

FY2019 2Q Financial Results

Medical Data Vision Co,Ltd.

(Code: 3902)

Aug 9th, 2019



Table of Contents

1	Target for FY2019	-----	4
2	FY2019 2Q Financial Summary	-----	7
3	Appendix	-----	24

Target for FY2019

**Expand orders for
CADA-BOX**

**Achieved 22 new clients
(Sales from 13 clients are
included in FY2019 sales)**

**Make our key subsidiaries
profitable**

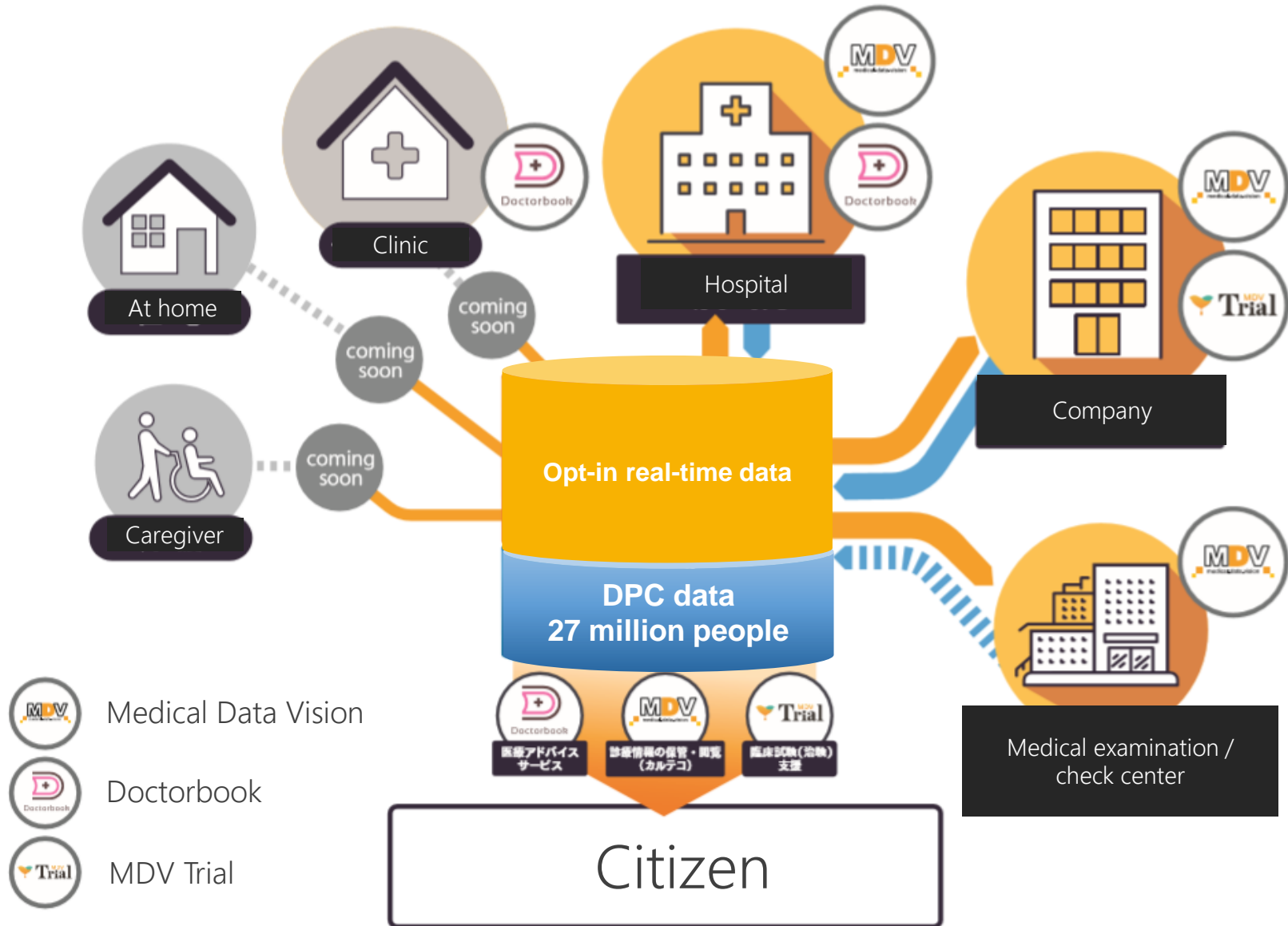


**Sales: JPY 160 mil
Profit: JPY 36 mil**



**Sales: JPY 223 mil
Profit: JPY 1 mil**

Unify and Utilize Medical and Health Data






Three orange squares of varying sizes are arranged in a small cluster on the left side of the slide, partially overlapping the title text.


FY2019 2Q Financial Summary

Two horizontal bars are positioned below the title. The top bar is a thick, solid orange line. The bottom bar is a thinner, solid yellow line, positioned slightly below and to the right of the orange bar.

Good Points

- **Both 2Q sales and 2Q profit reached record high**  P8
Sales: 121.3% YoY
Operating income: Recovered from deficit and recorded JPY 270 mil operating profit
- **Sales from data utilization services growing steadily**  P21
YOY 140.3%
- **Doctorbook's new business for pharmaceutical companies is progressing**  P18

Bad Points

- **CADA-BOX sales is behind our target**  P15
Might not be able to achieve goal, achieve 22 hospitals.
Approaching good amount of prospective clients with a need of regional medical cooperation.
This autumn, Chiba University Hospital will start operating CADA-BOX.

