

Results of Operations for 2024

February 12, 2025

Bell-Park Co., Ltd.

Tokyo Stock Exchange Standard Market (Stock code: 9441)

1. 2024 Financial Highlights

2. 2025 Plan and Shareholder Returns





Statement of Income

Higher sales and earnings mainly due to increases in the number of mobile phones sold and consistent revenue

(million yen)

	2023 results	2024 results	YoY change
Net sales	115,485	116,038	+553
(Comp.)	(100.0%)	(100.0%)	+0.5%
Operating income	3,531	4,263	+732
	(3.1%)	(3.7%)	+20.7%
Ordinary income	3,571	4,352	+780
	(3.1%)	(3.8%)	+21.9%
Profit attributable to owners of parent	2,381	3,177	+796
	(2.1%)	(2.7%)	+33.4%

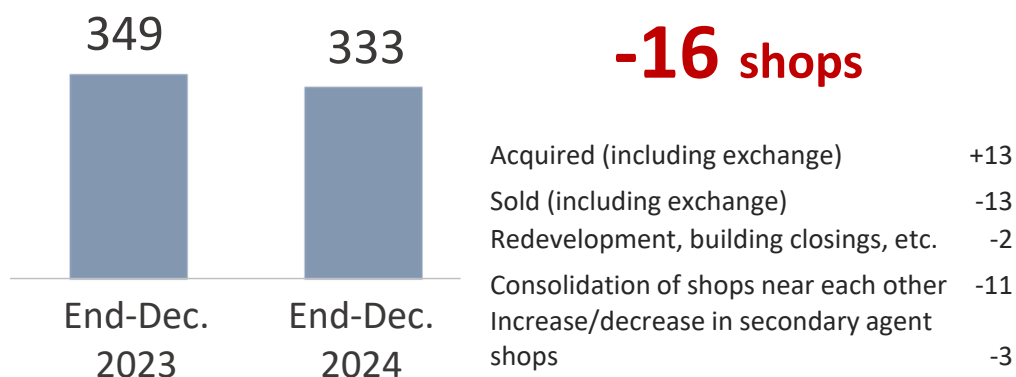
2024 Sales Channel Topics

Sales channels	Topics	Impact on net sales (YoY change)	Impact on operating income (YoY change)
Carrier shops	<p><u>Increase in the number of mobile phones sold</u></p> <ul style="list-style-type: none"> Increase in communications line subscriptions excluding sales of phones (service contracts for only an SIM card) Personnel and marketing expenses were used to hold more sales promotion events <p><u>Increase in consistent revenue</u></p> <ul style="list-style-type: none"> Small increase in renewal commissions due to larger number of phone lines Number of monthly-charge shop smartphone support members steadily increased. <p>(Unlimited support plans are popular, which include data transfers, attaching protective films and other assistance)</p>		
Corporate solutions	<p><u>Increase in the number of mobile phones sold</u></p> <ul style="list-style-type: none"> People hired during 2023 became productive and the number of mobile phones sold increased due to the sales initiatives of carriers and other reasons Sales increased for Bell-Park original services, such as an outsourced kitting/installation service 		

Number of Carrier Shops and Mobile Phones Sold

The number of carrier shops declined but the number of phones sold increased.

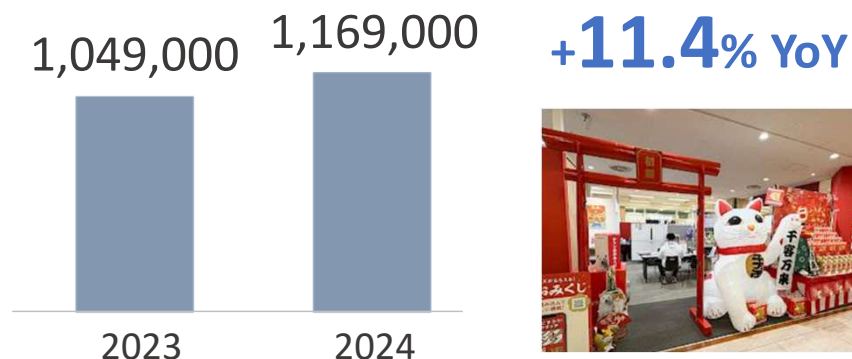
Number of Carrier Shops



Exchanging shops with other phone sales agents and using other measures to establish dominant presences in areas with a network of shops

(The medium-term goal is to increase the number of shops)

Number of Mobile Phones Sold

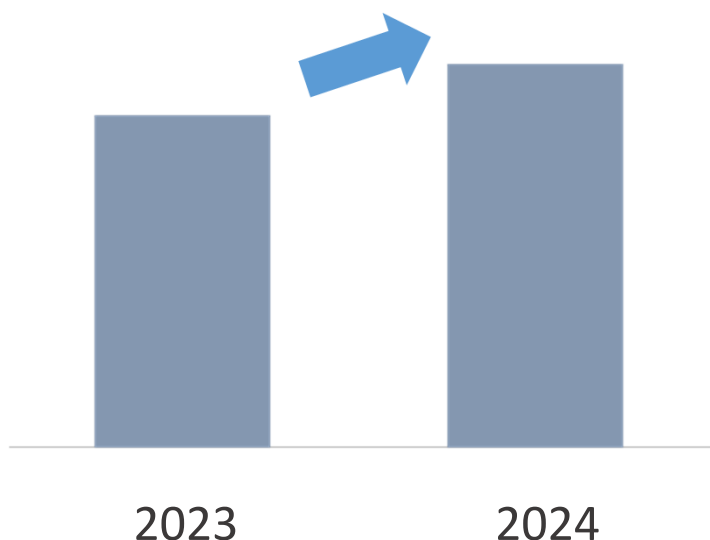


Larger number of sales promotion events raised the number of mobile phones sold, mainly to new subscribers.

