか  
・どこかの店舗でスタッフが空いているか

<課題解決に向けたアクション②>  
リモート受付で近隣店舗の受付フォロー  
・A店：待ち人数5名→6名のスタッフに受付依頼  
・B店：待ち人数0名→A店のお客様を遠隔受付



## 取り組み Initiatives

### 店舗間連携とオペレーション構築

**常設ZOOM**

- ・各店の受付状況をリアルタイムで可視化  
→空き店舗へオファー

**お客様引継ぎ**

- ・受付内容の情報共有  
→引継ぎを実施

**セルフ手続き**

- ・遠隔でリモート受付  
セルフ受付機を活用  
→お客様ご自身で登録

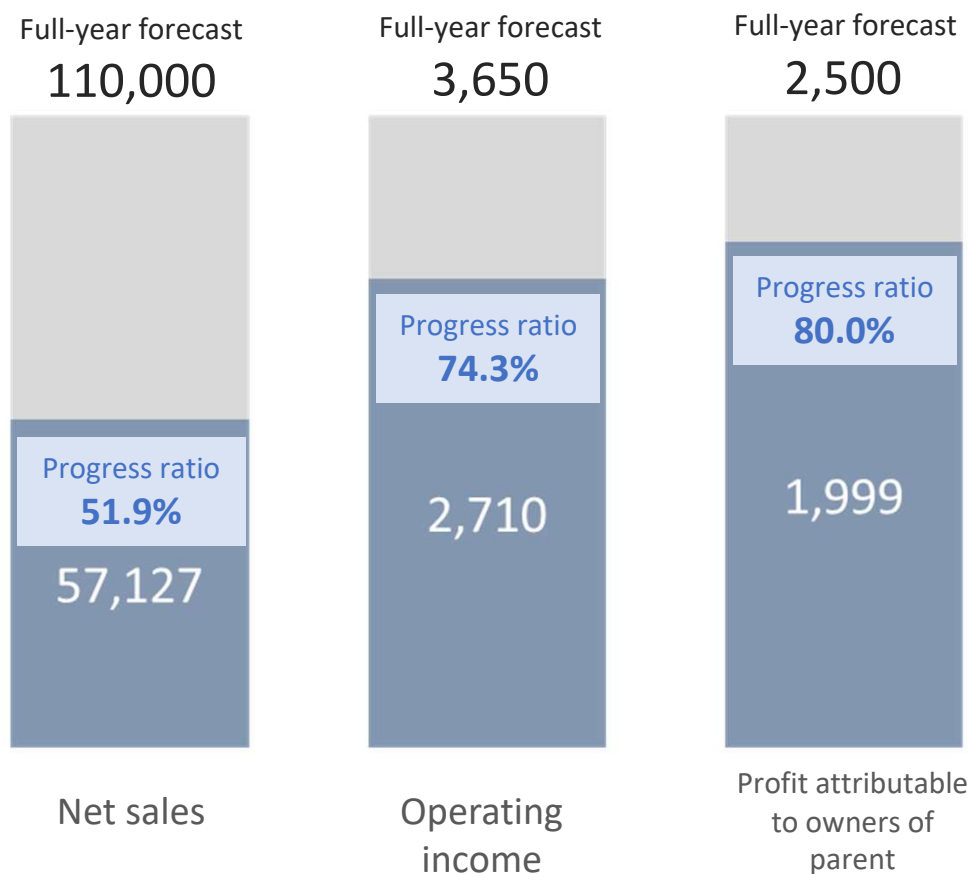
※近隣店スタッフが遠隔でリモート接客を行い、お客様がセルフ手続き機で登録（登録サポートを実施）

\*Anshin Shop Awards 2023: A contest for certified anshin (safety and confidence) shops that recognizes outstanding activities for protecting consumers