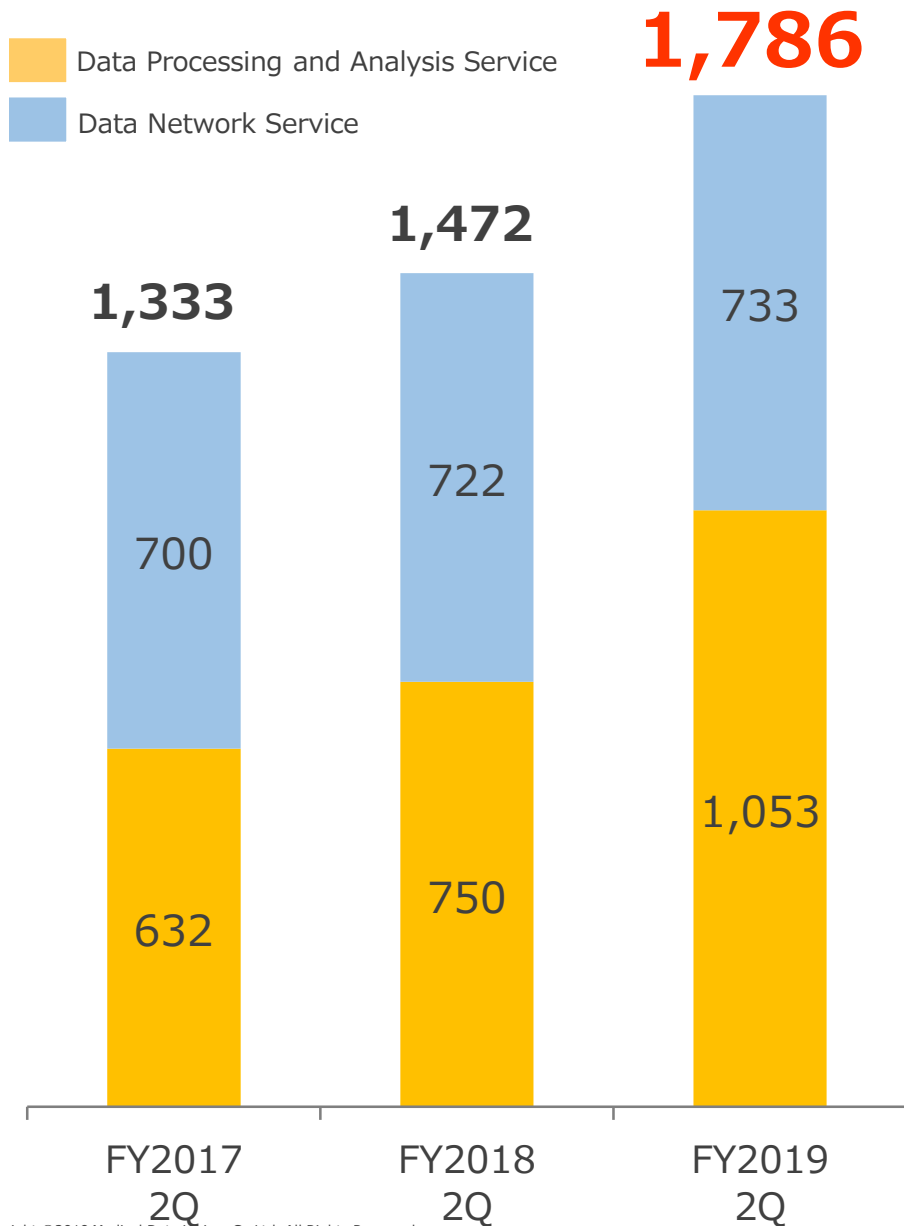
Financial Summary

Figures : million yen

	FY 2017 2Q	FY2018 2Q	FY2019 2Q	YoY	FY2019 prospect	Progress Rate
Sales	1,333	1,472	1,786	121.3%	4,250	42.0%
Operating Income	144	-40	270	—	500	54.1%
Operating Margin	10.8%	—	15.1%	—	11.8%	—