Increased Sales of Smartphone Accessories

Sales of smartphone accessories at directly operated carrier shops

+14.0% YoY



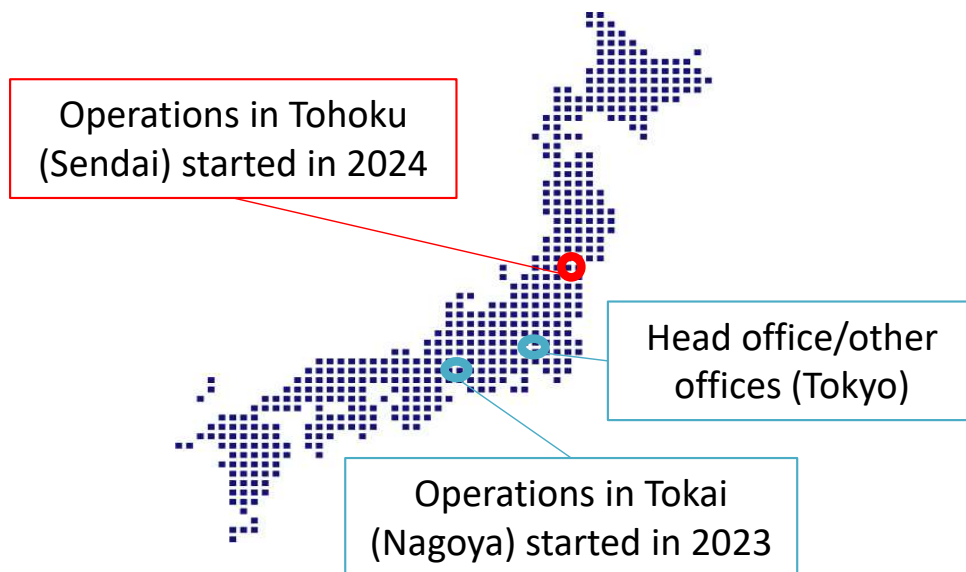
Growing sales of wireless earbuds, chargers with backup, screen coating agent and other accessories



Corporate Solutions

- Steadily increasing the sales network and number of locations
- Sales increasing in the core phone/PC category and for kitting and other services