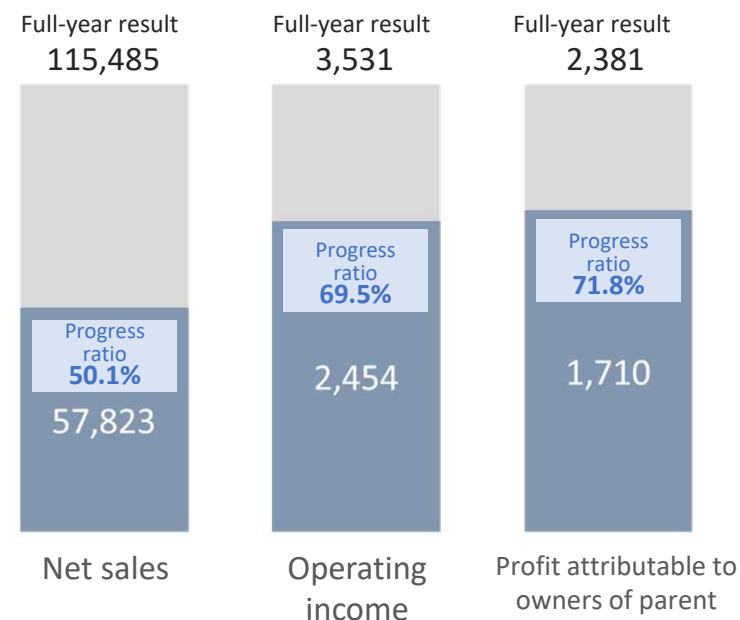
# First Half Performance vs. 2024 Forecast

First half operating income and profit attributable to owners of parent were about the same as one year earlier and 70% to 80% of the 2024 forecasts.

## 2024 First Half Progress Ratios (million yen)



## [Reference] 2023 First Half Progress Ratios



# Shareholder Returns

## Fundamental policy regarding distribution of earnings

Bell-Park positions the distribution of earnings to shareholders as one of its highest priorities, and plans to maintain a consolidated dividend payout ratio of at least 30%

2023			2024 (forecast)		
2Q-end	Year-end	Annual (total)	2Q-end	Year-end	Annual (total)
21.50 yen	21.50 yen	43 yen	22.00 yen (+0.5 yen)	22.00 yen (+0.5 yen)	44 yen (+1 yen)

# Appendix



# Profile of Bell-Park

Name	Bell-Park Co., Ltd.	Business	Information and communication device sales and service business
Capital (as of Jun. 30, 2024)	1,148 million yen	No. of carrier shops (as of Jun. 30, 2024)	Total: 348 stores (55 stores) *Franchised stores in parentheses 289 (50) SoftBank Shops 43 (5) Y!mobile Shops 9 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. Wactive Inc.
Founded	February 2, 1993, 32nd fiscal year		
No. of employees (consolidated) (as of Jun. 30, 2024)	2,416 (full time: 1,970; temporary: 446)		

# 3-year First-half Financial Summary

(million yen)

		1H 2022	1H 2023	1H 2024
Net sales		51,836	57,823	57,127
Gross profit		12,130	12,925	13,748
	Personnel, etc.	5,944	6,237	6,644
	Rent	1,470	1,462	1,459
	Ads/sales promotion	555	868	1,034
	Others	1,872	1,901	1,900
SG&A expenses		9,843	10,470	11,038
Operating income		2,286	2,454	2,710
Ordinary income		2,300	2,482	2,763
Profit attributable to owners of parent		1,778	1,710	1,999

