



**Members**

# Financial Results for 2Q FY2024

Members Co., Ltd. (TSE 2130)

October 31, 2023

# Company Profile

Company name	Members Co., Ltd.
Locations	Headquarters (Tokyo), Web Garden Sendai, Web Garden Kitakyushu, Web Garden Kobe, Sapporo Office
Date of establishment	June 26, 1995
Consolidated capital	1,057 million yen (as of September 30, 2023)〔IFRS〕
No. of employees (consolidated)	2,838 (as of September 30, 2023)
Consolidated sales revenue	17,662 million yen (fiscal year ended March 31, 2023)〔IFRS〕
Securities code	2130; Prime Section of Tokyo Stock Exchange
Business content	Digital business operation support

## Mission

Create a spiritually rich society through  
“MEMBERSHIP”

## VISION2030

With the power of creators across Japan, we will contribute to solving social issues centered on climate change and population decline, and lead the transformation to a sustainable society.



Joined Japan Climate Leaders' Partnership in October, 2020.



Continuation of 100% renewable energy from 2020 onwards



Selected as “Nadeshiko Brand” in 2023 as the enterprise for the outstanding efforts in encouraging women’s success by METI and TSE



# Income Statement Summary

- Sales revenue grew by 17.1% and added-value sales (\*) grew by 15.2%. Both are solid, with record highs.
- Growth rate was 15.2% compared to the plan of 21%. The number of creators who were not in operation increased compared to the original plan, and the profit margin decreased significantly.

(Unit: million yen)	Result in cumulative 2Q (First half year)			First half year in FY3/2024	
	FY3/2023	FY3/2024	y/y	Forecast	Variance
Sales revenue	8,213	9,616	+17.1%	9,940	(323)
Added- value sales	7,842	9,033	+15.2%	—	—
Gross profit	2,265	1,708	(24.6%)	—	—
(Gross profit margin)	27.6%	17.8%	—	—	—
SGA	1,981	2,258	+14.0%	—	—
(SGA ratio)	24.1%	23.5%	—	—	—
Operating profit	288	(551)	—	(160)	(391)
(Operating profit margin)	3.5%	—	—	—	—

\* Added-value sales = Sales revenue – Outsourcing and procurement costs = Sales from in-house resources

# Balance Sheet Summary

(Unit: thousand yen)	Previous consolidated accounting year (Mar. 31, 2023)	2 <sup>nd</sup> quarter of the current consolidated accounting year (Sept. 30, 2023)
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	4,479,967	4,113,232
Trade receivables and other receivables	3,387,822	3,050,100
Inventory assets	68,547	44,069
Other current assets	234,311	266,315
<b>Total current assets</b>	<b>8,170,648</b>	<b>7,473,717</b>
<b>Non-current assets</b>		
Tangible fixed assets	349,032	344,753
Rights to use as assets	918,446	759,602
Goodwill	116,115	116,115
Intangible assets	9,897	8,935
Other financial assets	1,340,550	1,348,073
Deferred tax assets	401,188	574,460
<b>Total non-current assets</b>	<b>3,135,231</b>	<b>3,151,941</b>
<b>Total assets</b>	<b>11,305,879</b>	<b>10,625,658</b>

# Balance Sheet Summary

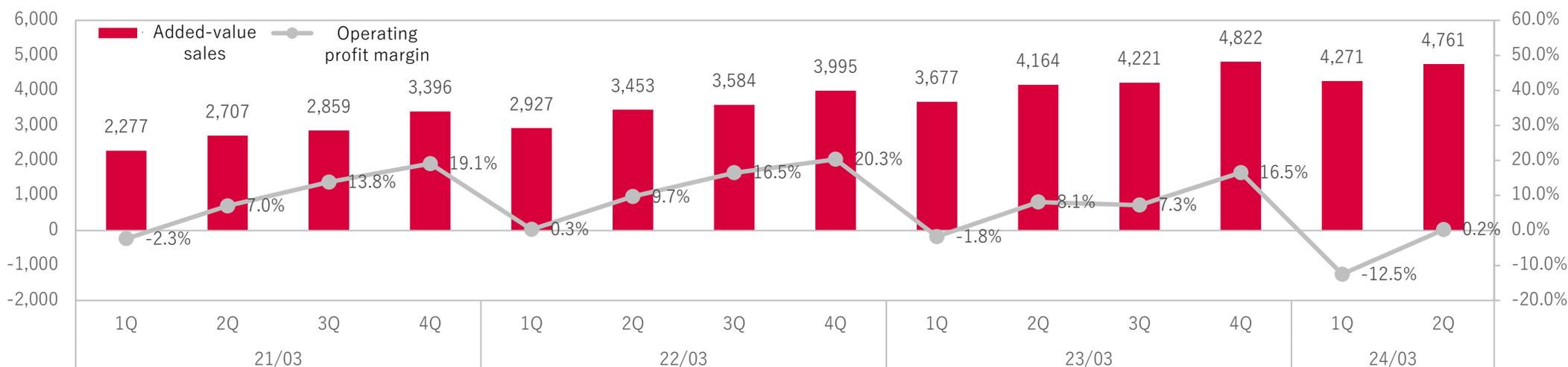
(Unit: thousand yen)	Previous consolidated accounting year (Mar. 31, 2023)	2 <sup>nd</sup> quarter of the current consolidated accounting year (Sept. 30, 2023)
Liabilities and shareholders' equity		
Liabilities		
Current liabilities		
Lease liabilities	360,860	318,200
Trade payables and other payables	1,201,535	852,641
Income taxes payable	204,338	78,486
Contract liabilities	66,737	13,971
Other current liabilities	2,551,526	3,257,156
Total current liabilities	4,384,998	4,520,456
Non-current liabilities		
Lease liabilities	301,917	215,671
Allowance	252,658	235,680
Total non-current liabilities	554,576	451,352
Total liabilities	4,939,574	4,971,808
Shareholders' equity		
Capital stock	1,017,504	1,057,867
Capital surplus	342,670	386,925
Treasury shares	(300,140)	(298,169)
Other components of equity	30,845	22,327
Retained earnings	5,275,424	4,484,898
Total equity attributable to owners of the parent	6,366,305	5,653,850
Total shareholders' equity	6,366,305	5,653,850
Total liabilities and equity	11,305,879	10,625,658

# Consolidated Earnings Forecasts for the Term Ending March 2024 (Revision)

- Although efforts are being made to improve profits with the aim of accelerating growth through the establishment of DGT services and the integration of company-wide organizations, the period required for improvement is expected to be longer than expected at the beginning of the fiscal year. Revised full-year forecasts of revenue: 20 billion yen and operating income: 200 million yen.
- As this is NOT due to deterioration in business profitability or project troubles, we will not apply excessive brakes and will aim to improve profitability and raise the growth rate while controlling new graduate recruitment.

Consolidated added-value sales / Operating profit margin

(Unit: million yen)



(Unit: million yen)	Full-year results for FY 2023 [IFRS]		Forecast for FY2024 [IFRS]			
	Full year	y/y growth rate	Full year (Revision)	y/y growth rate	Full year (Initial forecast)	Variance against initial forecast
Sales revenue	17,662	18.2%	20,000	13.2%	21,500	(1,500)
Operating profit	1,441	(23.2%)	200	(86.1%)	1,500	(1,300)

# Cautionary Statement

This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

For IR inquiries

Members Co., Ltd.

Corporate Planning Office IR Team

[ir@members.co.jp](mailto:ir@members.co.jp)