



Members

Financial Results for 3Q FY2023

Members Co., Ltd. (TSE 2130)

December 31, 2022

Company Profile



Representative Director and President Tadashi Kenmochi

Members is the internet business partner that aims to create a spiritually rich society through “MEMBERSHIP” by supporting digital business with digital creators.



| | |
|---------------------------------|---|
| Corporate name | Members Co., Ltd. |
| Date of establishment | June 26, 1995 |
| Mission (VISION2030) | Create a spiritually rich society through “MEMBERSHIP” |
| Locations | Headquarters (Tokyo), Web Garden Sendai, Web Garden Kitakyushu, Web Garden Kobe, Sapporo Office |
| Capital | 1,016 million yen (as of December 31, 2022) |
| Sales revenue | 14,938 million yen (fiscal year ended March 31, 2022) (IFRS) |
| Securities code | 2130; Prime Section of Tokyo Stock Exchange |
| No. of employees (consolidated) | 2,281 (as of December 31, 2022) |



Management Policy and Service Features

Members is a platform on which **digital creators (DCs)**, who play a leading role in value creation in the rapidly expanding digital economy, can grow and play an active role.

We develop and provide optimal digital business operation services that meet social needs in order to realize a prosperous society.

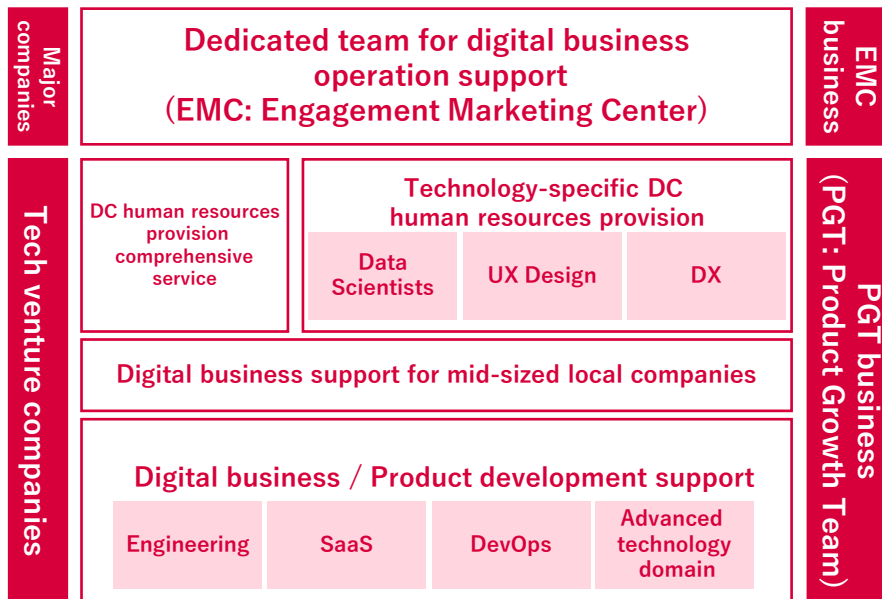


An initiative to achieve 10,000 digital creators

A group of creators who embody the core values of "contribution, challenge, sincerity, and teamwork" and continue to improve their skills to maximize the results of client companies.

Marketing transformation
Promoting CSV (*) management and corporate value marketing

Support to create social problem-solving business
Supporting the development of digital products and services



Pursuing happiness of digital creators

Creating social value

Optimizing the services provided

* CSV (Creating Shared Value: A management method that simultaneously realizes economic and social value)

Income Statement Summary

| [Unit : million yen] | Result in 3Q | | | Full year in FY3/2023 | |
|---------------------------|--------------|----------|---------|-----------------------|---|
| | FY3/2022 | FY3/2023 | y/y | Revised Forecast | Progress rate toward the revised forecast |
| Sales revenue | 10,592 | 12,610 | +19.1% | 17,300 | 72.9% |
| Added value sales | 9,966 | 12,063 | +21.0% | — | — |
| Gross profit | 3,178 | 3,479 | +9.5% | — | — |
| (Gross profit margin) | 30.0% | 27.6% | — | — | — |
| SGA | 2,202 | 2,876 | +30.6% | — | — |
| Operating profit | 992 | 607 | (38.8%) | 1,200 | 50.6% |
| (Operating profit margin) | 9.4% | 4.8% | — | — | — |
| Pretax profit | 989 | 558 | (43.6%) | 1,180 | 47.3% |
| Net profit | 687 | 379 | (44.8%) | 850 | 44.6% |

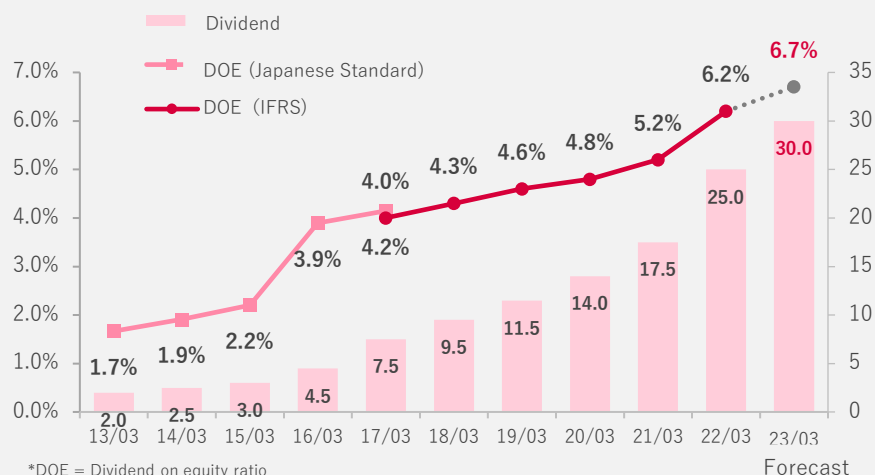
* Added value sales = Sales revenue — Outsourcing and procurement costs = Sales from in-house resources