# Quarterly Financial Summary

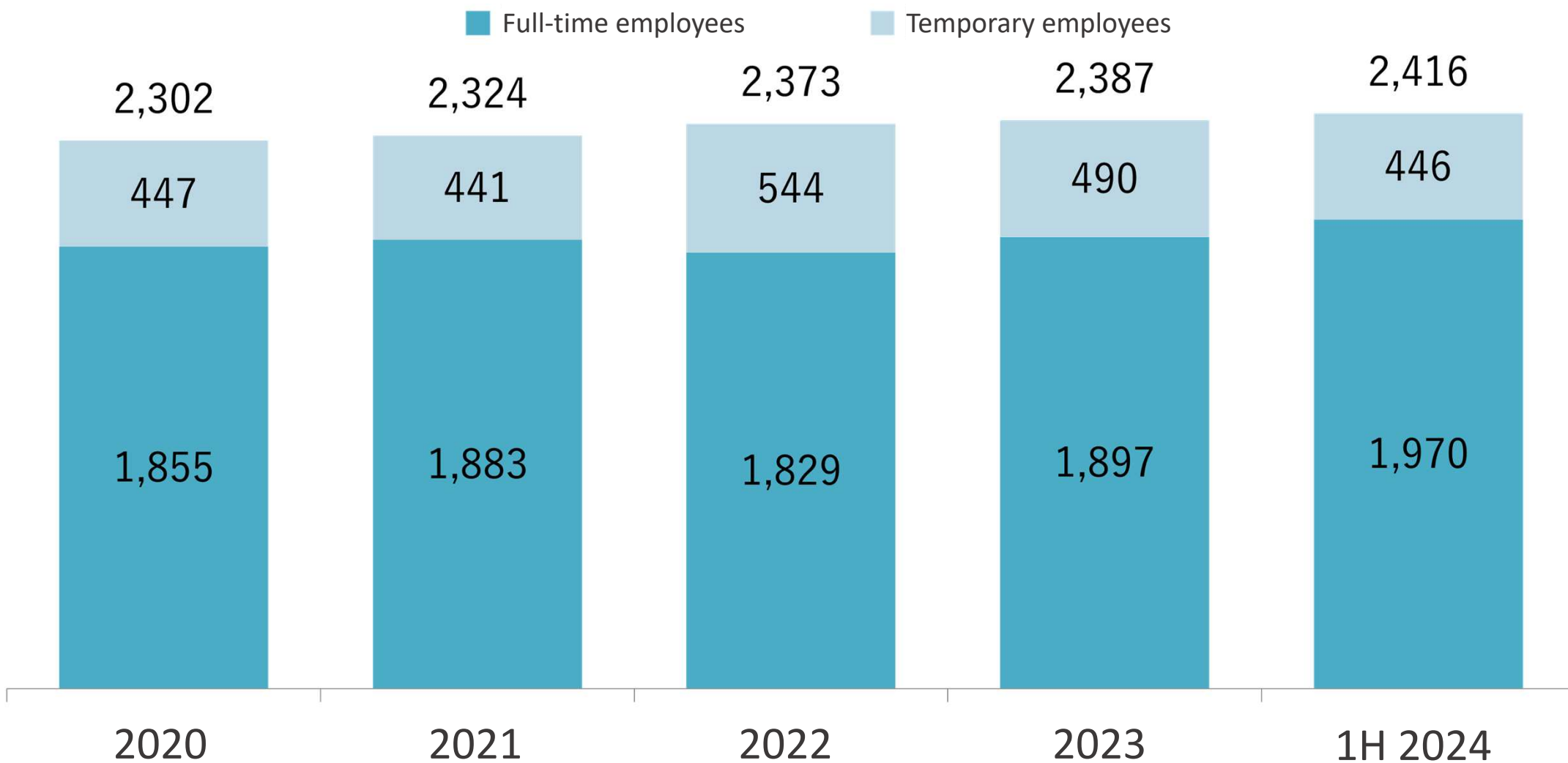
(million yen)

		2023 2Q	2024 2Q	YoY change	
Net sales		25,435	26,536	+1,101	+4.3%
Gross profit		5,845	6,539	+694	+11.9%
	Personnel, etc.	3,079	3,448	+369	+12.0%
	Rent	736	728	-7	-1.1%
	Ads/sales promotion	458	524	+66	+14.4%
	Others	958	969	+10	+1.1%
SG&A expenses		5,232	5,671	+438	+8.4%
Operating income		612	868	+255	+41.7%
Ordinary income		645	896	+251	+39.0%
Profit attributable to owners of parent		404	594	+189	+46.8%