Sales

Figures : million yen

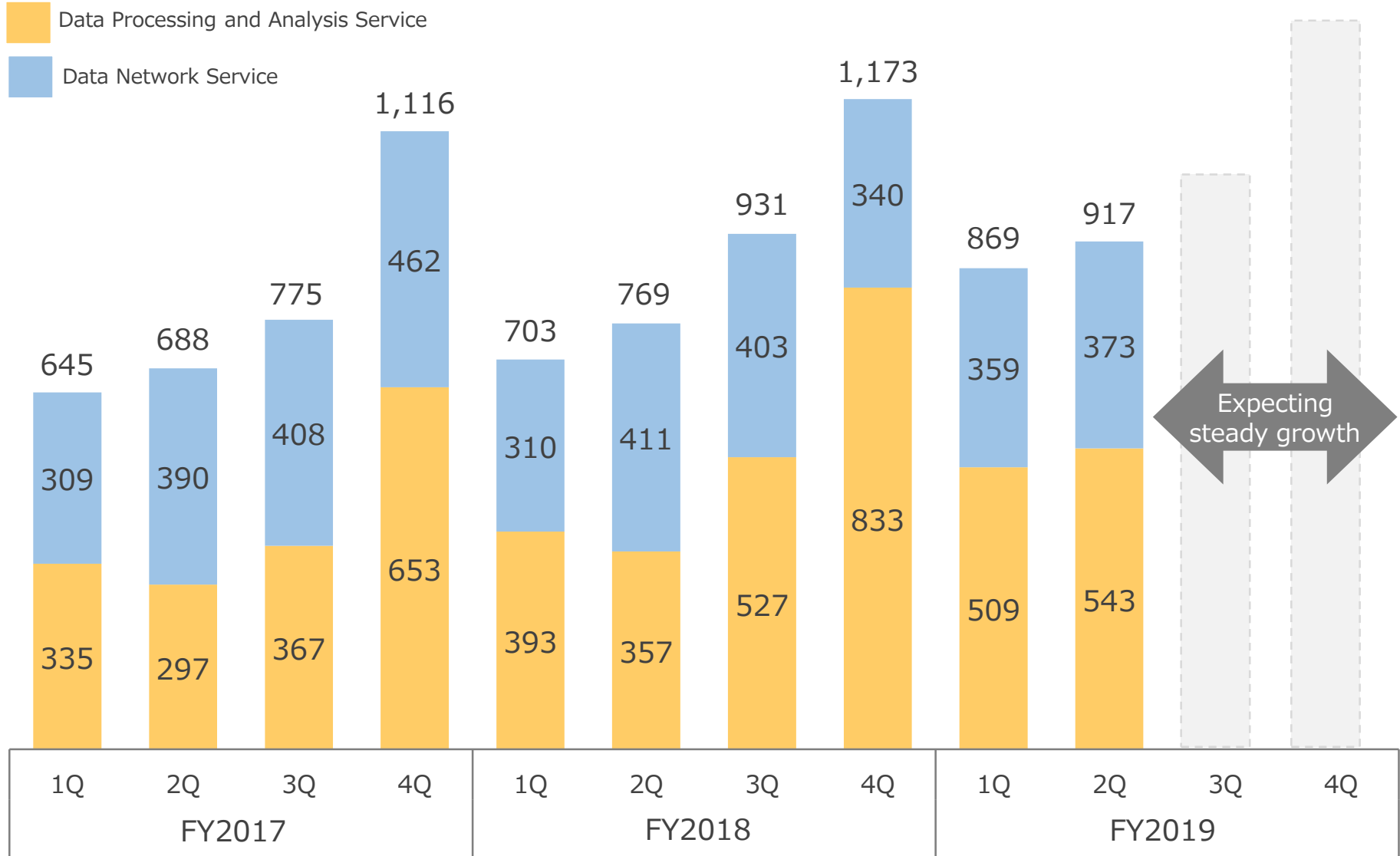


YoY
121.3%

Quarterly sales trend

Figures : million yen

(Grey charts does NOT indicate our expected results.)



