



Members

Financial Results for 1Q FY2025

Members Co., Ltd. (TSE 2130)

August 7, 2024

Company Profile

Company name	Members Co., Ltd.	
Locations	<ul style="list-style-type: none"> • Headquarters (Tokyo) • Sapporo Office • Web Garden Sendai • Kanda Office • Musashikosugi Office • Fukuoka Office 	<ul style="list-style-type: none"> • Nagoya Office • Sabae Office • Osaka Office • Web Garden Kobe • Web Garden Kitakyushu
Date of establishment	June 26, 1995	
Consolidated capital	1,057 million yen (as of June 30, 2024) [IFRS]	
No. of employees (consolidated)	3,180 (as of June 30, 2024)	
Consolidated sales revenue	20,467 million yen (fiscal year ended March 31, 2024) [IFRS]	
Securities code	2130; Prime Section of Tokyo Stock Exchange	
Business content	Digital Talent Accompaniment DX Field Support Program	

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

- Although the growth rate of added-value sales slowed down slightly, it reached a record high of **12.7%** compared to the previous year.
- With 411 new graduates joining the company, the number of DCs has increased by 14.9% and the gross profit margin has decreased by 2.0pt, but the difference between the growth rate of added-value sales and the growth rate of DCs has narrowed. We are holding back on hiring, including mid-career employees, and will focus on improving the operating rate of existing employees.
- Thorough cost control, including mid-career recruitment costs, kept the SG&A expense ratio down to **-4.7pt**, and operating profit improved by **+69 million yen**.

(Unit: million yen)	1Q result			1 st half year forecast in FY3/2025	
	FY3/2024	FY3/2025	y/y	Forecast	Progress
Sales revenue	4,498	5,035	+11.9%	10,950	46.0%
Added- value sales	4,271	4,814	+12.7%	10,380	46.4%
Gross profit	712	696	(2.2%)	—	—
(Gross profit margin)	15.8%	13.8%	(2.0pt)	—	—
SGA	1,275	1,188	(6.8%)	—	—
(SGA ratio)	28.3%	23.6%	(4.7pt)	—	—
Operating profit	(562)	(492)	(Profit increased)	(550)	—
(Operating profit margin)	(12.5%)	(9.8%)	+2.7pt	(5.0%)	—
Pretax profit	(548)	(486)	(Profit increased)	(550)	—
Net profit	(389)	(337)	(Profit increased)	(400)	—

Balance Sheet Summary

(Unit: thousand yen)	Previous consolidated accounting year (Mar. 31, 2024)	1st quarter of the current consolidated accounting year (Jun. 30, 2024)
Assets		
Current assets		
Cash and cash equivalents	3,776,990	3,430,507
Trade receivables and other receivables	3,847,649	2,994,510
Inventory assets	38,897	69,133
Other financial assets	2,496	2,496
Other current assets	299,828	478,514
Total current assets	7,965,861	6,975,162
Non-current assets		
Tangible fixed assets	325,710	343,543
Rights to use as assets	950,275	1,066,030
Goodwill	116,115	116,115
Intangible assets	7,681	10,256
Other financial assets	1,739,644	1,762,808
Deferred tax assets	419,105	576,029
Other non-current assets	2,692	8,784
Total non-current assets	3,561,225	3,883,568
Total assets	11,527,087	10,858,731

Balance Sheet Summary

(Unit: thousand yen)	Previous consolidated accounting year (Mar. 31, 2024)	1st quarter of the current consolidated accounting year (Jun. 30, 2024)
Liabilities and shareholders' equity		
Liabilities		
Current liabilities		
Lease liabilities	439,620	480,157
Trade payables and other payables	1,119,772	1,034,899
Income taxes payable	96,825	42,016
Contract liabilities	4,816	19,270
Other current liabilities	3,427,062	3,444,313
Total current liabilities	5,088,097	5,020,658
Non-current liabilities		
Lease liabilities	276,211	372,045
Allowance	228,069	240,462
Total non-current liabilities	504,280	612,508
Total liabilities	5,592,377	5,633,166
Shareholders' equity		
Capital stock	1,057,867	1,057,867
Capital surplus	393,069	396,141
Treasury shares	(698,155)	(698,155)
Other components of equity	160,985	182,300
Retained earnings	5,020,941	4,287,410
Total equity attributable to owners of the parent	5,934,709	5,225,565
Total shareholders' equity	5,934,709	5,225,565
Total liabilities and equity	11,527,087	10,858,731

Consolidated earnings forecast for the fiscal year ending March 2025

- Since 411 new graduate joined us in April 2024, our plan for the cumulative 2Q will be at the same level of deficit as the previous year, but for the full year, we plan to gain a slight increase in profit.
- We will steadily achieve our plan to increase profit by defining this term as a period of transition from the upfront investment phase to the monetization phase. We will solidify our foothold to recover profitability from the next term onward (Operating profit margin target: 5% for FY2026, 10% for FY2027).

(Unit: million yen)	Results for FY 2024 (IFRS)				Forecast for FY2025 (IFRS)			
	1 st half year	y/y increase/ decrease rate	Full year	y/y increase/ decrease rate	1 st half year	y/y increase/ decrease rate	Full year	y/y increase/ decrease rate
Sales revenue	9,616	17.1%	20,467	15.9%	10,950	13.9%	23,230	13.5%
Added- value sales	9,033	15.2%	19,208	13.8%	10,380	14.9%	22,140	15.3%
Operating profit	(551)	-	41	(97.1%)	(550)	-	200	379.4%
Operating profit margin	(5.7%)	-	0.2%	-	(5.0%)	-	0.9%	-

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

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