# Number of Carrier Shops



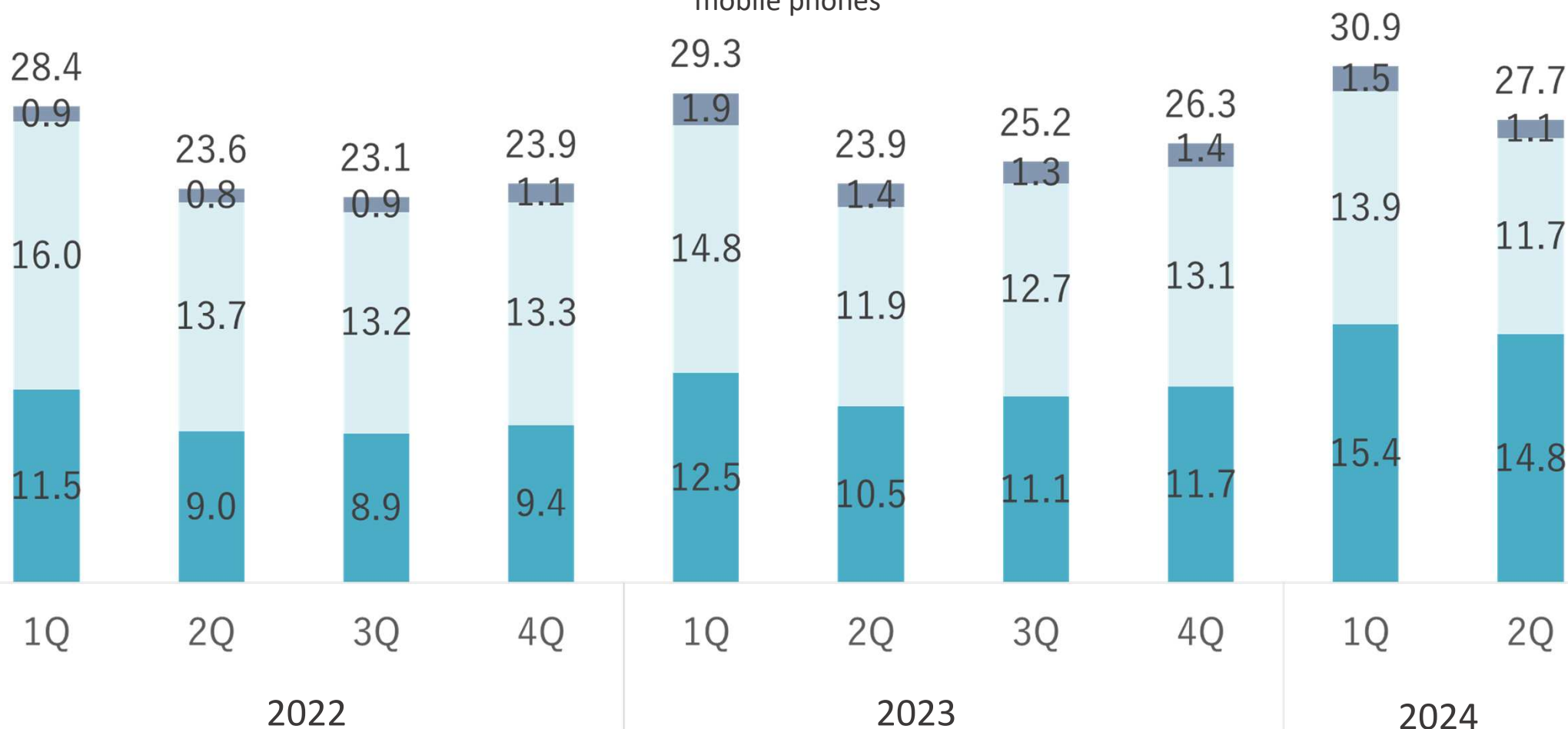
# Number of Employees



# Number of Mobile Phones Sold (Quarterly)

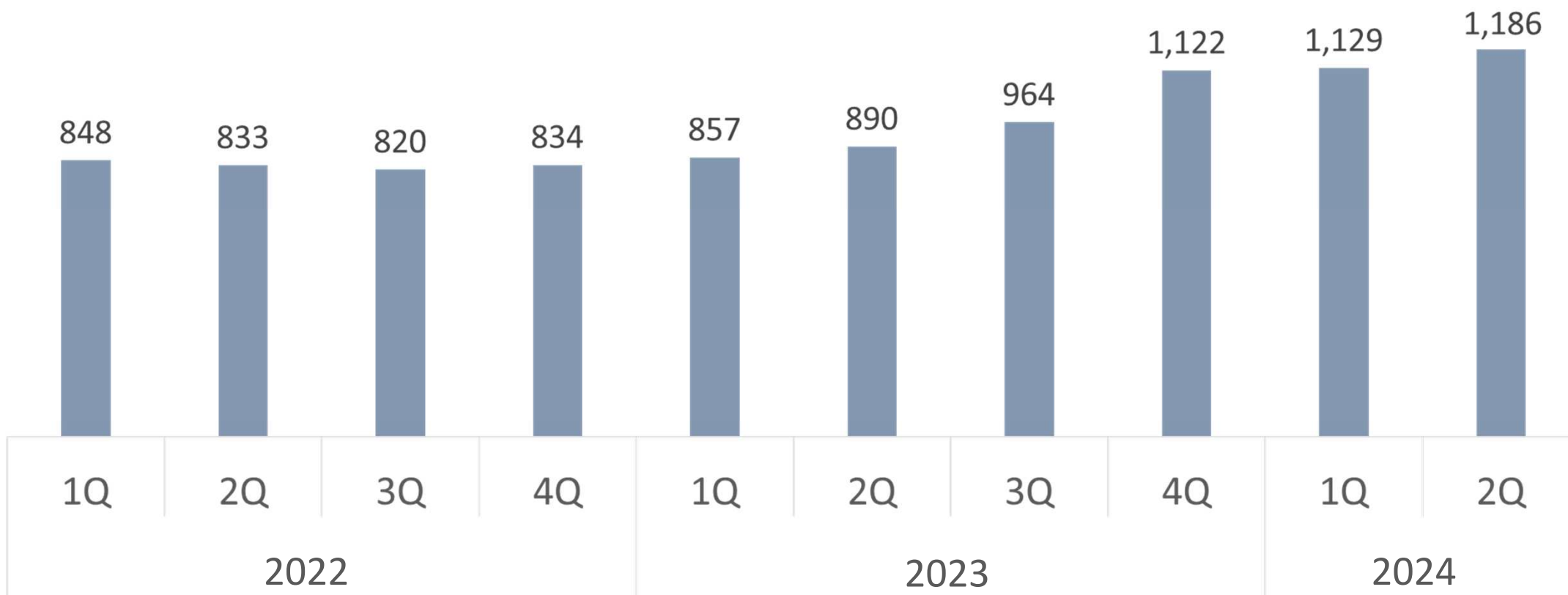
(10 thousand units)