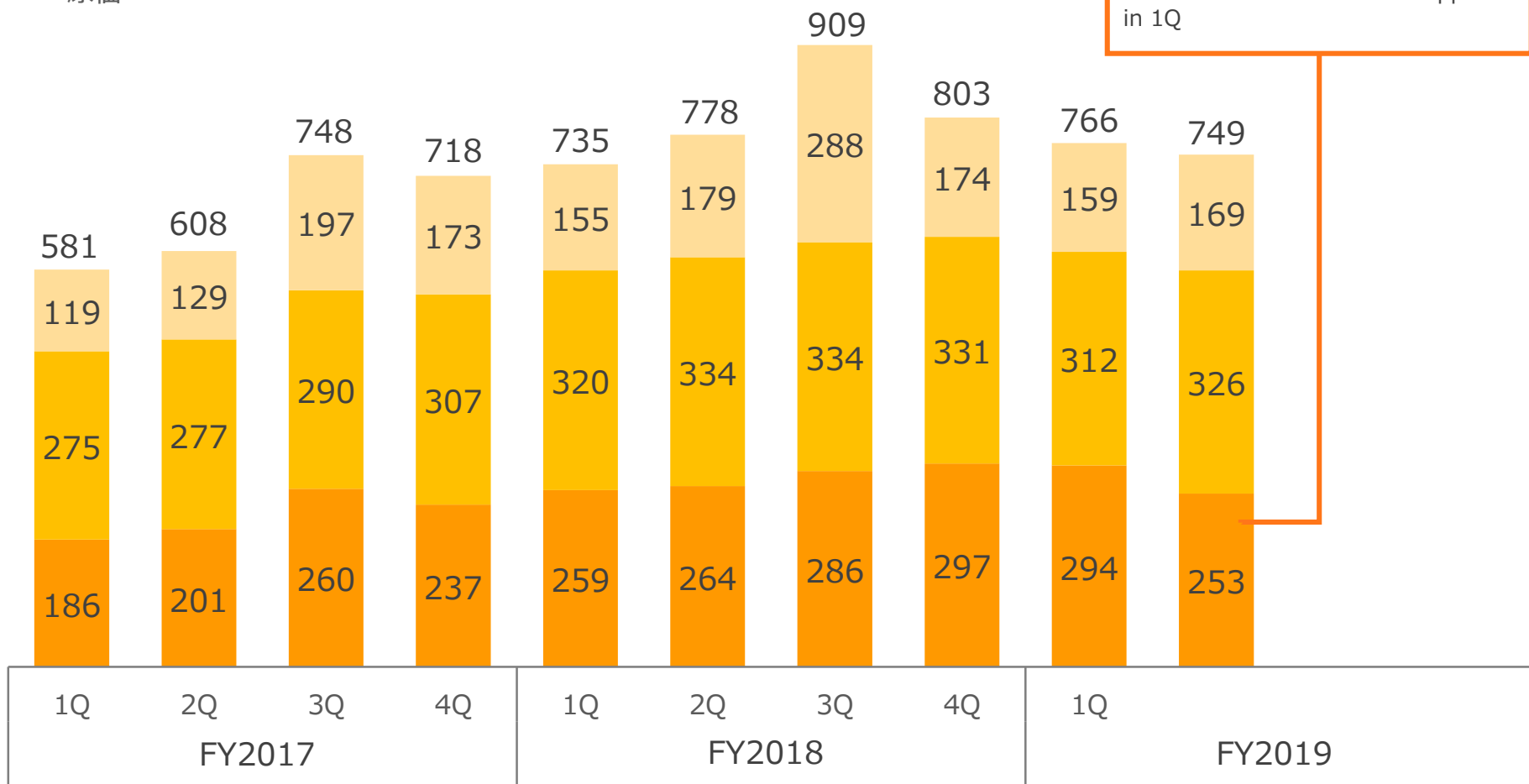
Expecting steady growth

Quarterly Cost Trend

Figures : million yen

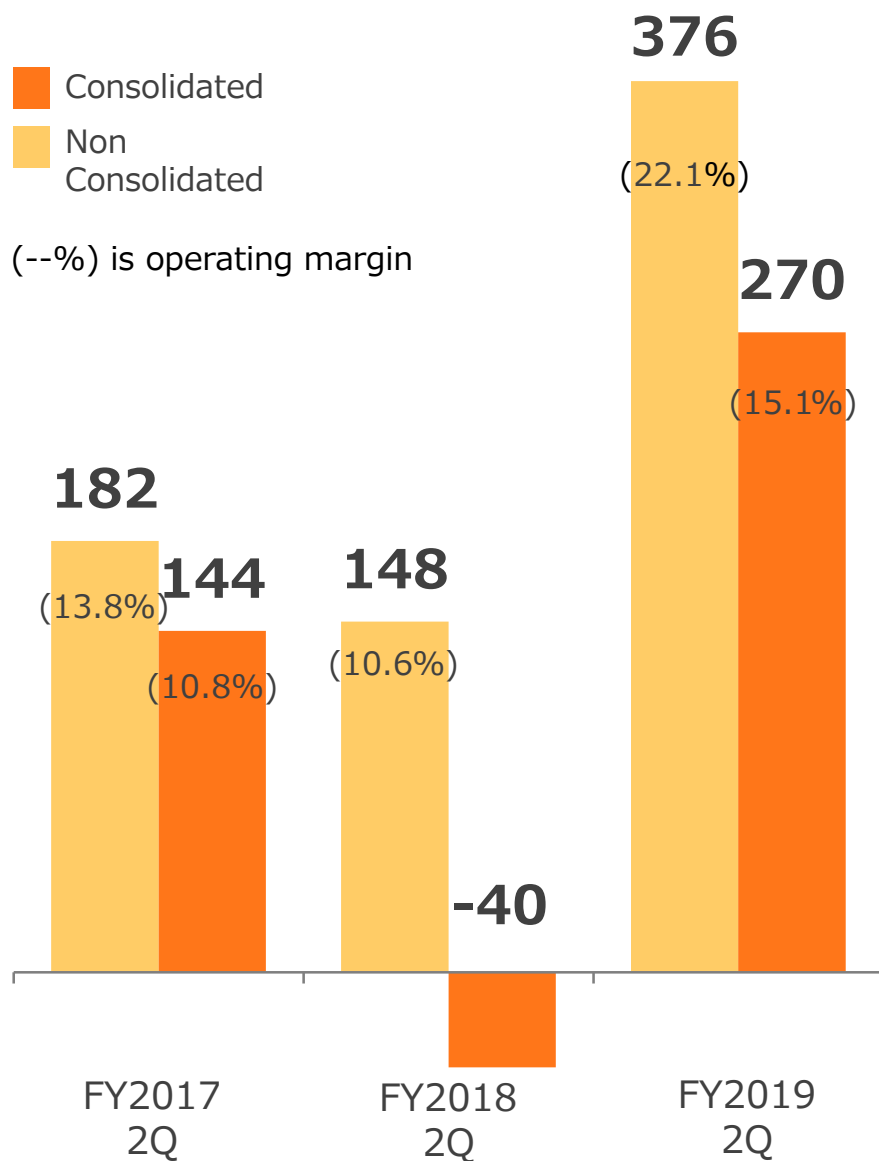
- その他
- 人件費
- 原価

[Other expenses]
 YoY: Promotion costs decreased due to the abolition of MDV Consumer Healthcare
 QoQ: PC replacement cost due to termination of Windows 7 support in 1Q



Operating Income

Figures: million yen



Both consolidated and non consolidated income marked record high

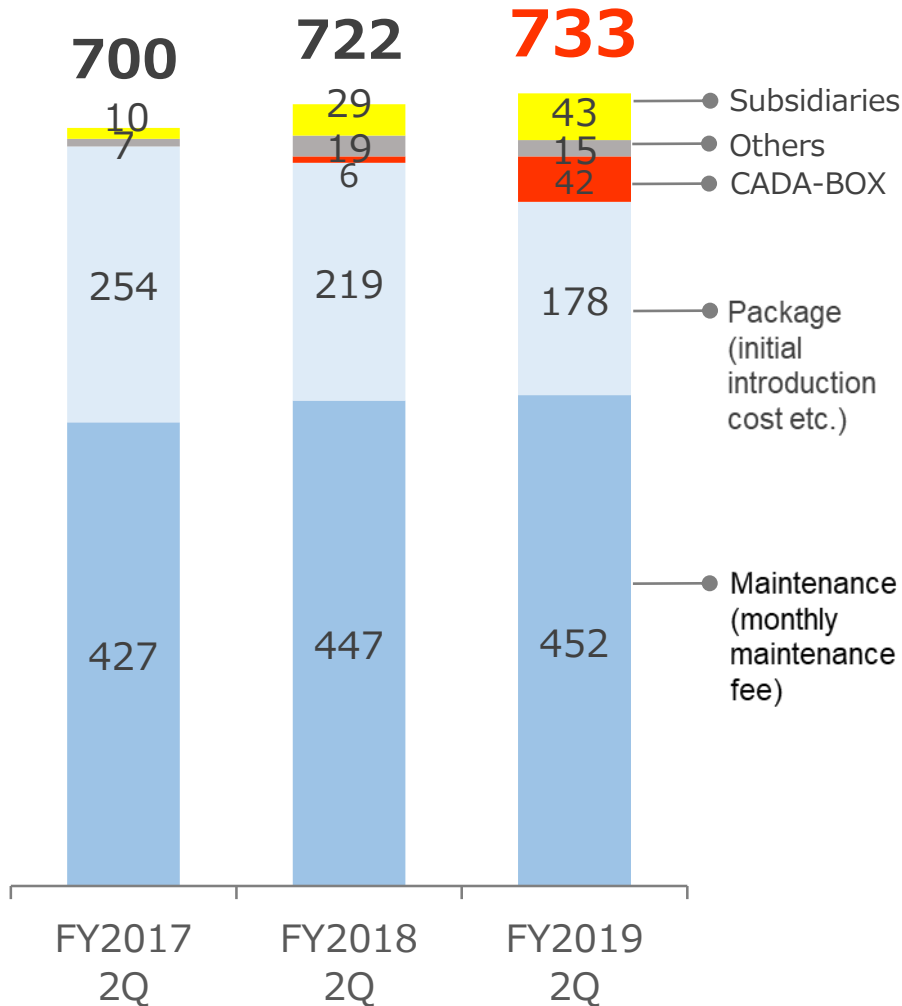
[Consolidated subsidiaries]

- From Apr 2015: CADA (CADA payment)
- From Jan 2017: Doctorbook (dentist networking)
- From Feb 2017: MDV Consumer Healthcare (discontinued)
- From Jul 2017: MDV trial (Clinical trial)
- From Jan 2018: MDV New Connect (IT system)

Data Network Service

Figures: million yen

YoY 101.5%



● Number of clients in FY2019 2Q

- CADA-BOX
Existing: 8, was 7 in FY2018 2Q
New: Total 1, was 0 on 1Q, was 0 in FY2018 2Q,
- EVE
Existing: 790, was 802 in FY2018 2Q,
was 801 at the end of FY2018
New: Total 9, was 6 in 1Q, was 15 in FY2018 2Q
- Medical Code
Existing: 275, was 269 in FY2018 2Q,
was 274 at the end of FY18
New: Total 13, was 6 in 1Q, was 14 on FY2018 2Q