Corporate Solutions Sales Network

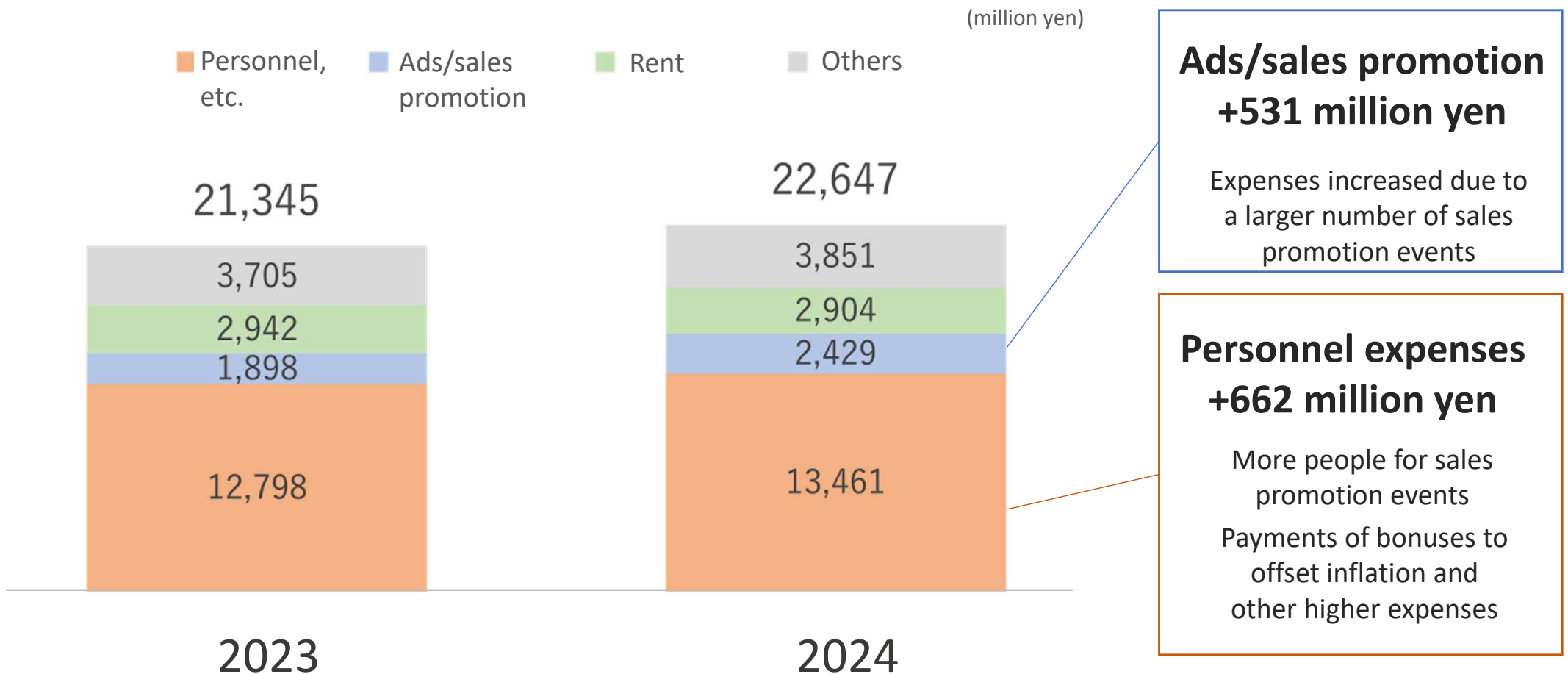


Revenue from Other Than Phones/PCs (Gross Profit)



SG&A Expenses

SG&A expenses increased mainly due to higher personnel and ads/sales promotion expenses

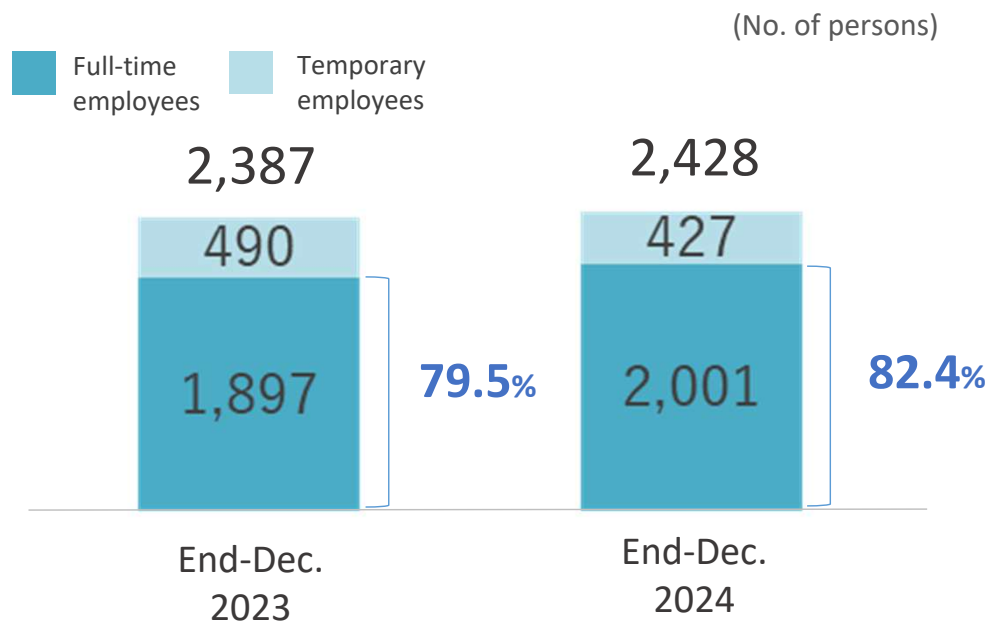


Higher Pct. of Full-time Employees by Hiring Experienced People

Increased hiring of people with prior work experience, which is now accounts for more than 80% of all full-time employees.

Continuing to provide training to further strengthen consulting capabilities.

Full-time/temporary employee ratio



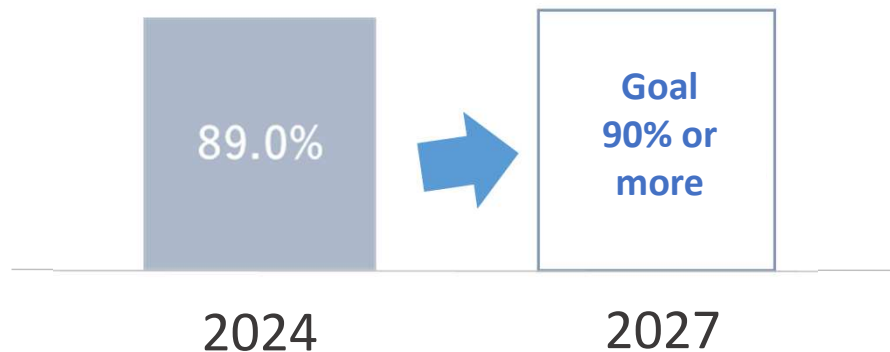
Recruiting expenses



More Activities to Improve Retention Rate

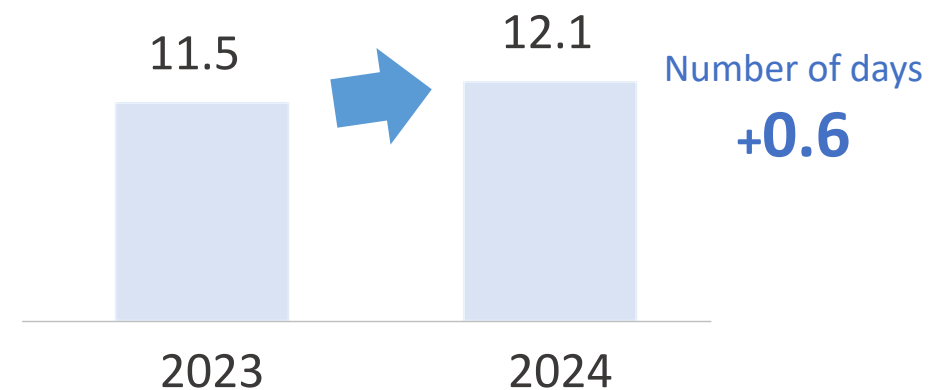
Aiming for a full-time employee retention of at least 90% by providing workplace environments that are pleasant and enable people to upgrade skills and achieve career goals