■ Sales to new subscribers  
 ■ Sales of replacement mobile phones  
 ■ Phone-only sales



# Quarterly Change in Consistent Revenue (Gross Profit)

(million yen)



\*Consistent revenue includes the following:

- Payments by carriers to Bell-Park that are a percentage of the monthly mobile phone service fees paid by phone users who purchased their service plans at a shop operated by Bell-Park (renewal commissions)
- Payments by carriers associated with monthly-charge smartphone support service provided at shops

# Balance Sheet

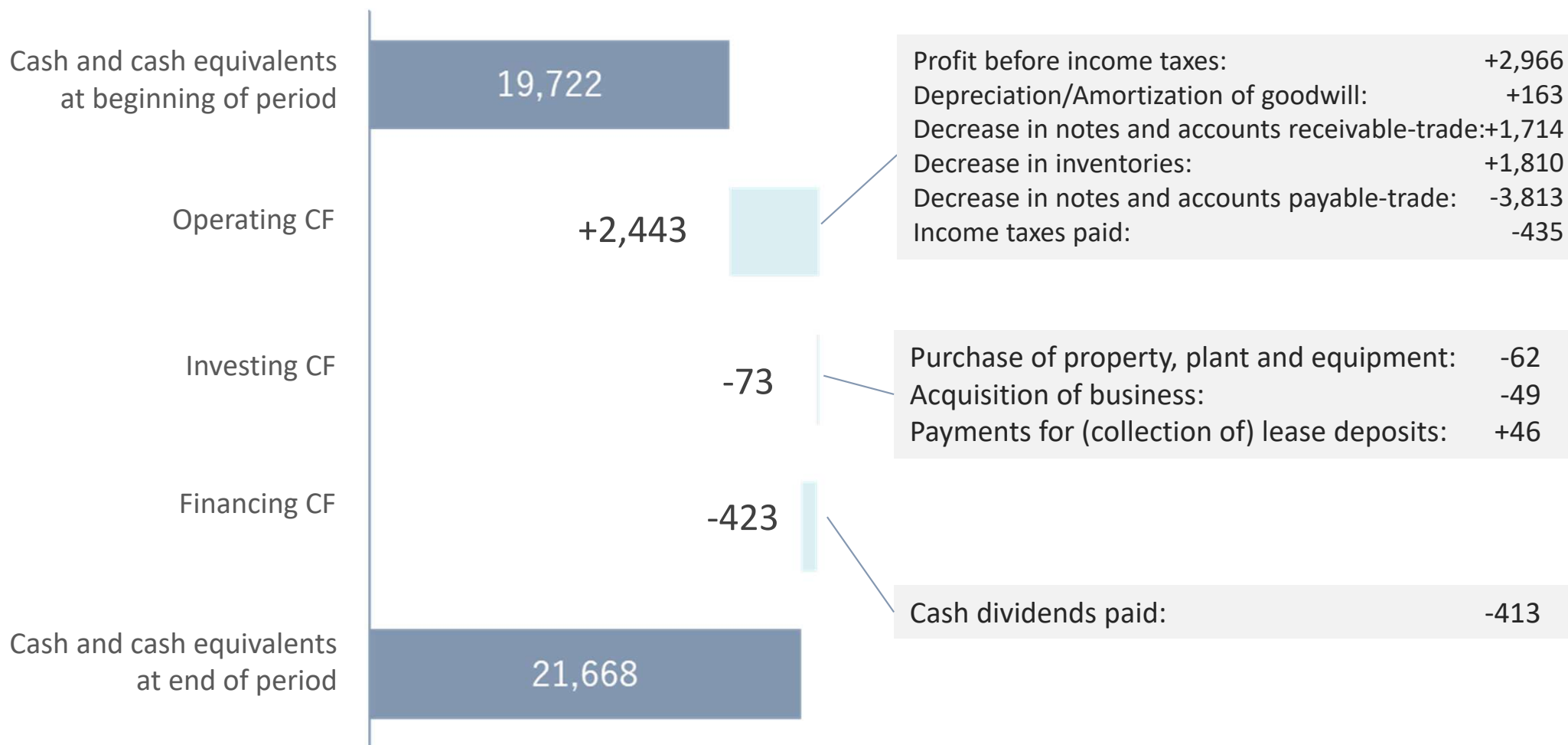
(million yen)