● Subsidiaries (mainly Doctorbook)
JPY 39 mil (YoY 156.6%)

* Doctorbook has been consolidated from 1Q 2017

Sales Progress of CADA-BOX (Aug 9th, 2019)

Got order

1 hospital + 1 organization

Likely to get order

2 hospitals + 2 organizations

Approaching

Approx. 30 hospitals + 4 organizations

Total orders

8 hospitals + 1 organization

**FY 2019
Sales goal**

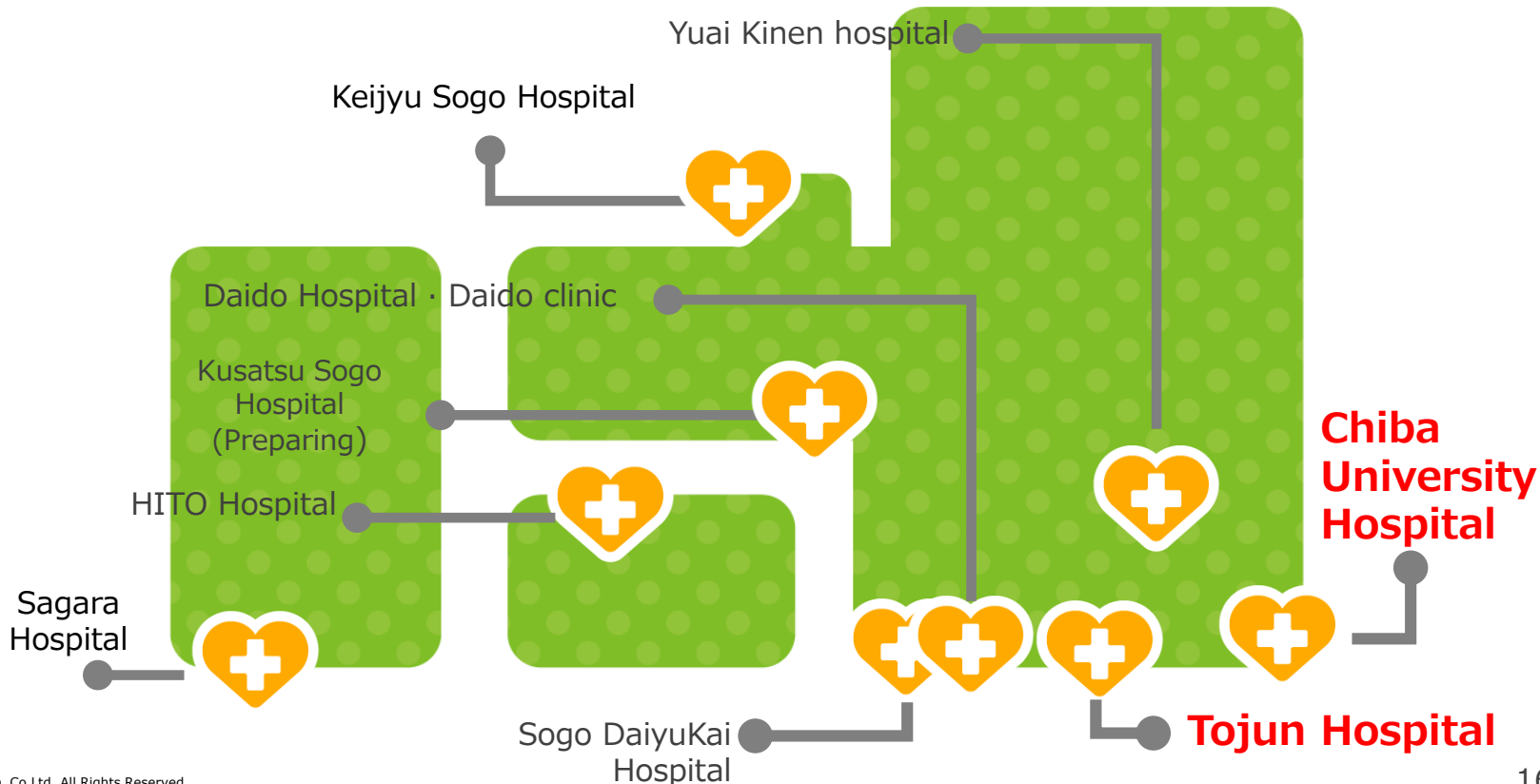
22 hospitals

(Not likely to achieve)

Keep Approaching Prospective Clients in the second half

Aiming to conclude comprehensive agreements with existing clients.

