3Q FY2020 Financial Results

Medical Data Vision Co., Ltd.
(Code: 3902)
November 9, 2020

medical.data.vision

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3Q FY2020 financial results overview

3Q FY2020 financial results overview

<3Q results>

Record-high sales and profit

Strong progress against FY targets

Net sales Y3,153 mn

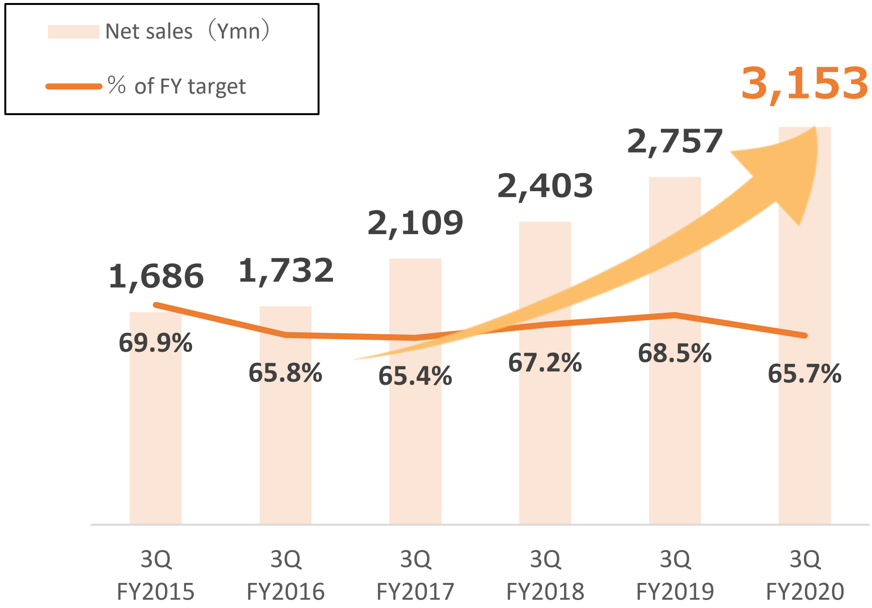
+14.4% YoY

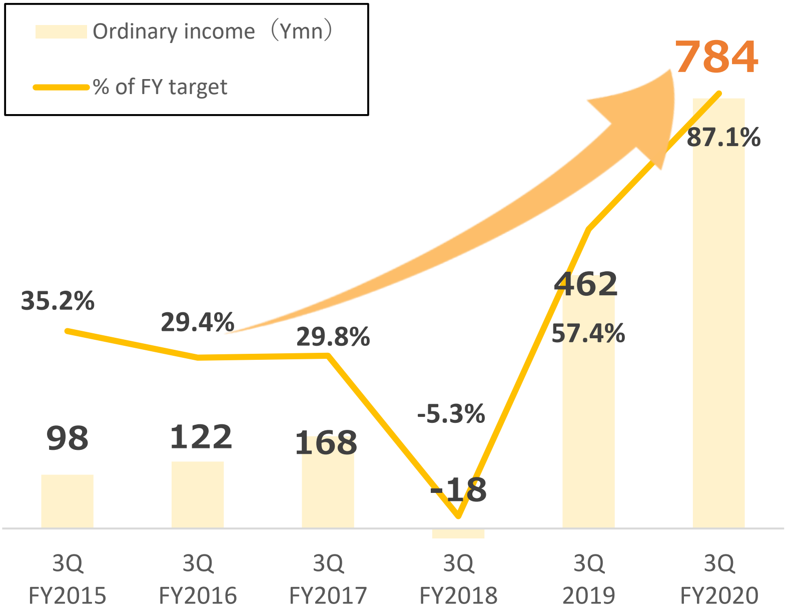
65.7% of FY target

Ordinary income Y784 mn

+69.7% YoY

87.1% of FY target





3Q FY2020 financial results overview: Full-year outlook

<Full-year outlook>

Strong progress against targets, no change in outlook

Impact of COVID-19 ⇒ No major earnings impact expected

✓ **Data network service**

Limited impact (Recurring business around 60% of sales)

① **Recurring** *maintenance (monthly fees)

⇒ Minimal impact

② **Non-recurring** *packages (new installations)

⇒ Sales impacted by weaker financial conditions at hospitals (purchasing budgets rolled over to next year, etc.)

③ **Subsidiaries** *'Doctorbook', 'Medical Domain', etc.

⇒ Brisk sales in the online 'Doctorbook' dental business from video sharing the knowledge of dental industry opinion leaders

✓ **Data utilization service**

No impact expected

3Q FY2020 Financial results overview

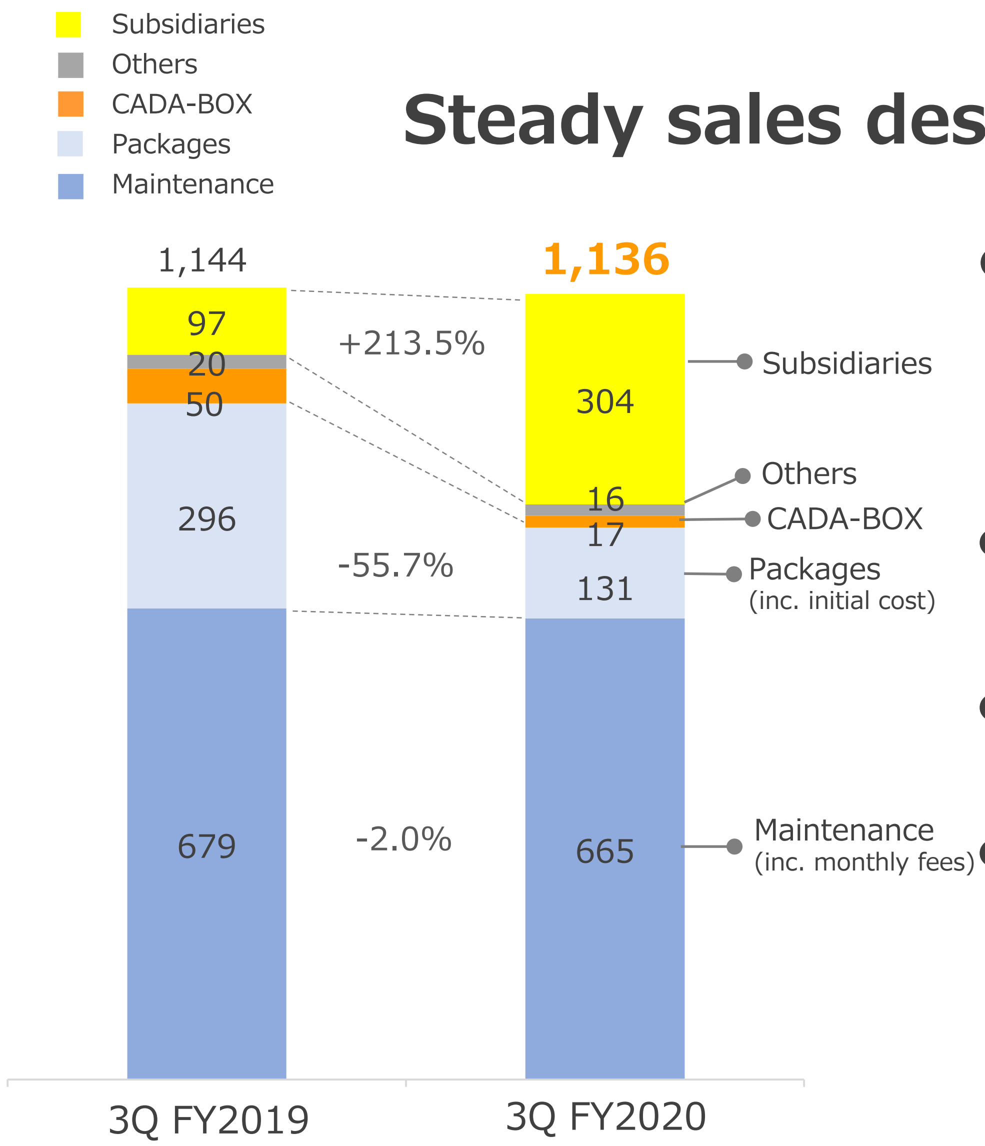
Millions of yen				FY2020	
	3Q FY2019	3Q FY2020	YoY	Target	% of target
Net sales	2,757	3,153	+14.4%	4,800	65.7%
Data network service sales	1,144	1,136	-0.7%	1,943	58.5%
Data utilization service sales	1,612	2,017	+25.1%	2,856	70.6%
Ordinary income	462	784	+69.7%	900	87.1%
Ordinary income margin	16.8%	24.9%	—	18.8%	—
Net income	311	527	+68.9%	600	87.8%