Full-time employee retention (consolidated)



Number of paid vacation days used (consolidated)

*Excludes staff who receive no paid vacation days







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

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2. 2025 Plan and Shareholder Returns

2025 Sales Channel Topics

Sales channels	Topics	Impact on net sales (YoY change)	Impact on operating income (YoY change)
Carrier shops	<p><u>Decrease in the number of mobile phones sold</u></p> <ul style="list-style-type: none"> Longer phone replacement cycle because of the higher cost of smartphones, tighter restrictions on smartphone discounts in prior years and other reasons <p>More sales promotion events (higher expenses) due to intensified competition to acquire customers through mobile number portability</p> <p><u>Increase in consistent revenue</u></p> <ul style="list-style-type: none"> Small increase in renewal commissions due to larger number of phone lines Number of monthly-charge shop smartphone support members steadily increased. 		
Corporate solutions	<p><u>More salespeople for sales growth</u></p> <ul style="list-style-type: none"> The goals are more sales of phones and PCs, the main products, and increasing sales of other products and services, including kitting 		

2025 Consolidated Forecasts

Forecast net sales of 114 billion yen and operating income of 4.5 billion yen

*Planned number of mobile phones to be sold: approx. 1,129,000 units (-3.4% YoY)

(million yen)

	2024 results	2025 plan	YoY change
Net sales (Comp.)	116,038 (100.0%)	114,000 (100.0%)	-2,038 -1.8%
Operating income	4,263 (3.7%)	4,500 (3.9%)	+236 +5.5%
Ordinary income	4,352 (3.8%)	4,600 (4.0%)	+247 +5.7%
Profit attributable to owners of parent	3,177 (2.7%)	3,000 (2.6%)	-177 -5.6%

2024 profit attributable to owners of parent includes extraordinary income for compensation payments received and the benefit of income tax deduction due to application of the "Tax Measure to Promote Wage Increases." The 2025 forecast does not include these two items.

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%

2024			2025 (forecast)		
2Q-end	Year-end	Annual (total)	2Q-end	Year-end	Annual (total)
22 yen	28 yen	50 yen	25 yen	25 yen	50 yen

Appendix

Profile of Bell-Park

Name	Bell-Park Co., Ltd.	Business	Information and communication device sales and service business
Capital (as of Dec. 31, 2024)	1,148 million yen	No. of carrier shops (as of Dec. 31, 2024)	Total: 333 stores (53 stores) *Franchised stores in parentheses 286 (50) SoftBank Shops 32 (3) Y!mobile Shops 9 Docomo Shops 6 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, 33rd fiscal year		
No. of employees (consolidated) (as of Dec. 31, 2024)	2,428 (full time: 2,001; temporary: 427)		

5-year Financial Summary

(million yen)

	2020	2021	2022	2023	2024
Net sales	98,843	107,281	102,778	115,485	116,038
Gross profit	24,349	25,483	23,635	24,876	26,911
Personnel, etc.	11,355	12,234	12,070	12,798	13,461
Rent	2,716	2,915	2,952	2,942	2,904
Ads/sales promotion	1,427	1,807	1,413	1,898	2,429
Others	3,798	3,849	3,664	3,705	3,851
SG&A expenses	19,297	20,806	20,101	21,345	22,647
Operating income	5,052	4,677	3,534	3,531	4,263
Ordinary income	5,348	4,646	3,588	3,571	4,352
Profit attributable to owners of parent	3,620	3,277	2,521	2,381	3,177