→ Assuming clinical trial use



Existing Clients of Our Medical System

Figure: hospitals

【Points and Goals】

Established a rounder team to actively support users and prevent cancellation

EVE

Maintain 45% share of DPC hospitals

Medical Code

Aiming to introduce about 800 hospitals

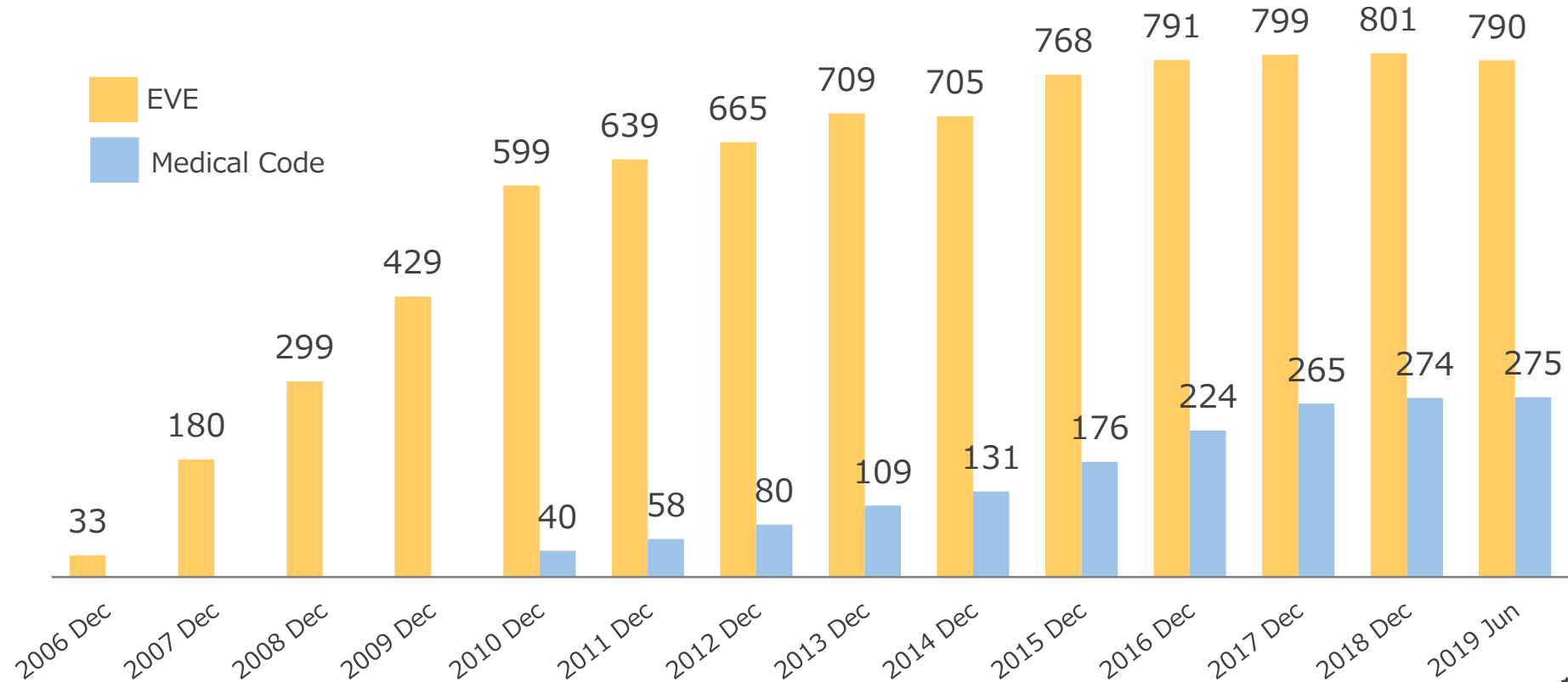
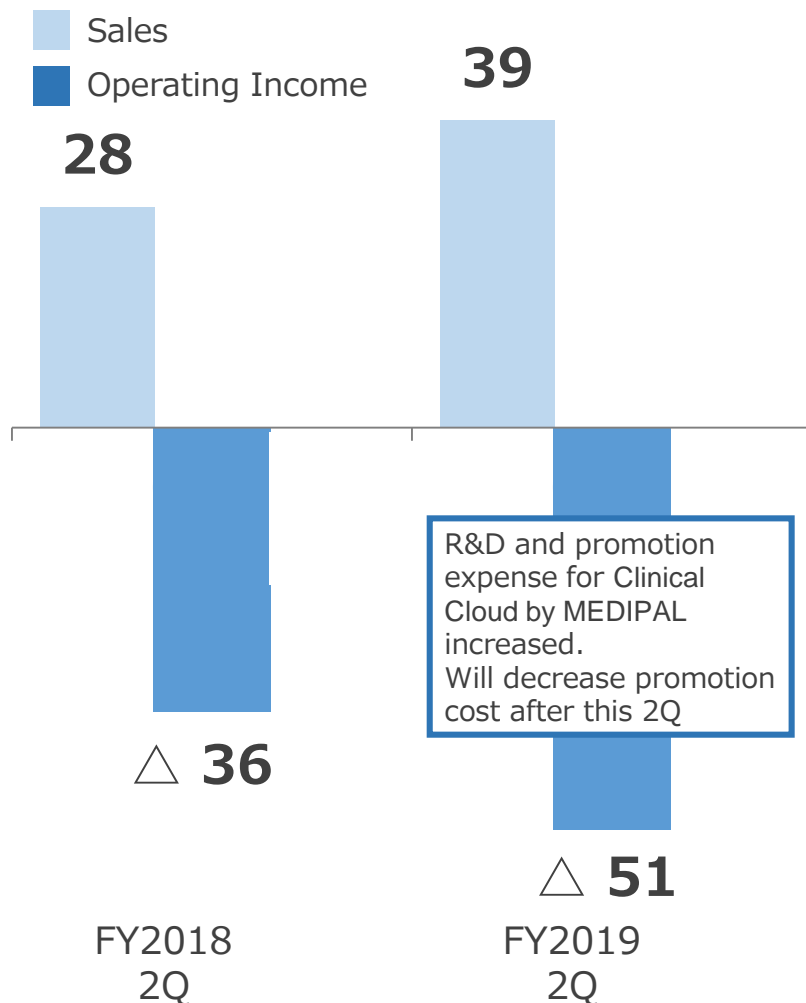


Figure : million yen



Doctor network business

Expect 15% of Japanese dentists to join our network

【FY2019 Plan】

Sales: JPY 223mil

Operating income: JPY 1 mil

- On Apr 2019, launched Clinical Cloud by MEDIPAL, a website co-operated with Medipal
- Started business for pharmaceutical companies using our clinician network
- Steady progress in dentist business

On second half, aiming to increase registration of clinicians and establish strong base of business expansion

Deliver rich information content for healthcare professionals

Clinical Cloud by MEDIPAL

キーワード

検索

<p>診断群から探す MDC</p>	<p>医療資格で探す Certification</p>	<p>医療機関 Institution</p>	<p>大学・医局 Medical office</p>	<p>学会 Academia</p>	<p>製薬企業 Manufacturers</p>	<p>プロダクト Products</p>	<p>経営 Education Package</p>
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腎・尿路系疾患及び男性生殖器系疾患