	3Q FY2019	3Q FY2020	Change	2Q FY2020	3Q FY2020 net adds
Medical data patients	28.77mn	33.32mn	4.55mn	32.07mn	1.25mn
Real-time medical data patients	819,000	827,000	8,000	825,000	2,000
Health ins. data patients	—	5.98mn	5.98mn	5.68mn	300,000
Clinical Cloud clinician accounts	9,364	33,144	23,780	32,205	939

3Q FY2020 data network service sales breakdown

Millions of yen

Steady sales despite COVID-19 impact



● Packages

Sales impacted by factors such as weaker financial conditions at hospitals causing purchasing budgets to be rolled over to next year

● Maintenance

Limited impact despite slow package sales

● CADA-BOX

Delay in installations impacting new startups

● Subsidiaries

- **Brisk sales in the online ‘Doctorbook’dental business from video sharing the knowledge of dental industry opinion leaders**
- **Impact of ‘Medical Domain’ consolidation**

3Q FY2020 results: Doctorbook online service for dentists

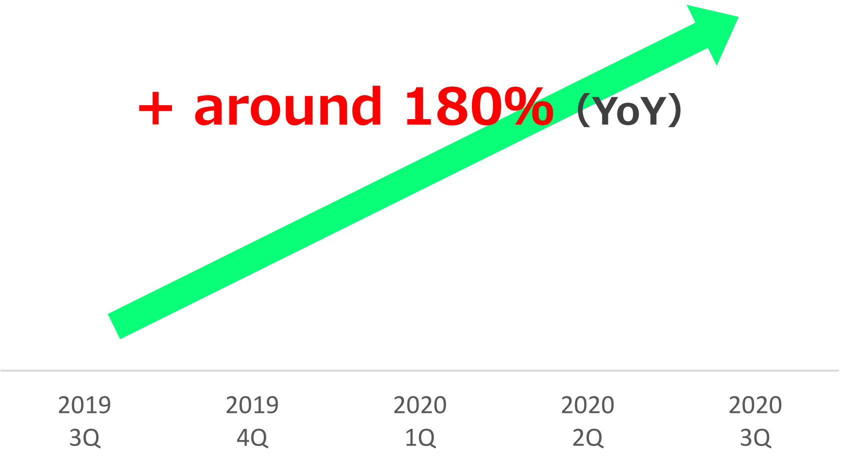
Doctorbook academy

An online platform for video sharing the knowledge of dental industry opinion leaders

Doctorbook academy
動画で学ぶ
セミナーをさがす
DBラーニング
製品レビュー
症例投稿
コラム
現在のポイント数
0pt

- ✓ Extensive video content
- ✓ DB learning (e-learning)
- ✓ Online seminars

Site page view

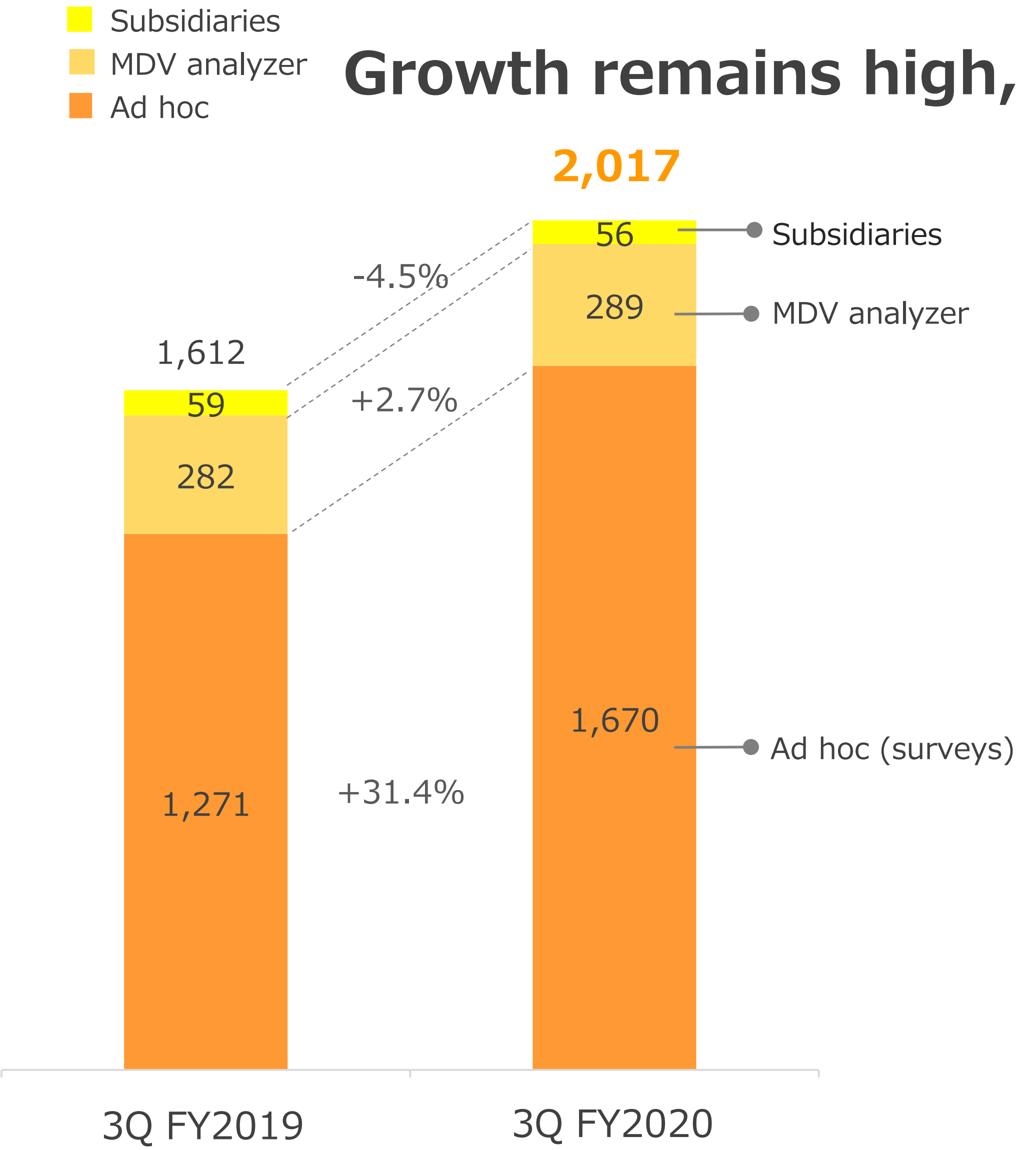


+ around 180% (YoY)

- ✓ Leveraging online service strengths in the COVID-19 era

3Q FY2020 data utilization service sales breakdown

Growth remains high, no impact from COVID-19



- **MDV analyzer**
  18 companies（+1 YoY)
- **Ad hoc survey service**
  All therapeutic areas
  14 companies（+7 YoY)

  Ongoing expansion, growth remains high in line with target
  No impact seen from COVID-19
- **Subsidiaries (MDV Trial)**
  Existing trial support business stagnant, but solid rise in trial business using data