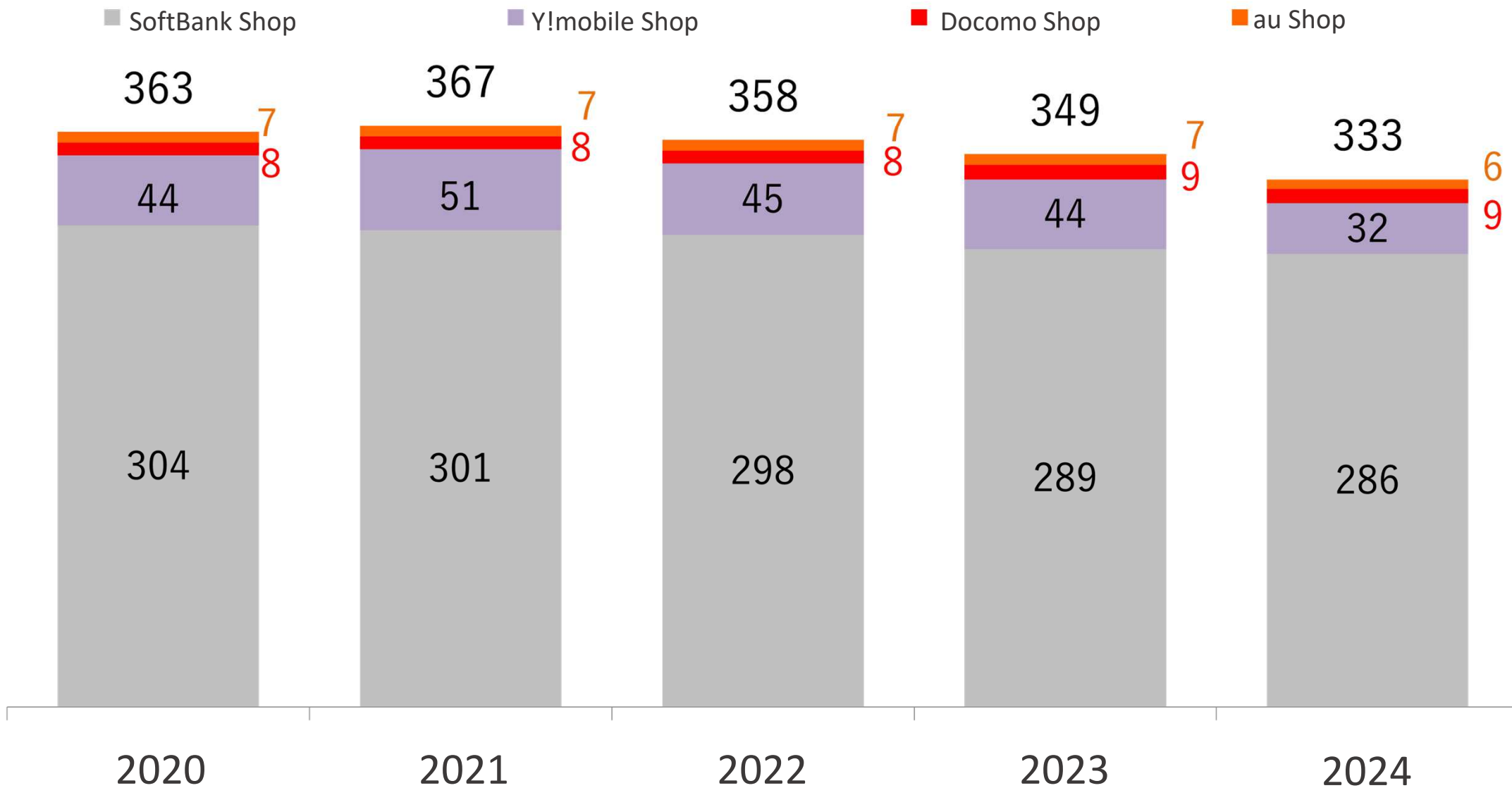
	2020	2021	2022	2023	2024
Total assets	46,371	43,366	43,624	47,535	50,663
Net assets	26,661	28,771	30,340	31,923	34,166
Equity ratio	57.5%	66.3%	69.6%	67.2%	67.4%
Return on equity (ROE)	14.3%	11.8%	8.5%	7.6%	9.6%
Ratio of ordinary income to total assets (ROA)	11.9%	10.4%	8.3%	7.8%	8.9%
Operating margin	5.1%	4.4%	3.4%	3.1%	3.7%
Dividend on equity (DOE)	4.3%	3.6%	2.7%	2.7%	2.9%

Quarterly Financial Summary

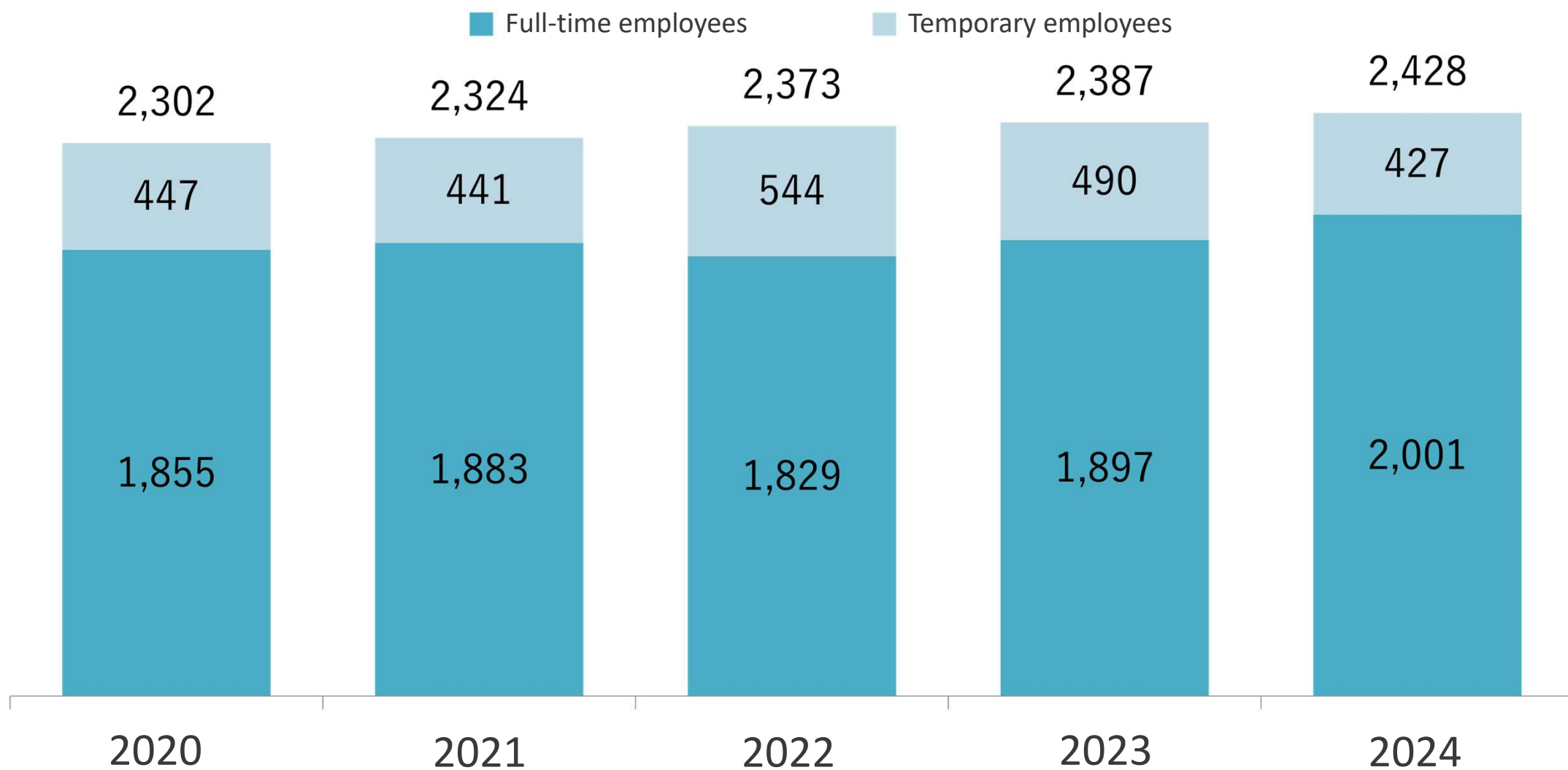
(million yen)