	End-Dec. 2023	End-Jun. 2024	Change
Current assets	40,121	38,527	-1,594
Non-current assets	7,413	7,332	-80
<b>Assets</b>	<b>47,535</b>	<b>45,859</b>	<b>-1,675</b>
Current liabilities	14,840	11,633	-3,207
Non-current liabilities	770	758	-11
<b>Liabilities</b>	<b>15,611</b>	<b>12,392</b>	<b>-3,219</b>
<b>Net assets</b>	<b>31,923</b>	<b>33,467</b>	<b>+1,543</b>



# Cash Flows

(million yen)



# Management with Emphasis on the Cost of Capital and the Stock Price

The 2023 return on equity was 7.6% and the PBR was 1.02 at the end of the year.

In 2024 and the following years, we will use many initiatives for accomplishing the medium-term targets (<https://www.bellpark.co.jp/ir/management/plan/>) for more growth of corporate value.

			2022 results	2023 results	2024 forecast
Consolidated results	Net sales	million yen	102,778	115,485	110,000
	Operating income	million yen	3,534	3,531	3,650
	Profit	million yen	2,521	2,381	2,500
<b>Return on equity</b>		<b>%</b>	<b>8.5%</b>	<b>7.6%</b>	<b>7.6%</b>
Market evaluation	Stock price (End-Dec.)	Yen	1,905	1,699	-
	<b>PBR</b>	-	<b>1.21</b>	<b>1.02</b>	-
	PER	-	14.53	13.73	-

**(1)+(2)X(3)**

Cost of capital

**About 7.0%**

\*As of the end of December 2023



<b>(1)</b>	Risk-free rate (10-year Japanese government bond)	<b>0.65%</b> *As of the end of December 2023
<b>(2)</b>	Beta (Five-year average for stocks Bell-Park and peer companies)	<b>About 0.65</b> *As of the end of December 2023
<b>(3)</b>	Market risk premium (Avg. annual increase of TOPIX during the past five years minus risk-free rate)	<b>About 9.5%</b> *As of the end of December 2023

# Activities for a Sustainable Society

## Key Issues (1) Environmental Responsibility



- Efforts to reduce greenhouse gas emissions  
(Installation of internal power generation, use of energy from renewable sources, reduction of energy consumption, recycling used mobile phones and PCs, environmentally responsible vehicles, green procurement of office and other supplies, and paperless operation/reduction of paper use)



## Key Issues (2) Customer's Smile



- Strengthening consulting skills
- Customer support
- Improving customer satisfaction
- Voluntary consumer protection activities



## Key Issues (3) Workforce Motivation and Growth



- Human resources development
- A pleasant and productive workplace environment
- Diversity, equity and inclusion
- Health management



## Key Issues (4) Social Contribution Activities



- Eliminating the digital divide
- Using business activities to solve social issues
- Contributing to community  
(Child safety stores, emergency recharging service, work experience events for children and community clean-up program)



# 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 the Company 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.