3Q FY2020 cost analysis

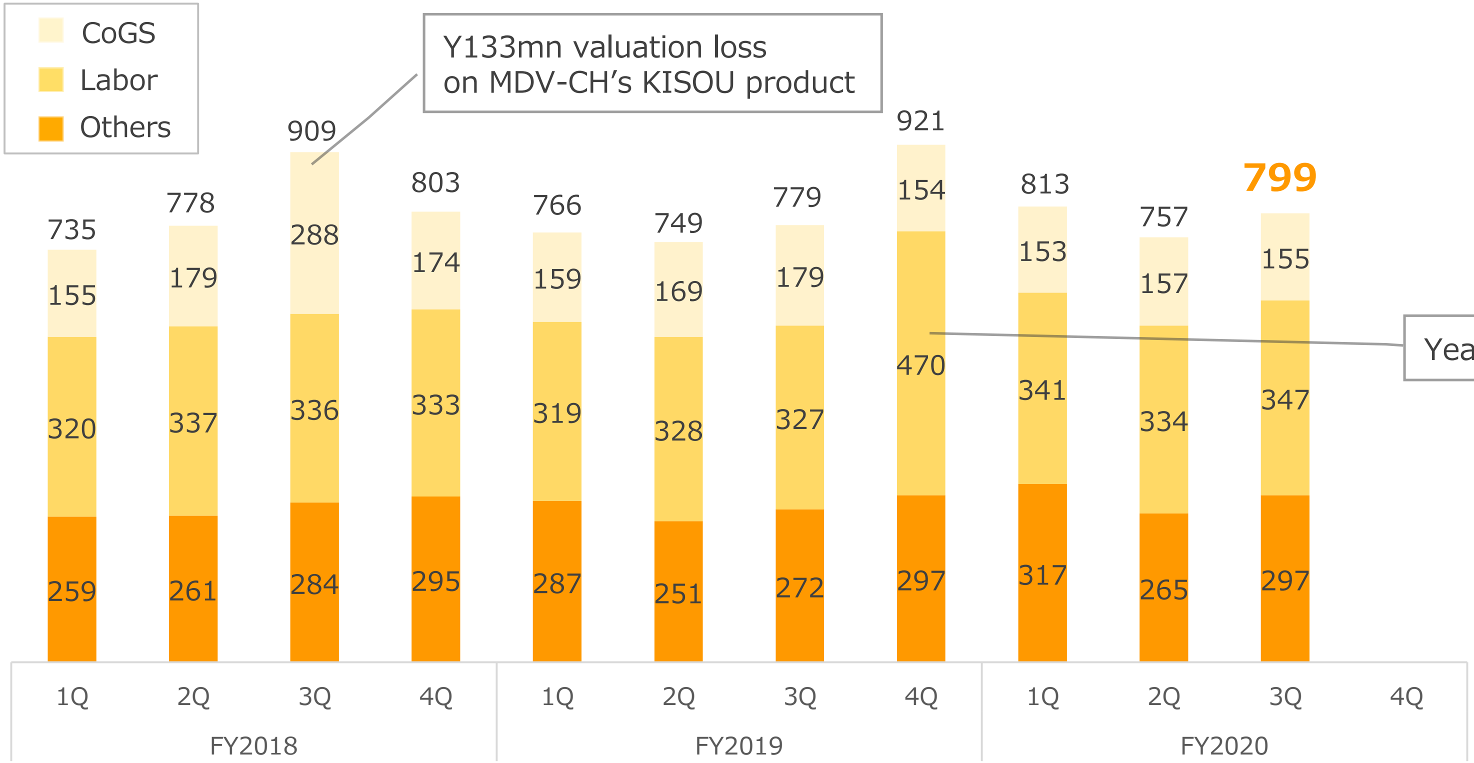
Millions of yen

	3Q FY2019	3Q FY2020	Change
CoGS	**179**	**155**	**-23**
Labor	**327**	**347**	**19**
Others	**272**	**297**	**24**
Total	**779**	**799**	**20**

·CoGS ratio improved on rise in high-margin data utilization sales
18.4%→14.8% -3.6P

- Effect of MDI consolidation

- R&D costs for new services
- MDI consolidation



Y133mn valuation loss on MDV-CH's KISOU product

Year-end bonuses Y134mn

FY2020 business progress

FY2020 business progress: FY2020 theme and goals

FY2020 theme **Evolution and partnerships**

－Start of business using new medical data－

Goals

Expansion of real-time medical data operation

- Plan for launch of new service based on pilot test results
- Contribute to hospitals' 'work-style reforms', 'security', and 'earnings increase'
- Expand real-time medical data to more than 1.5mn patient cases

Real-time medical data utilization

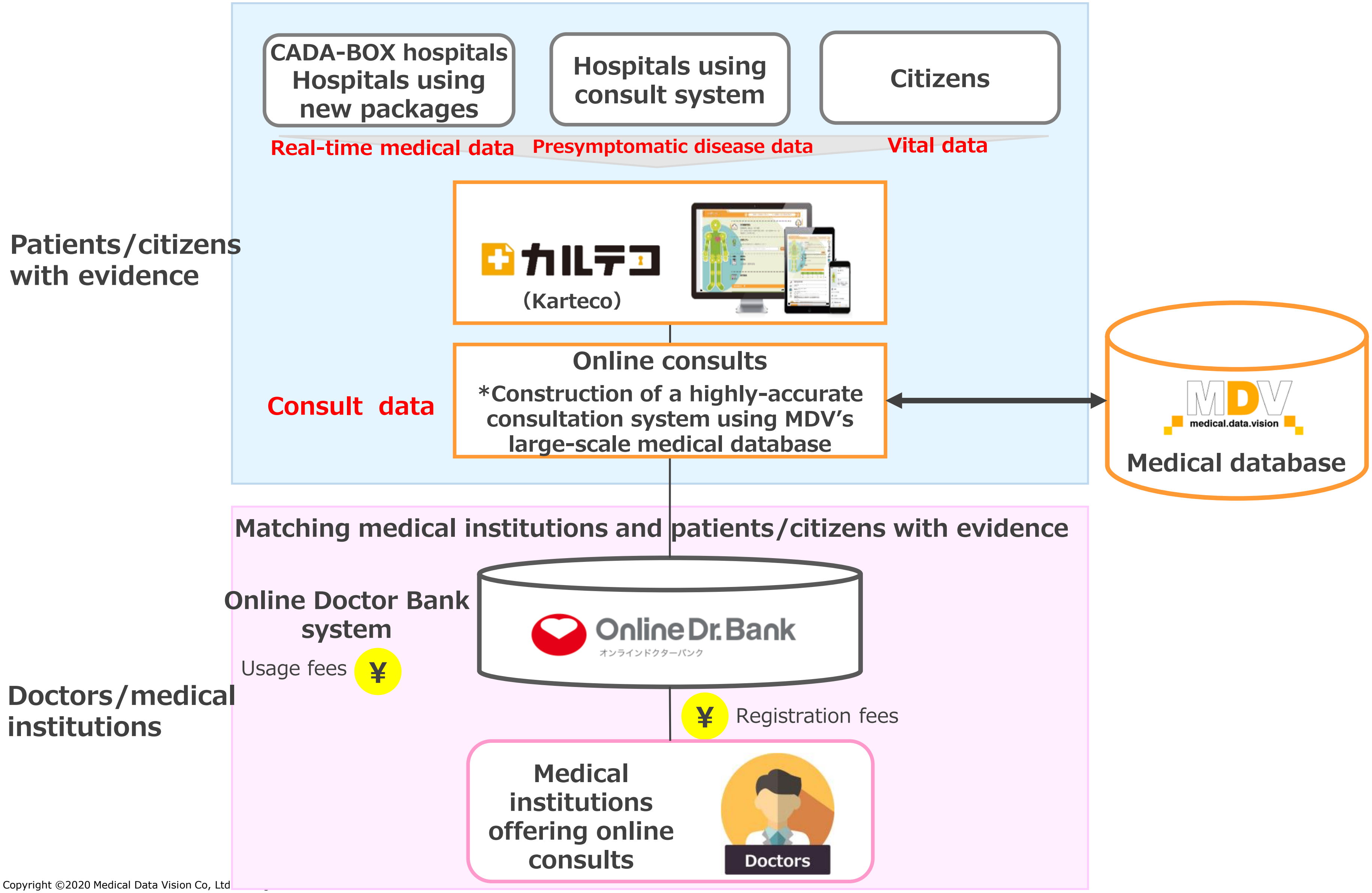
- Pharmaceutical companies: analysis using new datasets such as imaging, BP
- Clinical testing: new phase of data-based screening

FY2020 business progress

- Launch of 'Online Doctor Bank' online consultation service
- Introduce needs-driven new products and services for hospitals
  ① 'MUST'
  ② 'Kangochi+'
  ③ 'Vision' hospital operations reports
- Accelerate growth in data utilization service

FY2020 business progress: online consultation service (launched October 27, 2020)

Aiming to build a structure in which all Japanese people have evidence to enable online consultations



Patients/citizens with evidence

CADA-BOX hospitals
Hospitals using new packages

Hospitals using consult system

Citizens

Real-time medical data

Presymptomatic disease data

Vital data

カルテコ
(Karteco)

Online consults

*Construction of a highly-accurate consultation system using MDV's large-scale medical database

