

Providing its own branded products and those of other companies domestically and internationally

This report is an English translation of part of the report issued on October 21, 2022.
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[4935 LIBERTA Sector : Chemicals]

Fiscal Year	Net sales	YoY	Operating profit	YoY	Ordinary profit	YoY	Profit	YoY	EPS	BPS	DPS
	(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)	(yen)	(yen)	(yen)
Dec. 2020	5,110	21.6	295	2.2x	263	2.2x	155	2.1x	59.2	400.3	21.4
Dec. 2021	5,029	-1.6	251	-14.9	266	1.0	200	29.0	68.4	445.2	21.5
Dec. 2022 CE	7,268	-	326	-	300	-	161	-	54.4	-	18.0
Dec. 2022 E	7,289	-	320	-	310	-	167	-	56.1	478.5	18.0
Dec. 2023 E	8,300	13.9	375	17.2	365	17.7	237	41.9	79.6	540.0	21.5
Dec. 2024 E	9,010	8.6	425	13.3	415	13.7	269	13.5	90.4	609.2	24.0

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

1. Corporate Overview

LIBERTA Group's management philosophy is to "aim to create a more interesting world by our efforts and planning." The company provides its own branded products and those of other companies domestically and internationally that meet people's various needs. One of the company's representative own-brand products is Baby Foot that treats keratin on the feet and heel without scraping launched in 2005.

2. Financial Analysis

In fiscal year ended December 2021, net sales declined 1.6% following a temporary increase in demand for certain product categories caused by the spread of COVID-19 in the previous fiscal year, and operating profit was down 14.9% as increased promotion expenses could not be absorbed.

For fiscal year ended December 2022, the company plans a year-on-year increase in both net sales and operating profit owing to the anticipated contribution of a newly consolidated subsidiary.

The company's return on equity (ROE) ranks high in a comparison of financial indicators with companies engaged in wholesale and private-brand product development in the fields such as household sundries as well as beauty and cosmetic goods.

3. Non-Financial Analysis

The company's primary source of intellectual capital is that it develops its business by leveraging its singular expertise in continuously releasing new products and nurturing them into long sellers.

4. Corporate Strategy Analysis

LIBERTA intends to expand its business in a sustainable fashion by focusing on the development of new products, the entry into new product categories, the reinforcement of its own domestic e-commerce and the expansion of overseas sales of domestically popular products.

5. Analyst Evaluation

We believe that the company can achieve its goal of releasing more than 30 new products per year, and that hit products will emerge from these releases and contribute to growth in the company's earnings.

Our expectations for LIBERTA's fiscal year ending December 2022 performance are essentially in line with those of the company, and we foresee revenue and profit continuing to increase in fiscal year ending December 2023 and beyond.

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