		2023 4Q	2024 4Q	YoY change	
Net sales		29,889	30,428	+538	+1.8%
Gross profit		5,768	6,570	+802	+13.9%
	Personnel, etc.	3,269	3,516	+247	+7.6%
	Rent	736	714	-22	-3.0%
	Ads/sales promotion	477	676	+198	+41.6%
	Others	892	988	+95	+10.7%
SG&A expenses		5,376	5,896	+519	+9.7%
Operating income		391	674	+283	+72.3%
Ordinary income		397	681	+283	+71.4%
Profit attributable to owners of parent		248	600	+352	+142.0%

Number of Carrier Shops



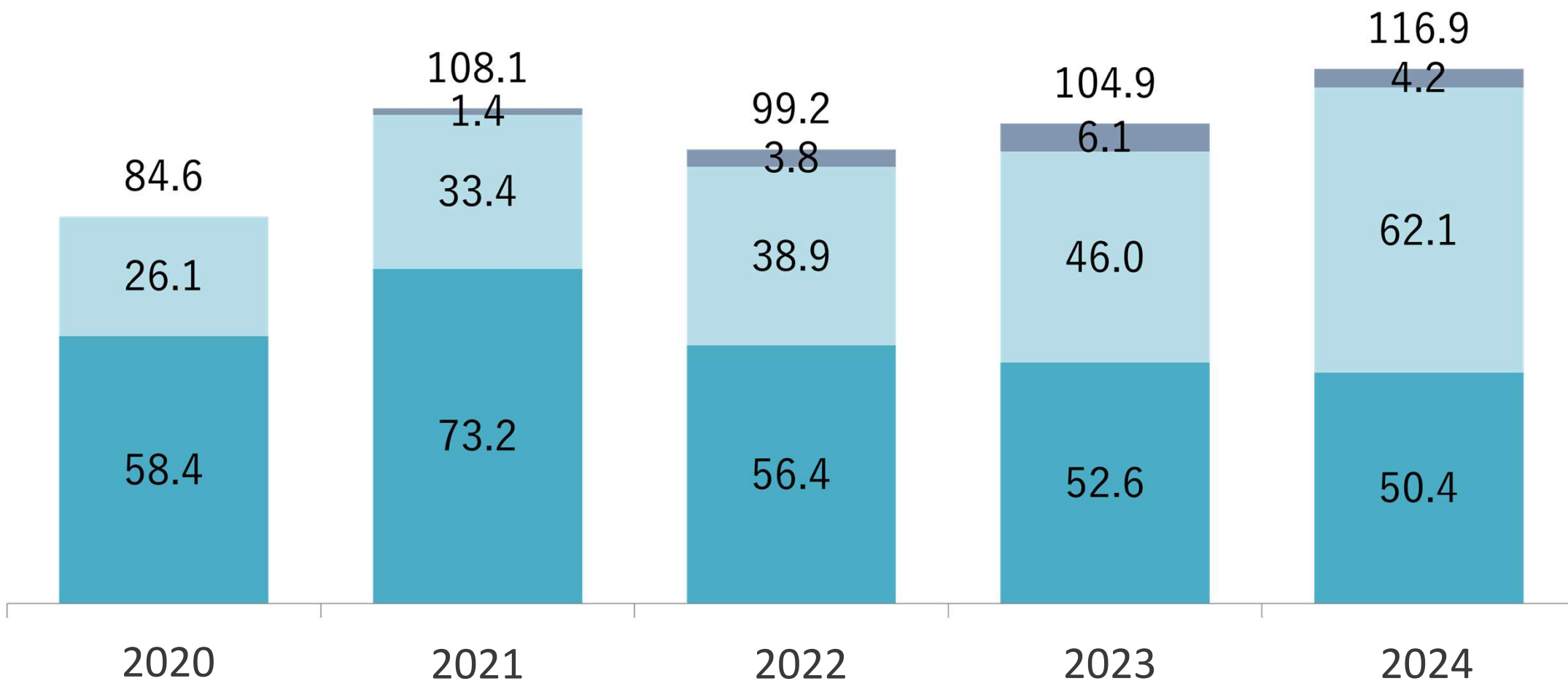
Number of Employees



Number of Mobile Phones Sold

(10 thousand units)