Consult data

MDV medical.data.vision
Medical database

Doctors/medical institutions

Matching medical institutions and patients/citizens with evidence

Online Doctor Bank system

Online Dr. Bank
オンラインドクターバンク

Usage fees ¥

¥ Registration fees

Medical institutions offering online consults

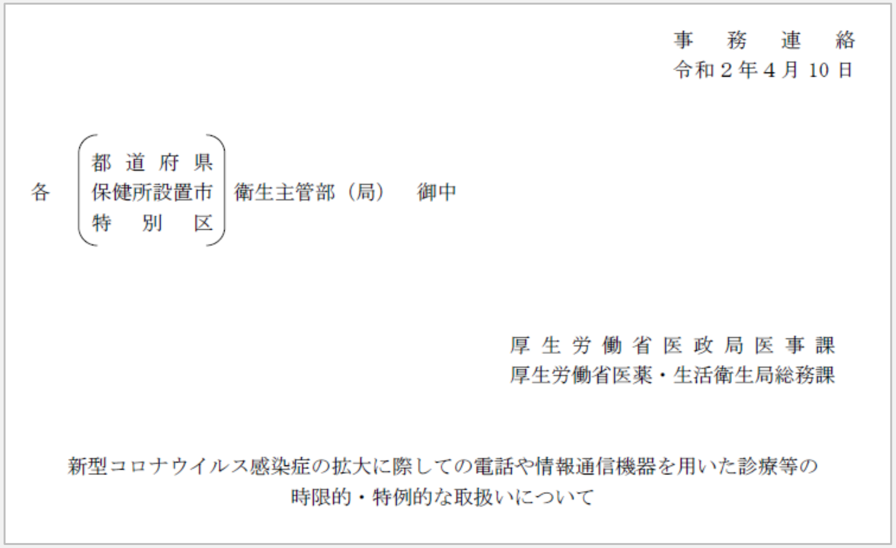
Doctors

FY2020 business progress: online consultation service

Patient evidence needed for online consultation

Ministry of Health, Labour & Welfare

As far a possible, consultation and prescription of medicines should take place only after assessment and confirmation of the patient's underlying disease history from past medical records, patient referral documents, and the local medical information cooperation network or the results of health checkups



事務連絡
令和２年４月 10 日

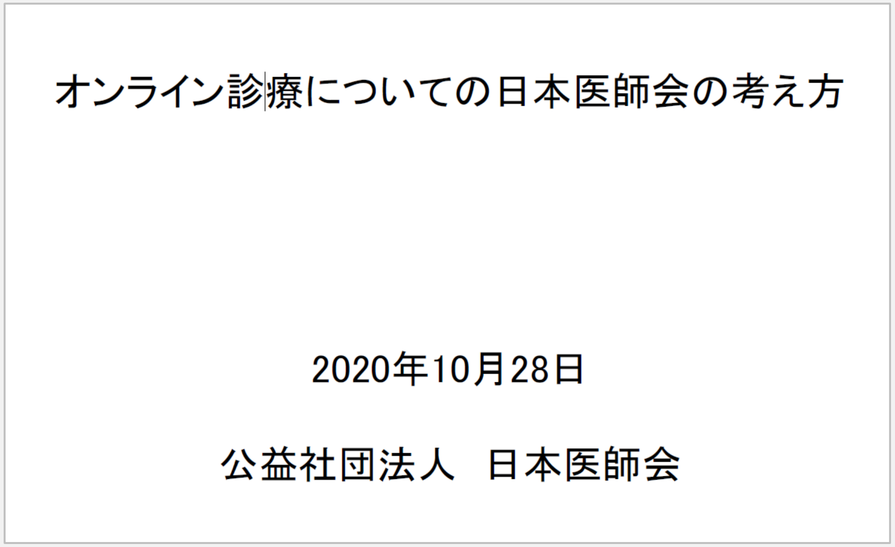
各（都道府県 / 保健所設置市 / 特別区）衛生主管部（局）　御中

厚生労働省医政局医事課
厚生労働省医薬・生活衛生局総務課

新型コロナウイルス感染症の拡大に際しての電話や情報通信機器を用いた診療等の
時限的・特例的な取扱いについて

Japan Medical Association

Cannot become a 'new patient' without a medical history and data provided by the family doctor



オンライン診療についての日本医師会の考え方

2020年10月28日

公益社団法人　日本医師会

FY2020 business progress: online consultation service

Only ‘Online Doctor Bank’ can boost the spread of online consultations

Online Doctor Bank

Lots on new patient data

- Past medical history, disease history, prescription history
- Checkup data
- Data on vitals
- Medical questionnaire processed with Big Data

▼

Worry-free consultations due to knowledge of past medical history

Conventional online consults

New patients with no data (medical questionnaire only)

▼

Concerns about repercussions of consultation due to lack of knowledge on past medical history

FY2020 business progress: initiatives to boost the spread of online consultation service

MDV
medical.data.vision

For doctors/hospitals

✓ **Approach MDV users**
(around 850 hospitals)

✓ **Approach ‘Clinical Cloud’ members**
(around 33,000 doctors)

✓ **Spread knowledge and promote service among ‘CareNet’ member doctors**
・170,000+ member doctors

・Extensive range of content platforms
for all medical professionals

CareNet

For citizens/patients

✓ **Online registration for Karteco and procedures for viewing medical data**

✓ **‘Karteco’ available as an app**

※Can be downloaded from the Apple app store／Google Play Store

カルテコ

(Karteco)

FY2020 business progress: introduce needs-driven new products and services for hospitals

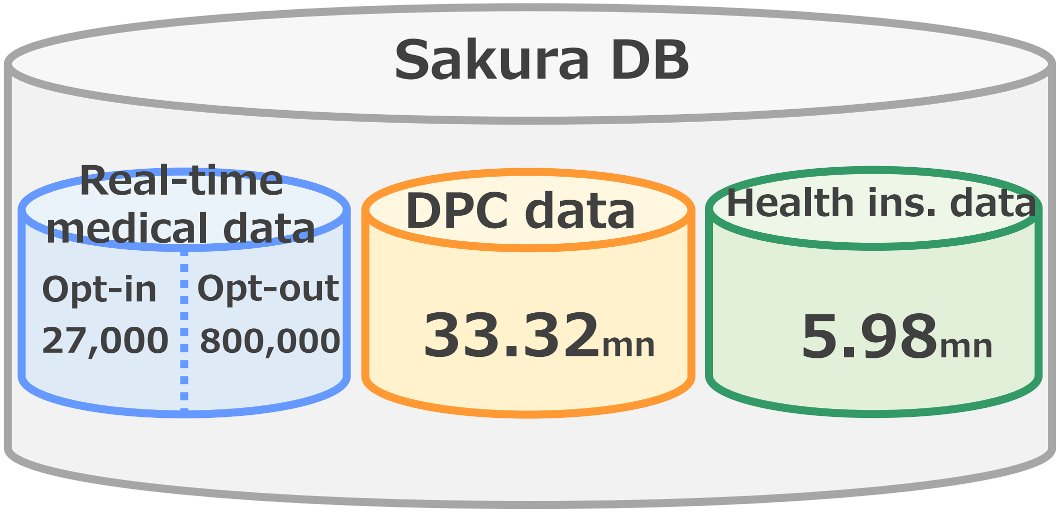
MDV medical.data.vision

Aim to maintain and expand customer base and grow revenue per-customer via continued provision of needs-driven new products and services for hospitals

Product/service	MUST	カンゴッチ+ PLUS (Kangochi +)	Vision 病院経営レポート
Launch	4Q FY2020 (planned)	3Q FY2020	3Q FY2020
Product/service details	New package contributes to 'work-style reforms', 'security', 'earnings increase' via use of real-time medical data	Application for analyzing nursing needs Vital to assess/analyze nursing requirements given the impact on hospital finances	New service providing distributable reports that give visibility on hospital operations Nationwide hospital comparison possible
Pricing format	Installation fee /monthly maintenance fee	Monthly usage fee	Monthly usage fee
Target client	Acute care hospitals, general hospitals	Acute care hospitals	Acute care hospitals, general hospitals, rehab hospitals, chronic care hospitals

FY2020 business progress: accelerate growth in the data utilization service

Accelerate growth in medical database of exceptional quality and volume


Sakura DB
Real-time medical data
Opt-in
27,000
Opt-out
800,000
DPC data
33.32mn
Health ins. data
5.98mn