more >>

女性生殖器系疾患及び産褥期系疾患・異常妊娠分娩

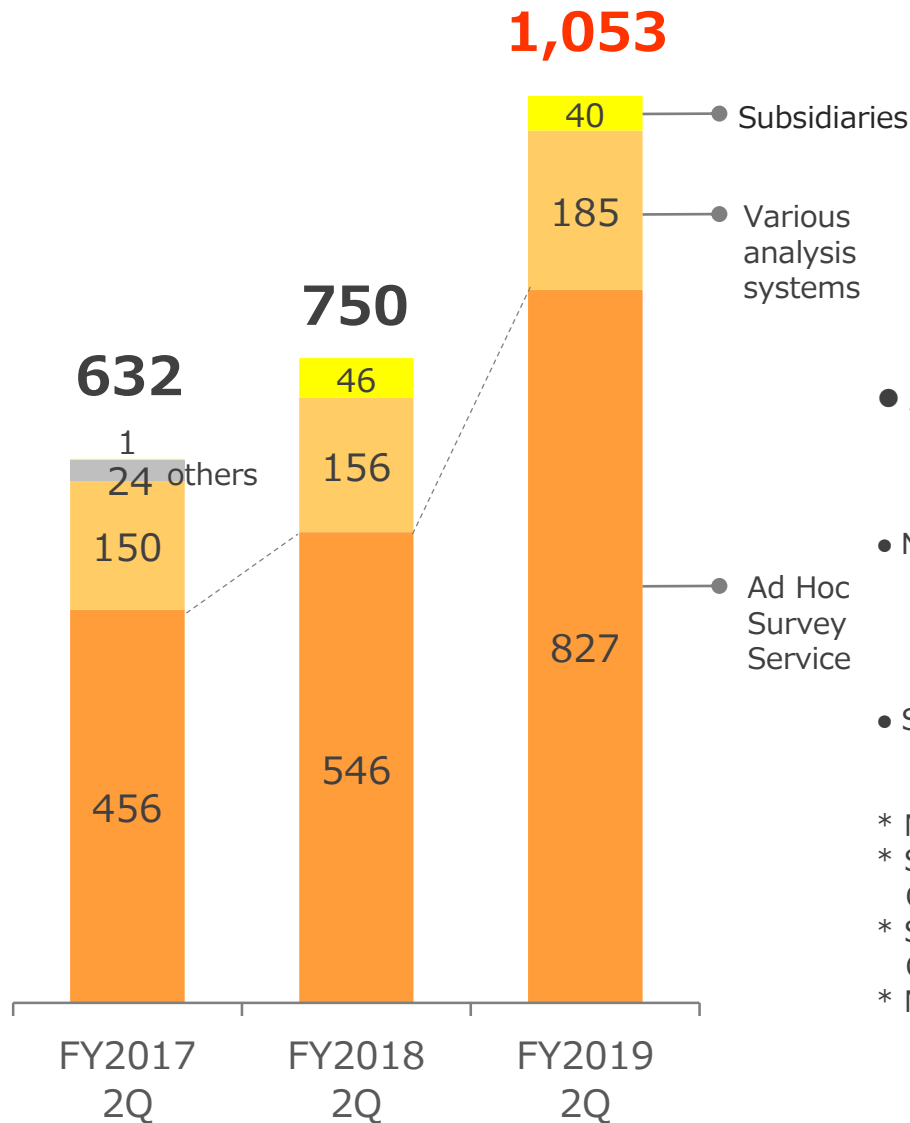
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血液・造血器・免疫臓器の疾患

more >>

Data Processing and Analysis Service

Figure: million yen

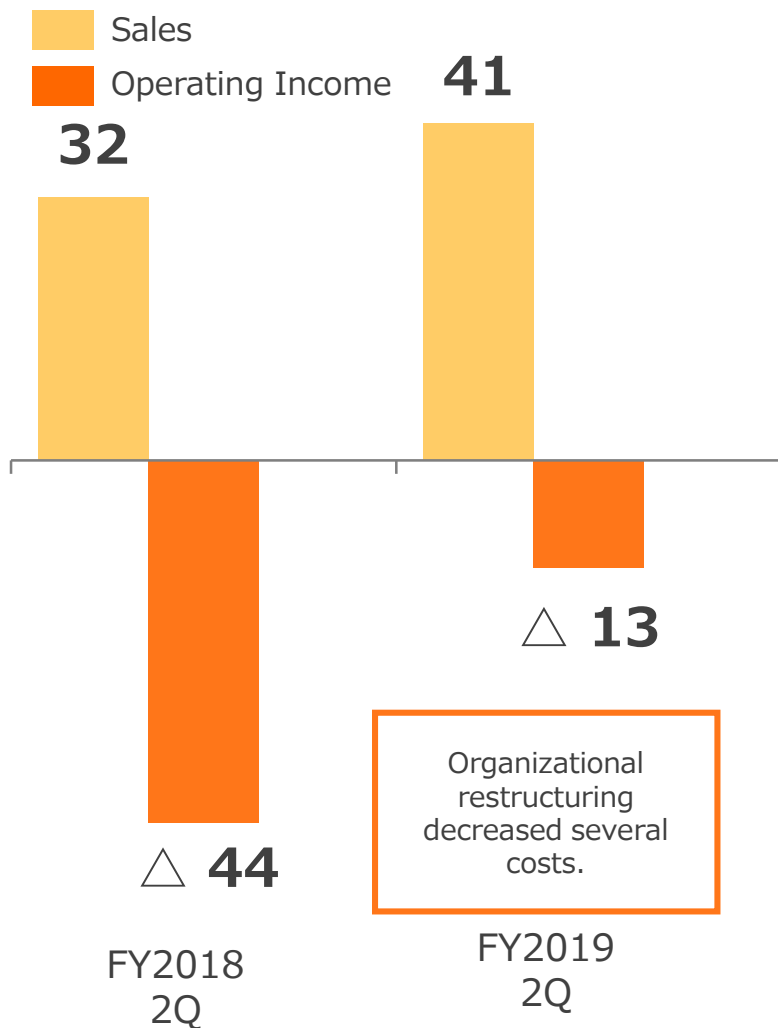


YoY 140.3%

- Ad hoc research service
 - JPY 827 mil (YoY 151.3%)
 - Increased numbers of order. Trained sales people.
 - Number of clients of analysis systems
 - Existing : 19, was 16 on FY2018 2Q, was 19 in the end of FY2018
 - New : Total 1, was -1 on 1Q
(Switched to large ad hoc research project)
 - Subsidiaries (MDVTrial)
 - JPY 40 mil (YoY 123.1%)
- * MDV trial has been consolidated from 3Q 2017.
 * Sales in the 2017.2Q include sales from JPY 1 mil from MDV Consumer Healthcare.
 * Sales in the 2018.2Q include sales from JPY 13 mil from MDV Consumer Healthcare.
 * MDV Consumer Healthcare has already abandoned.