Consolidated Earnings and Dividend Forecasts for the Term Ending March 2023

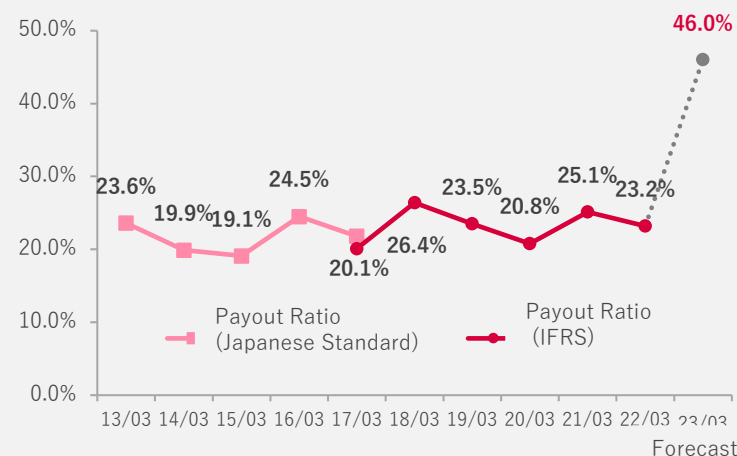
Based on trends in the consolidated cumulative period by the 3rd quarter of Fiscal Year ending March 31, 2023, we have revised the full-year consolidated earnings forecast. We will continue to invest in anticipation of growth from the next fiscal year onwards. Dividend forecast has not been revised.

| | Full-year results for FY 2022 (IFRS) | | Full-year Forecast for FY2023 (IFRS) | | | |
|---|--------------------------------------|----------------------------|--------------------------------------|----------------------------|----------------|----------------------------|
| | | | Before Revision | | After Revision | |
| | Full year | y/y increase/decrease rate | Full year | y/y increase/decrease rate | Full year | y/y increase/decrease rate |
| Sales revenue (million yen) | 14,938 | 23.6% | 18,200 | 21.8% | 17,300 | 15.8% |
| Operating profit (million yen) | 1,876 | 48.7% | 2,200 | 17.3% | 1,200 | (36.0%) |
| Pretax profit (million yen) | 1,896 | 52.0% | 2,185 | 15.2% | 1,180 | (37.8%) |
| Net profit (million yen) | 1,404 | 56.7% | 1,573 | 12.0% | 850 | (39.5%) |
| Profit attributable to owners of parent (million yen) | 1,404 | 56.7% | 1,573 | 12.0% | 850 | (39.5%) |

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Payout Ratio



Balance Sheet Summary

| [unit: thousand yen] | Previous consolidated accounting year (Mar. 31, 2022) | 3 rd quarter of the current consolidated accounting year (Dec. 31, 2022) |
|---|---|---|
| Assets | | |
| Current assets | | |
| Cash and cash equivalents | 5,226,706 | 3,882,944 |
| Trade receivables and other receivables | 3,075,859 | 3,155,597 |
| Inventory assets | 48,632 | 96,014 |
| Other current assets | 224,303 | 441,690 |
| Total current assets | 8,575,502 | 7,576,247 |
| Non-current assets | | |
| Tangible fixed assets | 237,803 | 344,070 |
| Rights to use as assets | 713,578 | 608,557 |
| Goodwill | 116,115 | 116,115 |
| Intangible assets | 12,425 | 10,488 |
| Other financial assets | 373,657 | 1,309,153 |
| Deferred tax assets | 375,346 | 209,566 |
| Total non-current assets | 1,828,927 | 2,597,951 |
| Total assets | 10,404,429 | 10,174,198 |

Balance Sheet Summary

| [unit: thousand yen] | Previous consolidated accounting year (Mar. 31, 2022) | 3 rd quarter of the current consolidated accounting year (Dec. 31, 2022) |
|--|---|---|
| Liabilities and shareholders' equity | | |
| Liabilities | | |
| Current liabilities | | |
| Lease liabilities | 400,434 | 284,083 |
| Trade payables and other payables | 1,068,471 | 1,117,498 |
| Income taxes payable | 370,219 | 3,810 |
| Contract liabilities | 30,200 | 12,650 |
| Other current liabilities | 2,326,547 | 2,387,223 |
| Total current liabilities | 4,195,872 | 3,805,266 |
| Non-current liabilities | | |
| Lease liabilities | 197,817 | 127,566 |
| Allowance | 115,362 | 194,924 |
| Total non-current liabilities | 313,180 | 322,491 |
| Total liabilities | 4,509,052 | 4,127,757 |
| Shareholders' equity | | |
| Capital stock | 963,358 | 1,016,922 |
| Capital surplus | 281,704 | 339,256 |
| Treasury shares | (8,477) | (7,750) |
| Other components of equity | 52,190 | 40,477 |
| Retained earnings | 4,606,602 | 4,657,535 |
| Total equity attributable to owners of the parent | 5,895,377 | 6,046,440 |
| Total shareholders' equity | 5,895,377 | 6,046,440 |
| Total liabilities and equity | 10,404,429 | 10,174,198 |

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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