DPC data

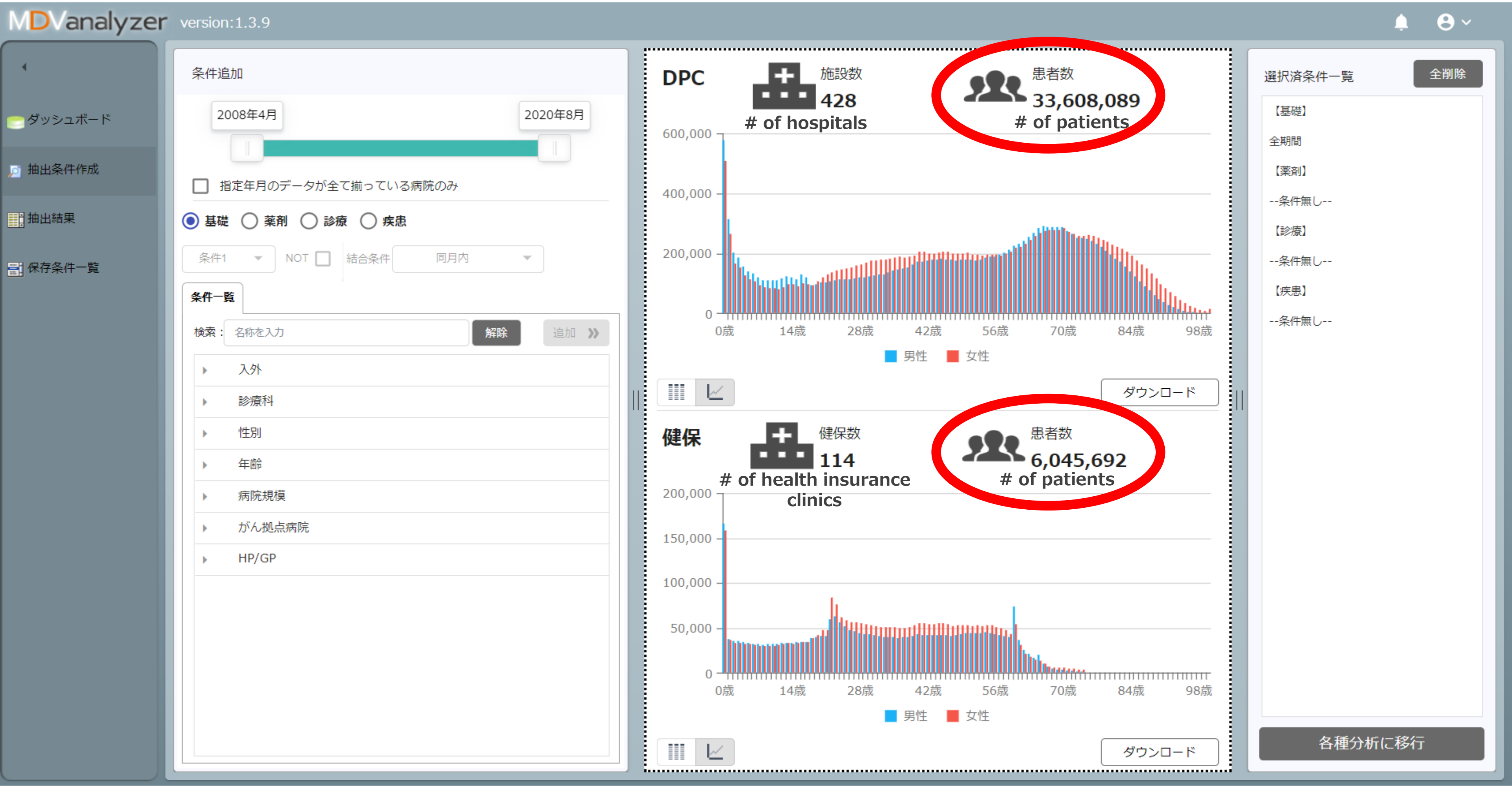
Benefits

- Extensive patient data (all ages, ins. types)
- Analytical extensibility (e.g. combination with test data)
- Data on disease severity

Start accepting orders for health ins. data	Steady growth in Ad hoc, analyzer orders — Sales
Accept orders for post-marketing database study	Surveys of cancer patients Possible using MDV's extensive database on the elderly and acute care hospital patient numbers — Sales
Publish papers using large-scale medical databases 『Trends in Hospitalizations for Asthma During the COVID-19 Outbreak in Japan』	Contribute to increased quality of medical care via use in R&D — DB value

FY2020 business progress: accelerate growth in the data utilization service

①Simultaneous analysis using two types of data (MDV analyzer): all patient numbers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抽出結果
保存条件一覧
条件追加
条件1
NOT
結合条件
同月内
条件一覧
解除
追加
入外
診療科
性別
年齢
病院規模
がん拠点病院
HP/GP
ダウンロード
選択済条件一覧
全削除
各種分析に移行
600,000
400,000
200,000
0
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14歳
28歳
42歳
56歳
70歳
84歳
98歳
🟦 男性
🟥 女性
150,000
100,000
50,000

2008年4月 – 2020年8月

☐ 指定年月のデータが全て揃っている病院のみ

● 基礎 ○ 薬剤 ○ 診療 ○ 疾患

検索：名称を入力

DPC

施設数 428
# of hospitals

患者数 33,608,089
# of patients

健保

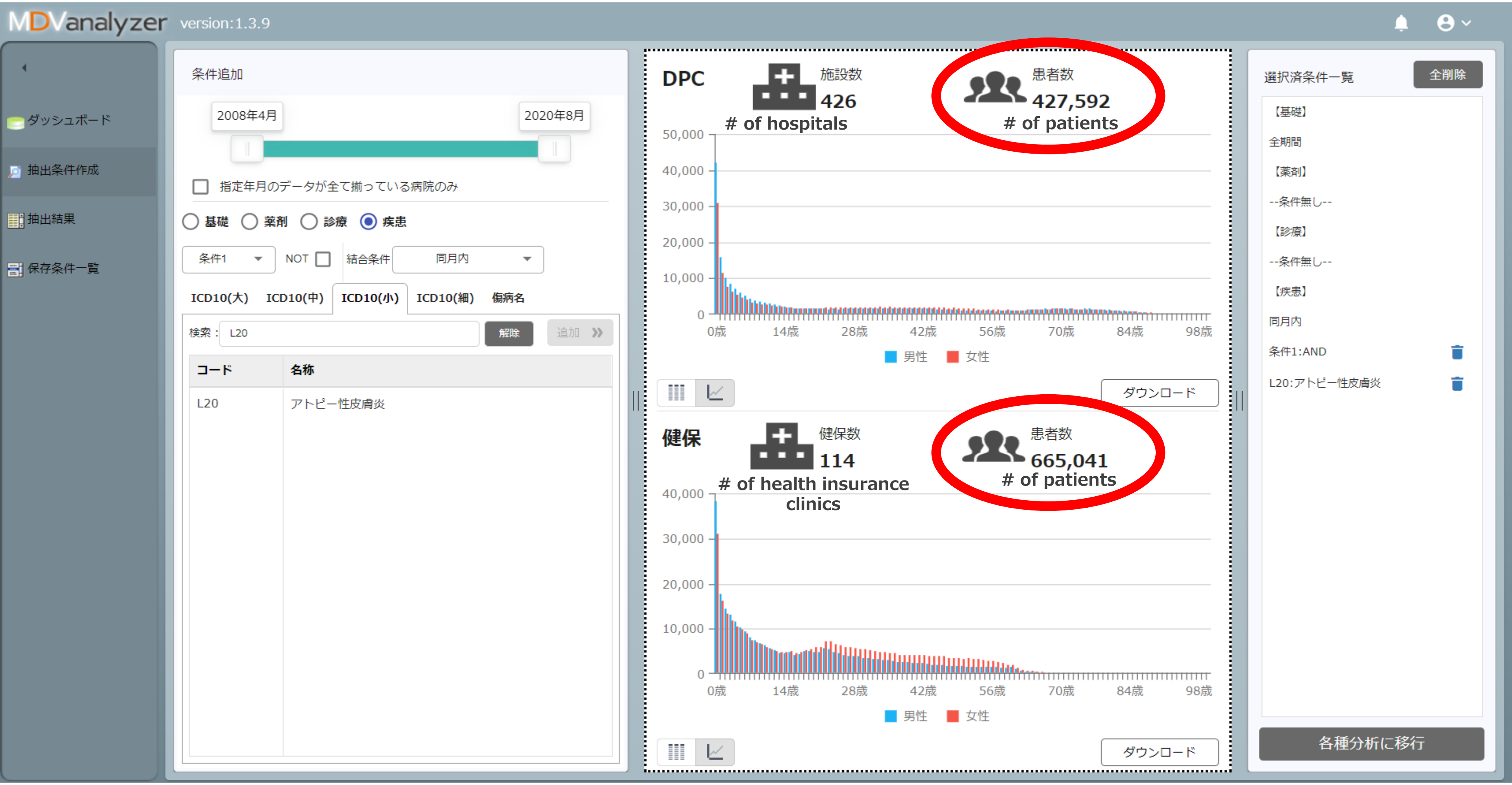
健保数 114
# of health insurance clinics

患者数 6,045,692
# of patients

【基礎】
全期間
【薬剤】
--条件無し--
【診療】
--条件無し--
【疾患】
--条件無し--

FY2020 business progress: accelerate growth in the data utilization service

② Simultaneous analysis using two types of data (MDV analyzer): atopic dermatitis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抽出条件作成
抽出結果
保存条件一覧
ICD10(大)
ICD10(中)
ICD10(小)
ICD10(細)
傷病名
解除
追加 »
50,000
40,000
30,000
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10,000
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42歳
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70歳
84歳
98歳
🟦 男性
🟥 女性
ダウンロード
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30,000
20,000
10,000
0
0歳
14歳
28歳
42歳
56歳
70歳
84歳
98歳
🟦 男性
🟥 女性
ダウンロード
全削除
各種分析に移行