MDV Trial, a key subsidiary (Non-consolidated)

Figure : million yen



Data utilization clinical trial business

【FY2019 Plan】

Sales: JPY 160 mil

Operating income: JPY 36 mil

Concluded comprehensive agreements with users of CADA-BOX and will start clinical trials using our data



Appendix



Figure : million yen

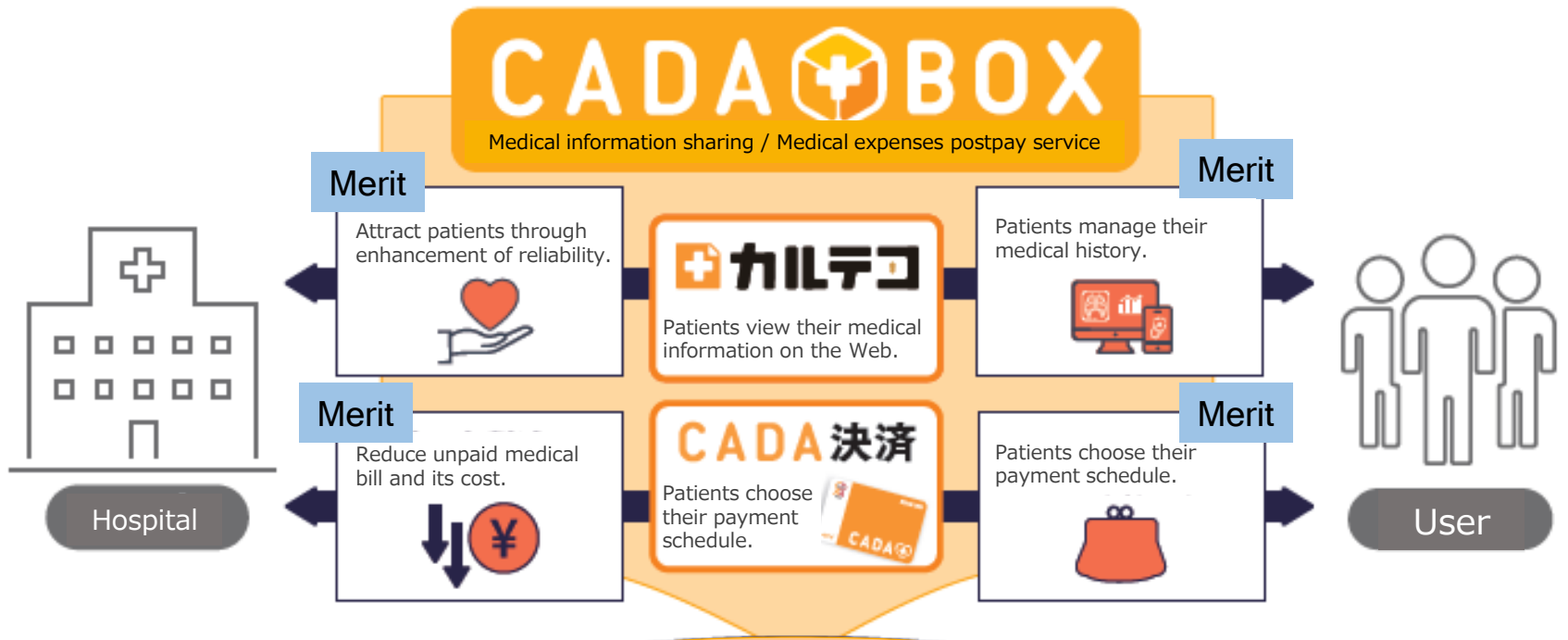
		FY2017 2Q		FY2018 2Q		FY2019 2Q		YoY
			Sales Ratio		Sales Ratio		Sales Ratio	
Network	Maintenance	427	32.0%	447	30.4%	452	25.4%	101.3%
	Package	254	19.1%	219	14.9%	178	10.0%	81.4%
	CADA-BOX	0	0.1%	6	0.4%	42	2.4%	642.8%
	Other	7	0.6%	19	1.3%	15	0.9%	80.7%
	Subsidiaries	10	0.8%	29	2.0%	43	2.5%	149.2%
Total		700	52.5%	722	49.1%	733	41.1%	101.5%
Utilization	Ad hoc	456	34.2%	546	37.1%	827	46.3%	151.3%
	Analytical Systems	150	11.2%	156	10.6%	185	10.4%	118.2%
	Others	24	1.9%	0	0.0%	—	—	—
	Subsidiaries	1	0.1%	46	3.2%	40	2.3%	86.7%
Total		632	47.5%	750	50.9%	1,053	58.9%	140.3%
Sales		1,333	100.0%	1,472	100.0%	1,786	100.0%	121.3%

[Data network]

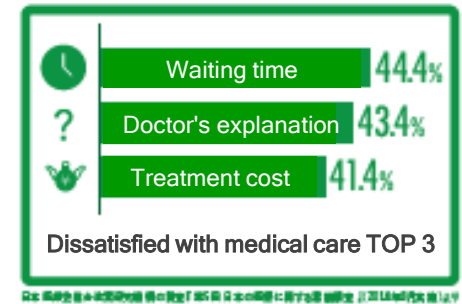
Package: mainly the initial installation costs of "EVE" and "Medical Code"
 ("EVE": 4 million yen, "Medical Code": 8.20 million yen)
 Maintenance: Mainly maintenance costs of "EVE" and "Medical Code"
 ("EVE": 50,000 yen / month, "Medical Code": 100,000 yen / month)
 Subsidiaries: Doctorbook, CADA, MDV New Connect

[Data utilization]

MDV analyzer, etc. .: Annual fee 20 million yen / one company etc.
 Ad hoc: Average unit price: 3.5 to 4 million yen / one project (price varies. Some projects exceeds JPY 10 mil)
 Subsidiaries: MDV Trial, MDV Consumer Healthcare (will be discontinued)



CADA-BOX - An IT system comes with Karteco and CADA payment. Can be linked with medical record systems.



Contacts

<https://www.mdv.co.jp/contactus/form.php?classification=7>

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