

LIBERTA (4935-TSE JASDAQ) ----- December 18,2020**Selling beauty products, toiletry products, functional clothes and other items via various sales channels inside and outside of Japan**

This report is an English translation of part of the report issued on December 18, 2020.
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【 4935 LIBERTA Sector : Chemicals】

Fiscal Year	Net sales (mn yen)	YoY (%)	Operating profit (mn yen)	YoY (%)	Ordinary profit (mn yen)	YoY (%)	Profit (mn yen)	YoY (%)	EPS (yen)	BPS (yen)	DPS (yen)
Dec. 2018	4,449	7.8	332	-	316	27.8	221	59.6	96.3	272.6	10.0
Dec. 2019	4,203	-5.5	134	-59.7	118	-62.7	72	-67.3	31.1	262.8	3.0
Dec. 2020 f	4,900	16.6	263	96.8	222	88.9	116	61.7	44.6	-	-

Note: Consolidated basis. Figures for the fiscal year ending December 2020 are the company's forecasts.

It conducted 1-to-5,000 stock split on March 15, 2019. Per share indices are adjusted retroactively.

Planning and Selling Original Products

LIBERTA plans and sells various original products. Net sales is categorized into cosmetics (peeling foot care), cosmetics (others), toiletries consisting of household detergents, functional clothes consisting of highly functional clothes, watches consisting of Swiss military watches, health and beauty goods consisting of miscellaneous goods that solve health and beauty issues and assist in everyday life, processed foods consisting of processed foods for athletes and others that are products purchased from other companies (figure). Production of in-house brand products is entrusted to partner factories inside and outside of Japan.

Net Sales by Category

	Fiscal year ended Dec. 2019		Nine months to Sep. 2020	
	Net Sales (mn yen)	Composition (%)	Net Sales (mn yen)	Composition (%)
Cosmetics (peeling foot care)	998	23.7	966	26.3
Cosmetics (others)	1445	34.4	921	25.1
Toiletries	633	15.1	923	25.2
Functional clothes	440	10.5	489	13.3
Watches	421	10.0	207	5.7
Health and beauty goods	20	0.5	18	0.5
Processed foods	7	0.2	9	0.3
Others	236	5.6	134	3.6
Total	4,203	100.0	3,670	100.0

Source: Prepared by Stock Research Center based on the notifiable prospectus.

Sell Products via Various Sales Channels

In Japan, the company sells products at about 20,500 stores including department stores, mass-merchandise stores, drugstores, DIY stores and variety stores through wholesalers. Watches are sold at four directly managed stores. Functional clothes and processed foods are also sold to around 500 sports organizations including soccer schools through its subsidiary. In addition, the company also sells its products on its in-house EC website as well as major EC malls. Overseas, which accounts for 16.0% of net sales, the company sells its products at mass-merchandise stores and drugstores in over 60 countries.

LIBERTA (4935-TSE JASDAQ) ----- December 18,2020**Financial Statements**

Statement of income	Fiscal Year	Dec. 2018		Dec. 2019		Nine months to Sep. 2020	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		4,449	100.0	4,203	100.0	3,670	100.0
Cost of sales		2,266	50.9	2,260	53.8	2,051	55.9
Gross profit		2,183	49.1	1,943	46.2	1,619	44.1
Selling, general and administrative expenses		1,850	41.6	1,808	43.0	1,348	36.7
Operating profit		332	7.5	134	3.2	270	7.4
Non-operating income		8	0.2	4	0.1	7	0.2
Non-operating expenses		25	0.6	20	0.5	18	0.5
Ordinary profit		316	7.1	118	2.8	259	7.1
Profit before income taxes		316	7.1	116	2.8	259	7.1
Net Profit		221	5.0	72	1.7	163	4.5

Balance sheet	Fiscal Year	Dec. 2018		Dec. 2019		Nine months to Sep. 2020	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		1,987	89.9	2,204	91.5	3,183	93.6
Cash and deposits		534	24.2	700	29.1	952	28.0
Accounts receivable-trade		526	23.8	621	25.8	438	12.9
Inventories		789	35.7	801	33.3	1,653	48.6
Non-current assets		222	10.1	204	8.5	217	6.4
Property, plant and equipment		47	2.1	38	1.6	29	0.9
Intangible assets		1	0.1	2	0.1	7	0.2
Investments and other assets		173	7.8	162	6.7	180	5.3
Total assets		2,210	100.0	2,408	100.0	3,400	100.0
Current liabilities		940	42.5	1,093	45.4	1,586	46.7
Accounts payable-trade		270	12.2	305	12.7	829	24.4
Non-current liabilities		642	29.1	627	26.0	968	28.5
Net assets		627	28.4	688	28.6	844	24.8
Owners' equity		627	28.4	688	28.6	844	24.8

Statement of cash flows	Fiscal Year	Dec. 2018	Dec. 2019
		(mn yen)	(mn yen)
Cash flows from operating activities		-38	45
Depreciation		25	14
Cash flows from investing activities		3	-47
Cash flows from financing activities		-39	124
Dividends paid		-46	-23
Net increase in cash and cash equivalents		-75	121
Cash and cash equivalents		322	443

Note: Consolidated basis

Source: Prepared by Stock Research Center based on the notifiable prospectus.