条件追加

2008年4月 – 2020年8月

☐ 指定年月のデータが全て揃っている病院のみ

○ 基礎 ○ 薬剤 ○ 診療 ● 疾患

条件1 NOT ☐ 結合条件 同月内

検索：L20

コード	名称
L20	アトピー性皮膚炎

DPC

施設数 426
# of hospitals

患者数 427,592
# of patients

健保

健保数 114
# of health insurance clinics

患者数 665,041
# of patients

選択済条件一覧

【基礎】
全期間
【薬剤】
--条件無し--
【診療】
--条件無し--
【疾患】
同月内
条件1:AND
L20:アトピー性皮膚炎

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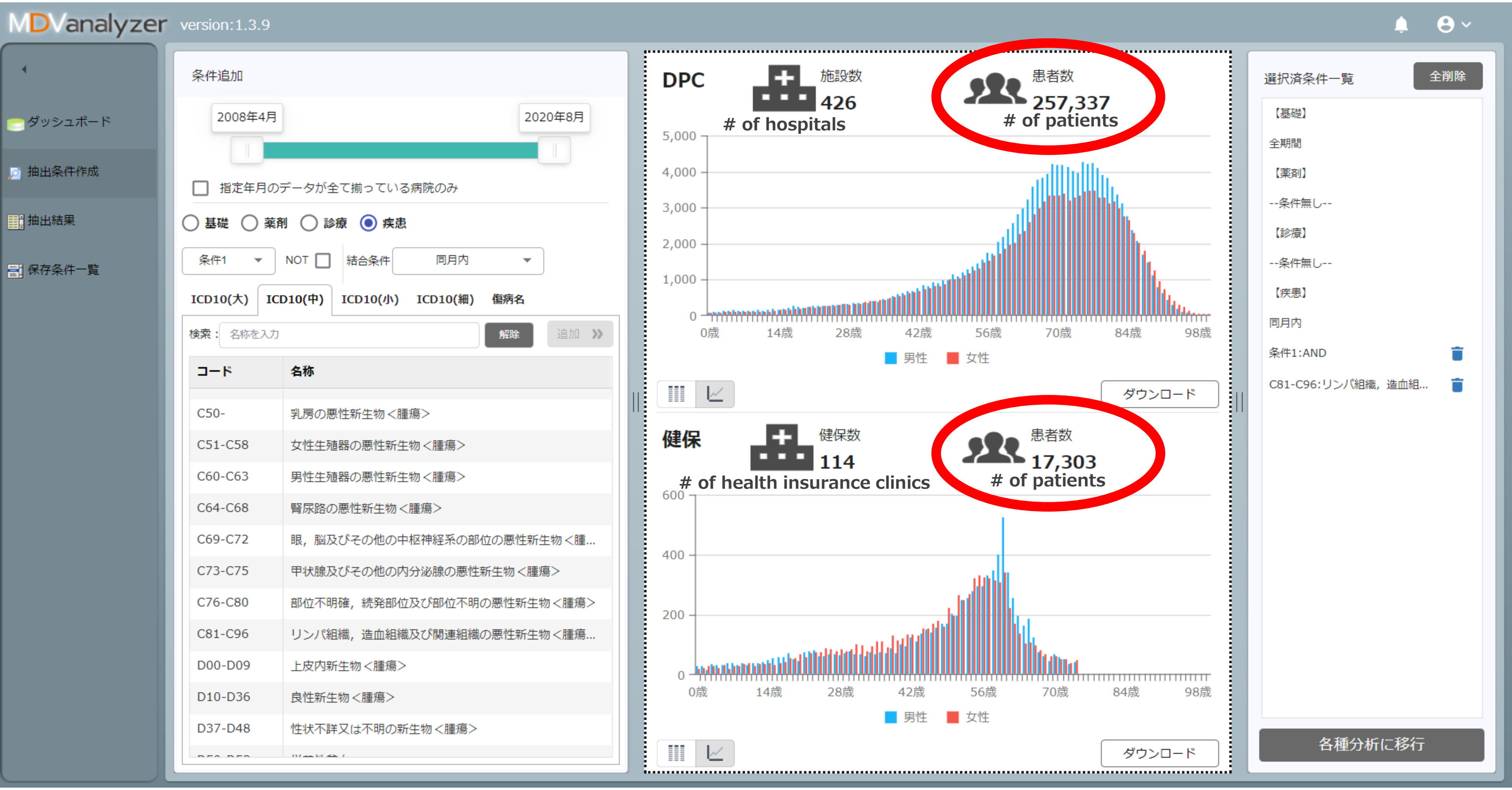
FY2020 business progress: accelerate growth in the data utilization service

③ Simultaneous analysis using two types of data (MDV analyzer): hematological cancer


MDVanalyzer
version:1.3.9
ダッシュボード
抽出条件作成
抽出結果
保存条件一覧
解除
追加 »
ダウンロード
全削除
各種分析に移行
5,000
4,000
3,000
2,000
1,000
0
0歳
14歳
28歳
42歳
56歳
70歳
84歳
98歳
男性
女性
600
400
200
0
0歳
14歳
28歳
42歳
56歳
70歳
84歳
98歳
男性
女性

条件追加

2008年4月 — 2020年8月

☐ 指定年月のデータが全て揃っている病院のみ

○ 基礎 ○ 薬剤 ○ 診療 ● 疾患

条件1 NOT ☐ 結合条件 同月内

ICD10(大) ICD10(中) ICD10(小) ICD10(細) 傷病名

検索：名称を入力

コード	名称
C50-	乳房の悪性新生物＜腫瘍＞
C51-C58	女性生殖器の悪性新生物＜腫瘍＞
C60-C63	男性生殖器の悪性新生物＜腫瘍＞
C64-C68	腎尿路の悪性新生物＜腫瘍＞
C69-C72	眼，脳及びその他の中枢神経系の部位の悪性新生物＜腫...
C73-C75	甲状腺及びその他の内分泌腺の悪性新生物＜腫瘍＞
C76-C80	部位不明確，続発部位及び部位不明の悪性新生物＜腫瘍＞
C81-C96	リンパ組織，造血組織及び関連組織の悪性新生物＜腫瘍...
D00-D09	上皮内新生物＜腫瘍＞
D10-D36	良性新生物＜腫瘍＞
D37-D48	性状不詳又は不明の新生物＜腫瘍＞

DPC

施設数 426
# of hospitals

患者数 257,337
# of patients

健保

健保数 114
# of health insurance clinics

患者数 17,303
# of patients

選択済条件一覧

【基礎】
全期間
【薬剤】
--条件無し--
【診療】
--条件無し--
【疾患】
同月内
条件1:AND
C81-C96:リンパ組織，造血組...

