

Engaged in design development, manufacturing and sales of mattresses, bed frames, sofas, bedding, etc.

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For inquiries concerning the report, please contact info@stock-r.org

[7791 DREAMBED Sector : Other Products]

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)
Mar. 2021	8,976	-10.5	704	45.3	730	55.6	521	57.3	161.4	669.7	0.0
Mar. 2022	9,452	5.3	648	-8.0	675	-7.5	446	-14.5	112.7	915.7	25.0
Mar. 2023 CE	10,100	6.9	750	15.7	732	8.3	505	13.2	121.6	-	30.0
Mar. 2023 E	10,145	7.3	760	17.3	742	9.9	515	15.5	122.6	1,014.5	30.0
Mar. 2024 E	10,755	6.0	820	7.9	802	8.1	557	8.2	134.1	1,118.8	33.0
Mar. 2025 E	11,360	5.6	878	7.1	860	7.2	597	7.2	143.8	1,229.5	36.0

Note: CE(company expectations),E(Stock Research Center expectations)
Source: Stock Research Center

1. Corporate Overview

DREAMBED is engaged in the design development, manufacturing and sales of mattresses, bed frames, sofas, bedding, etc. Its sales channels are furniture retailers, commercial facilities, centering on accommodations, as well as shops and showrooms operated by the company.

2. Financial Analysis

In fiscal year ended March 2022, revenue increased by 5.3% with increased sales to shops and showrooms partly due to the renovation of the Tokyo showroom in addition to strong sales to furniture retailers. Higher raw material prices and sales promotion expenses, however, led to an 8.0% decline in operating profit.

The company forecasts a 6.9% increase in revenue and a 15.7% increase in operating profit for fiscal year ending March 2023. The company sees operating profit rising on the back of revenue increase with growth in sales to furniture retailers, which will serve to offset increases in personnel and sales promotion expenses.

3. Non-Financial Analysis

The company's intellectual capital is derived from business development utilizing the design development and manufacturing expertise it has accumulated since its founding and its efficient production system.

4. Corporate Strategy Analysis

DREAMBED aims to sustainably expand its business by focusing on increasing awareness of Serta, its overseas affiliate brand, leveraging showrooms, raising productivity and focusing on Sleep Tech initiatives that promote sound sleep through the application of IT technology.

The company has begun rebuilding its main plant and replacing equipment, scheduled for completion in January 2023, as a measure to improve productivity.

5. Analyst Evaluation

Our view is that the company's strengths lie in its product development and manufacturing expertise, as well as its efficient production system.

We expect that business performance in fiscal year ending March 2023 will be in line with the company's plan and on the back of growth in sales to furniture retailers and a recovery in sales to commercial facilities as a result of enhanced promotion activities, revenue and operating profit are expected to continue to increase in fiscal year ending March 2024 and beyond.

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