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Bell-Park Co., Ltd.

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Notice of Revisions to Consolidated and Non-consolidated Forecasts, and the Year-end Dividend Forecasts

Bell-Park Co., Ltd. has made the following revisions based on current results of operations to the forecasts for 2019 consolidated sales and earnings and the dividend for 2019 that were announced on November 6, 2019.

Bell-Park does not announce non-consolidated forecasts. However, as there is likely to be a difference between the non-consolidated forecasts for 2019 and the actual results for 2018, we are hereby reporting revisions to the non-consolidated forecasts.

1. Revisions to the consolidated forecasts for 2019 (January 1, 2019 – December 31, 2019)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Net income per share
	<i>Million yen</i>	<i>Million yen</i>	<i>Million yen</i>	<i>Million yen</i>	<i>Yen</i>
Previous forecast (A)	99,000	3,700	3,700	2,500	389.80
Revised forecast (B)	103,300	4,370	4,370	3,040	473.99
Increase/(decrease) (B – A)	4,300	670	670	540	-
Percentage change (%)	4.3%	18.1%	18.1%	21.6%	-
Ref: Previous results (2018)	98,088	3,229	3,256	2,115	329.83

Reasons for revisions

The Bell-Park Group's business plan for 2019 had forecast a year-on-year decline in the sales volume of the mobile phones due to concerns over possible effects of the amendments to the Telecommunications Business Act and the Consumption Tax Act, both of which took effect in October 2019. However, the number of mobile phones sold from October to December 2019 significantly exceeded plans as sales of replacement handsets were strong. Consequently, the number of fiber-optic line service contracts and the number of accessories sold to customers along with mobile phones also substantially surpassed the plan.

2. Non-consolidated forecasts for 2019 (January 1, 2019 – December 31, 2019)

	Net sales	Operating income	Ordinary income	Profit	Net income per share
	<i>Million yen</i>	<i>Million yen</i>	<i>Million yen</i>	<i>Million yen</i>	<i>Yen</i>
2018 results (A)	93,999	2,934	3,000	1,939	302.39
2019 forecast (B)	99,600	4,090	4,140	2,880	449.04
Increase/(decrease) (B – A)	5,601	1,156	1,140	941	-
Percentage change (%)	6.0%	39.4%	38.0%	48.5%	-

Reasons for the difference between the non-consolidated forecast and actual results for 2018

In the two-year period from December 31, 2017 and December 31, 2019, the number of authorized carrier shops operated by Bell-Park has increased by 58 (about 20%) due to new openings, acquisitions and other activities. Bell-Park operated 273 of these shops at the end of December 2019. Relocations, remodeling and other actions were taken as needed at newly acquired shops and these shops work closely with other nearby Bell-Park shops. In addition, there were many activities for hiring more people, giving people sound training, and utilizing people in the most productive manner possible. Due to all these

activities, we expect results of operations for 2019 to exceed the previous year.

3. Detail of revisions to dividend forecast for 2019

Record date	Dividend per share		
	2Q-end	Year-end	Annual (total)
	(Yen)	(Yen)	(Yen)
Previous forecast (announced on November 6, 2019)	-	60.00	98.00
Revised forecast	-	81.00	119.00
Dividend for 2019	38.00	-	-
Dividend for 2018	33.00	37.00	70.00

Reasons for revisions

Bell-Park positions the distribution of earnings to shareholders as one of its highest priorities and has established the fundamental policy of increasing the consolidated dividend payout ratio in stages to 30% for the dividend applicable to 2020. The plan was for a 25% payout ratio for 2019 and a 30% payout ratio for 2020.

Due to the revisions to the consolidated forecasts for 2019, the year-end dividend forecast has been revised from 60 yen to 81 yen, an increase of 21 yen, in accordance with the 25% payout ratio plan for 2019. As a result, Bell-Park plans to pay a dividend of 119 yen per share for 2019, which is 49 yen higher than the 70 yen dividend for 2018.

Note: Forecasts of future performance in this material are based on assumptions judged to be valid and information available to Bell-Park at the time the materials were prepared. Due to uncertainties inherent in the factors used to determine these forecasts, actual results may differ from these forecasts.