FY2020 business progress: accelerate growth in the data utilization service

■ DBs used for post-marketing database study

43 products (30 products excluding cases where DB used was undisclosed)

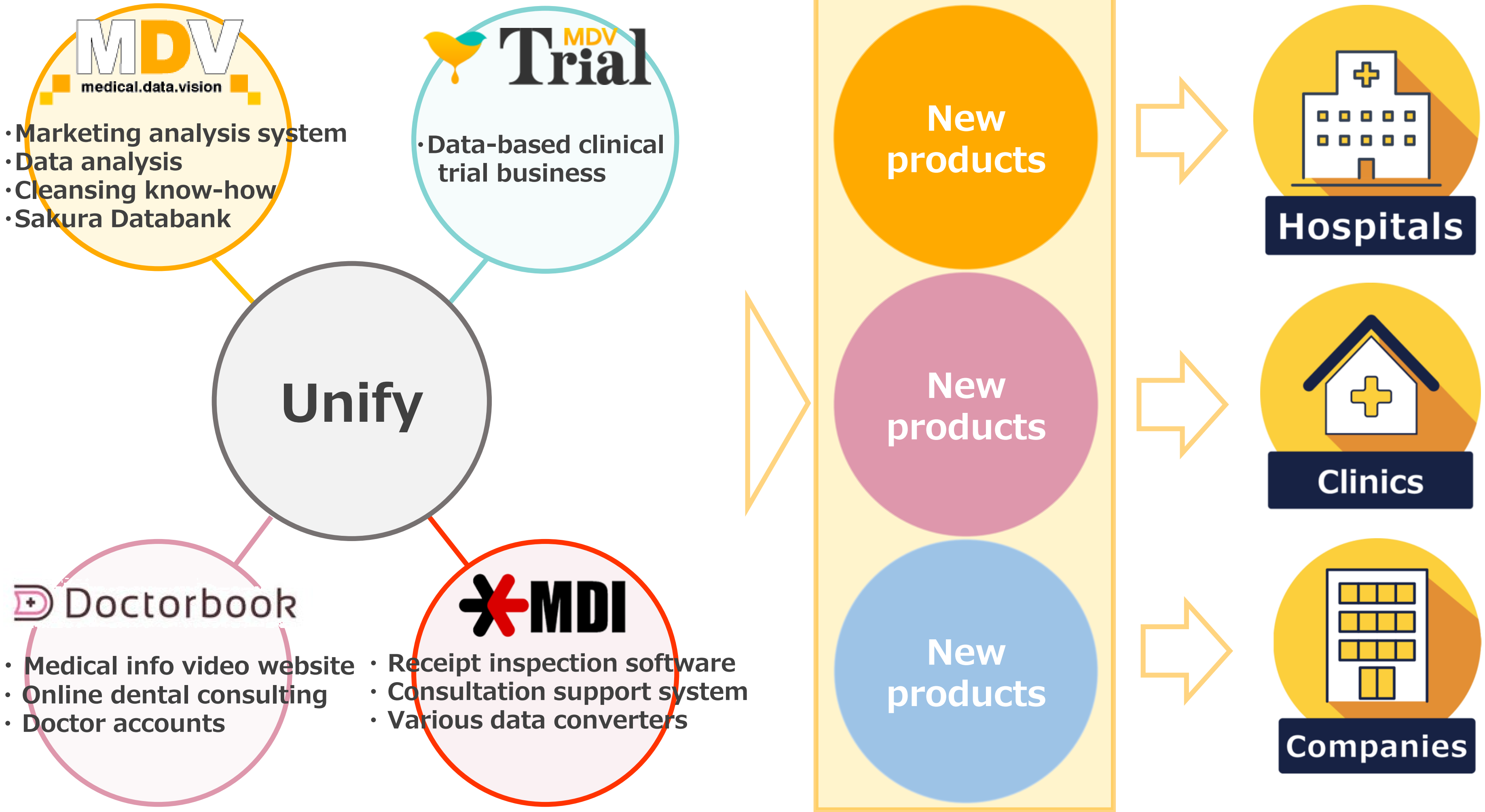
*As of Nov 5, 2020

DB used	# of studies
MDV	**17**
MID-NET	6
MDV, MID-NET	**2**
CIBMTR	2
MDV, JMDC	**1**
JMDC	1
Real World Data	1
Undisclosed	13

Reference materials

FY2020 group strategy: organic unification of group products

- Develop new products by unifying group products/services/techniques/know-how
- Market all products and services by adding agencies to existing marketing teams



MDV medical.data.vision
- Marketing analysis system
- Data analysis
- Cleansing know-how
- Sakura Databank

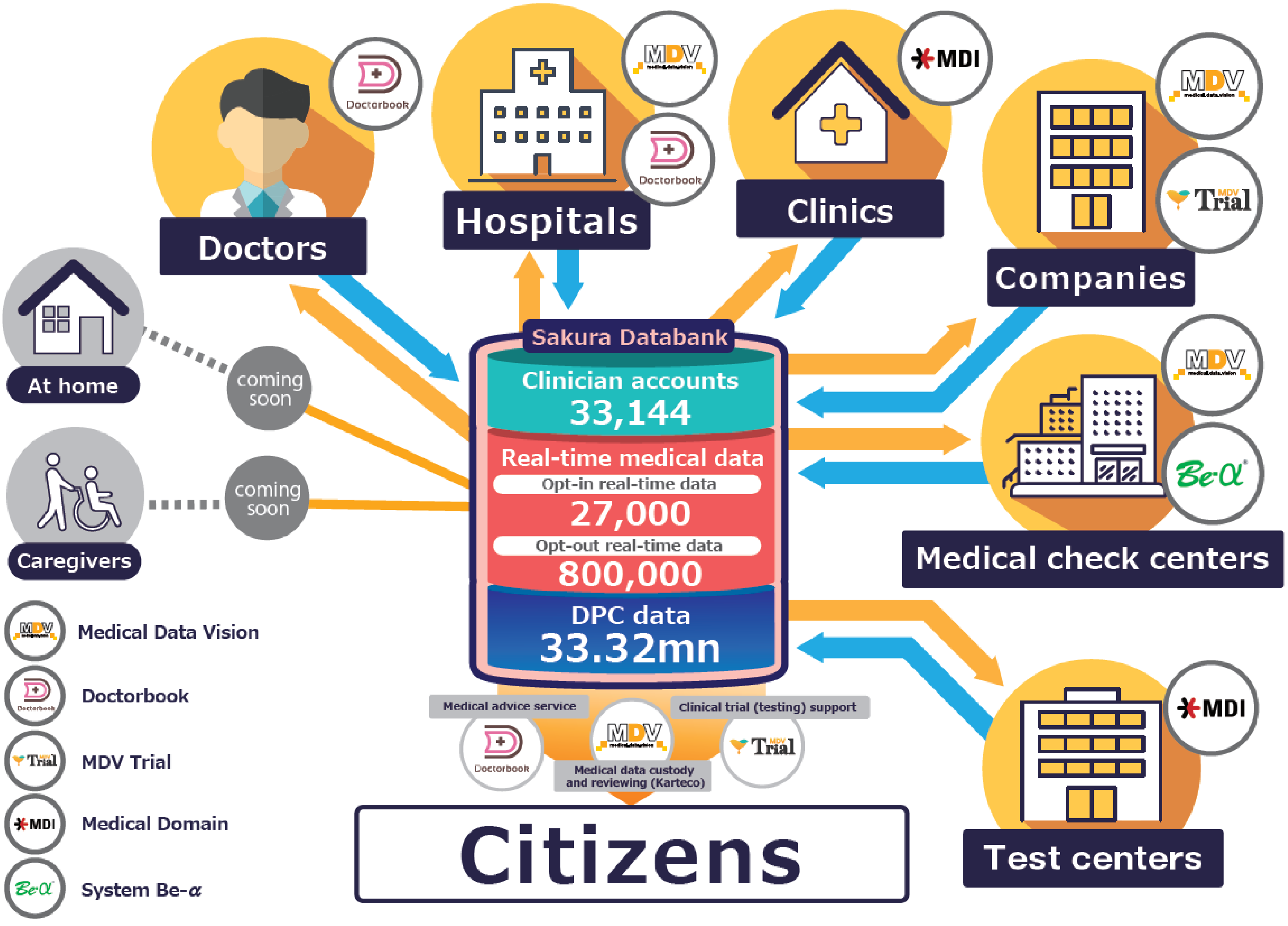
MDV Trial
- Data-based clinical trial business

Doctorbook
- Medical info video website
- Online dental consulting
- Doctor accounts

MDI
- Receipt inspection software
- Consultation support system
- Various data converters

Unify
New products
New products
New products
Hospitals
Clinics
Companies

FY2020 group strategy: unification and utilization of medical and health data



Doctors

Hospitals

Clinics

Companies

At home

coming soon

Caregivers

coming soon

Medical check centers

Test centers

Sakura Databank

Clinician accounts
33,144

Real-time medical data
Opt-in real-time data
27,000
Opt-out real-time data
800,000

DPC data
33.32mn

Medical advice service

Clinical trial (testing) support

Medical data custody and reviewing (Karteco)