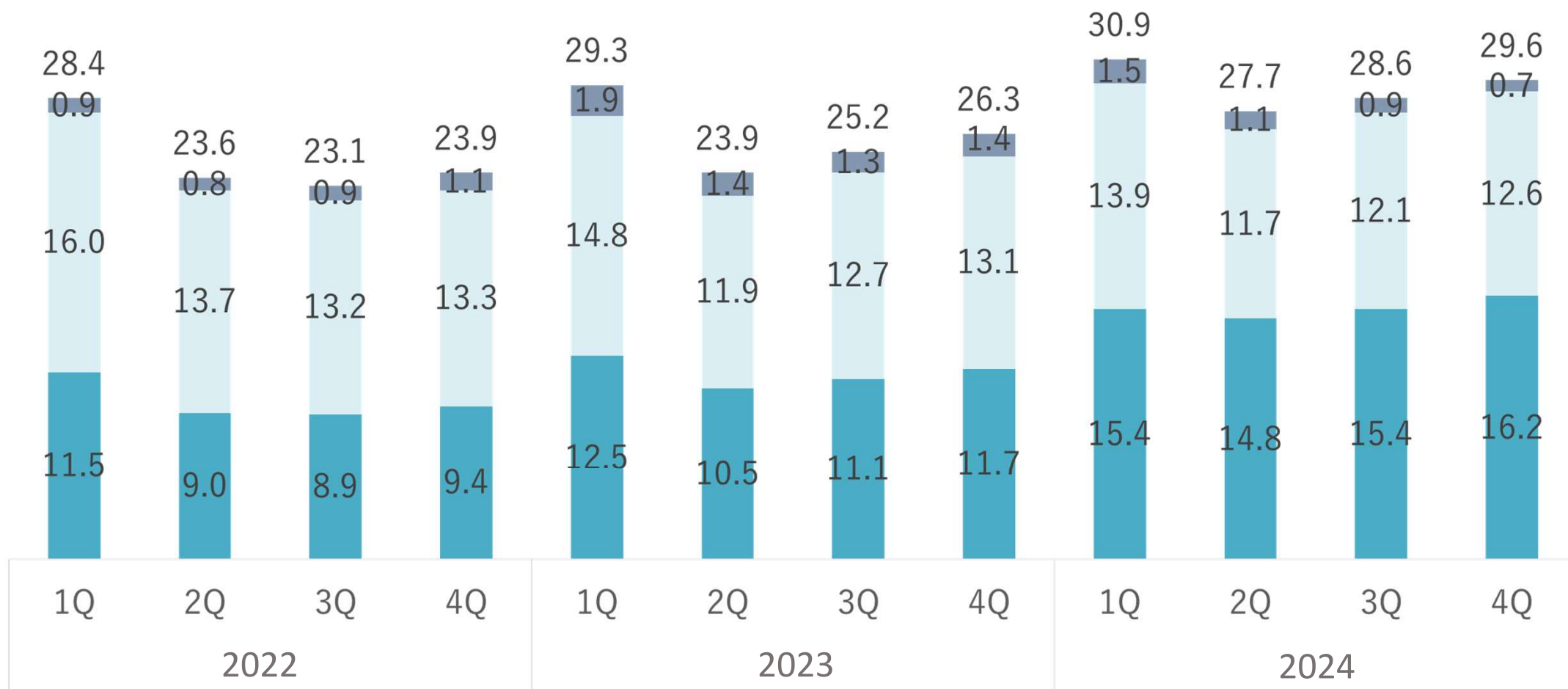
■ Sales of replacement mobile phones ■ Sales to new subscribers ■ Phone-only sales



Number of Mobile Phones Sold (Quarterly)

(10 thousand units)

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



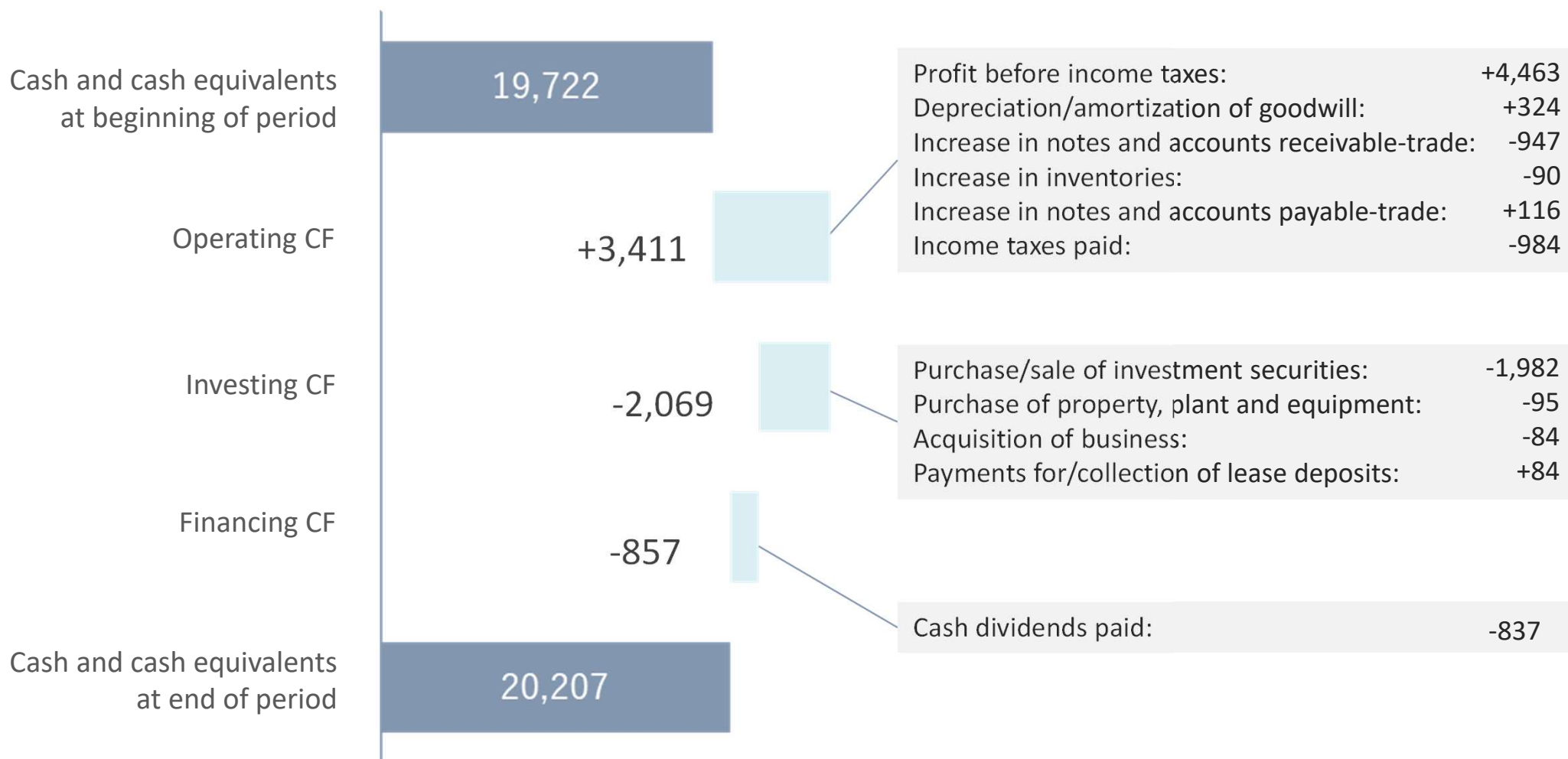
Balance Sheet

(million yen)

	End-Dec. 2023	End-Dec. 2024	Change
Current assets	40,121	41,680	+1,558
Non-current assets	7,413	8,983	+1,569
Assets	47,535	50,663	+3,128
Current liabilities	14,840	15,776	+935
Non-current liabilities	770	720	-50
Liabilities	15,611	16,496	+885
Net assets	31,923	34,166	+2,243

Cash Flows

(million yen)



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

The 2024 **return on equity was 9.6%** and the **PBR was 0.93** at the end of the year.

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.

			2023 results	2024 results	2025 forecast
Consolidated results	Net sales	million yen	115,485	116,038	114,000
	Operating income	million yen	3,531	4,263	4,500
	Profit	million yen	2,381	3,177	3,000
Return on equity		%	7.6%	9.6%	8.5%
Market evaluation	Stock price (End-Dec.)	Yen	1,699	1,654	-
	PBR	-	1.02	0.93	-
	PER	-	13.73	10.02	-

(1)+(2)X(3)

Cost of capital

About 8.0%

*As of the end of December 2024

(1)	Risk-free rate (10-year Japanese government bond)	1.11%
		*As of the end of December 2024
(2)	Beta (Five-year average for stocks of Bell-Park and peer companies)	About 0.73
		*As of the end of December 2024
(3)	Market risk premium (Avg. annual increase of TOPIX during the past five years minus risk-free rate)	About 9.5%
		*As of the end of December 2024

Status of Compliance with Standard Market Listing Criteria

	(1) Number of shareholders (At least 1 trading unit)	(2) Tradable shares			(3) Trading volume	(4) Net assets
		Number of tradable shares	Market value of tradable shares	Ratio of tradable shares		
Standards for retaining a listing	400	2,000 units	1.0 billion yen	25.0%	Avg. of at least 10 trading units/month	Positive net assets
Status of Bell-Park as of the end of December 2024	3,917	65,506 units	11.2 billion yen	32.4%	1,040.3 units	34.1 billion yen
Status of compliance	○ (Yes)	○ (Yes)	○ (Yes)	○ (Yes)	○ (Yes)	○ (Yes)

* These figures are calculated by using the monthly market table (stock market table) on the website of the Japan Exchange Group, the Bell-Park stock distribution table as of the end of December 2024, and other sources. The stock price used to determine the market value of tradeable shares is the average closing price for October-December 2024. Trading volume is the monthly average for the last six months of 2024. Tradable shares include 3,809,000 shares that were designated as pure investments in shareholding reports submitted by Bell-Park shareholders as of the end of December 2024.

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, community clean-up program and e-Net Caravan)



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.