Citizens

Medical Data Vision

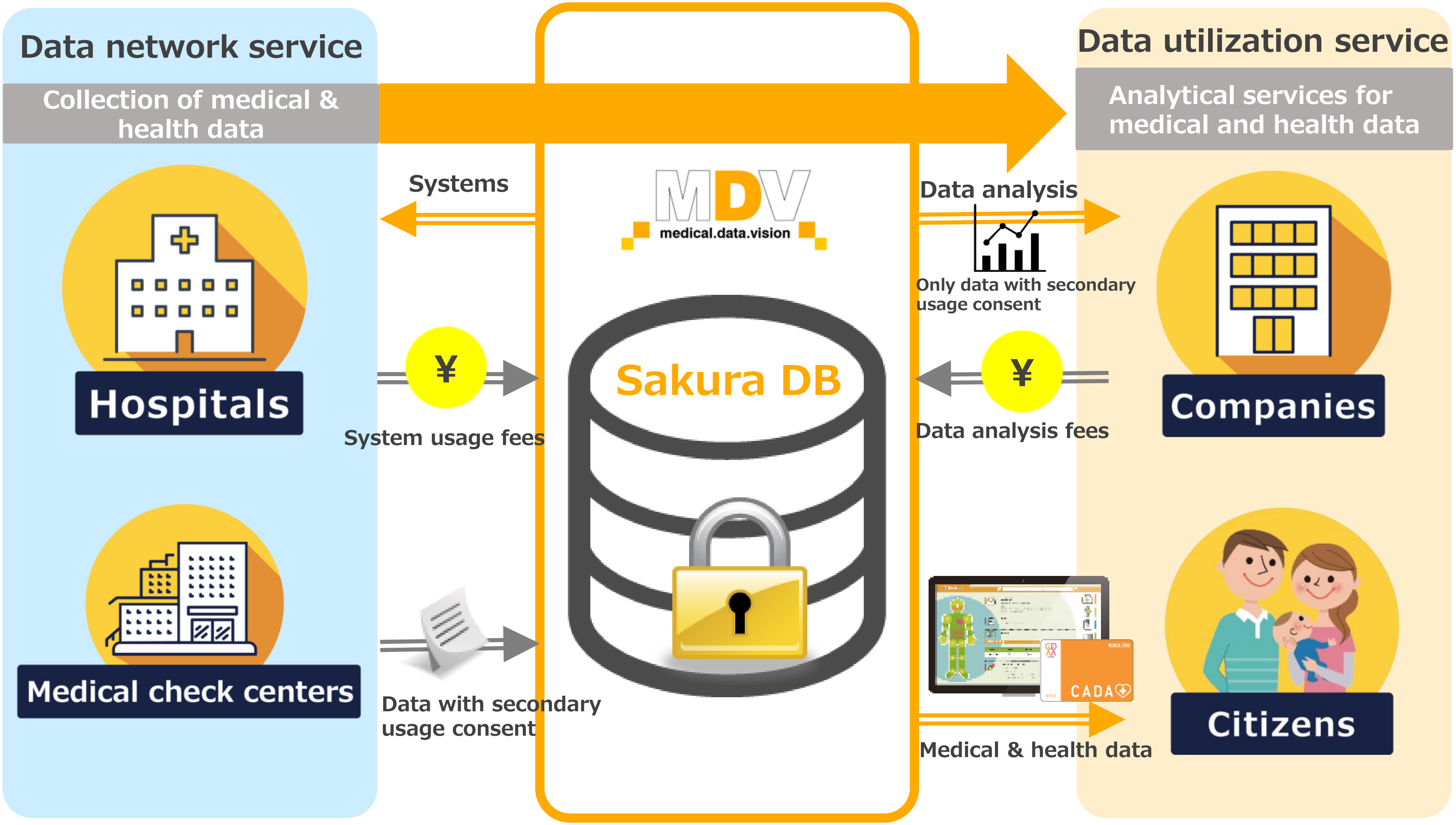
Doctorbook

MDV Trial

Medical Domain

System Be-α

Business model



Data network service

Collection of medical & health data

Hospitals

Medical check centers

Systems

System usage fees

Data with secondary usage consent

Data utilization service

Analytical services for medical and health data

Companies

Citizens

Data analysis

Only data with secondary usage consent

Data analysis fees

Medical & health data

Target major growth in data utilization service

Services overview

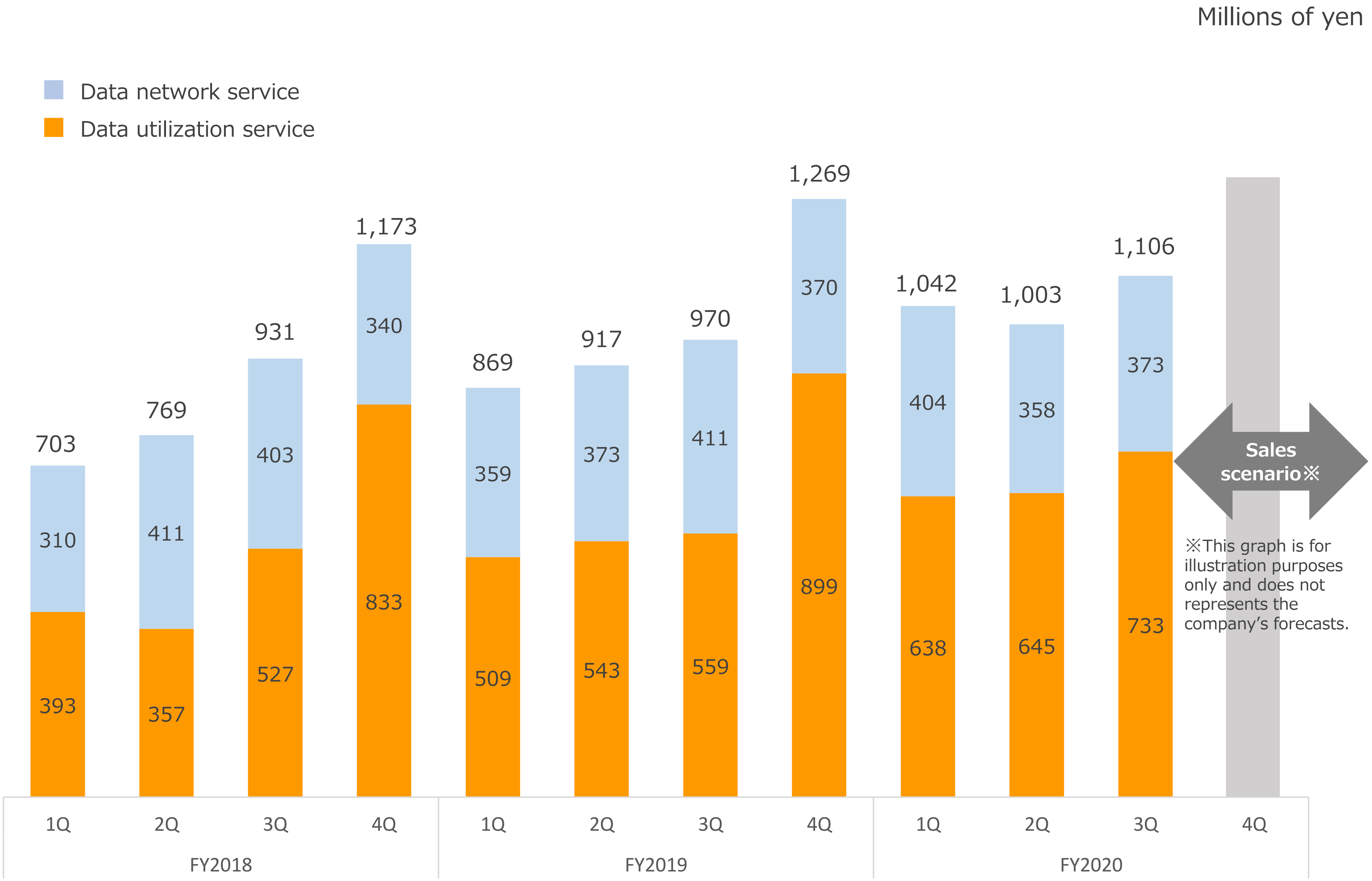
【Data network service】

Product	Overview	Price
EVE	Analysis of charges/DPC fee gap, patient #s/stay length/resources by disease/condition, and benchmarking with other hospitals Uses benchmarks to identify user hospital's trends/strengths & weaknesses, helps with detailed investigation of treatment policy as core of hospital management	Installation: Y4mn Maintenance: Y50,000/mth.
Medical Code	Uses standardized format for DCP/elec. receipt data to support hospital management in areas like costing, raising treatment prices Unlimited user registration promotes smooth internal data sharing, change in awareness/actions to help improve management	Installation: Y8.2mn Maintenance: Y100,000/mth.
CADA-BOX	System for hospitals that allows linkage to existing electronic records by merging online patient-use data portal Karteco and deferred medical fee payment service CADA Payment Free to use for patients	Installation: Y20mn Maintenance: Y500,000/mth.

【Data utilization service】

Product	Overview	Price
MDV analyzer	Online analysis tool allowing clients to easily examine data on patient numbers, prescription lengths/volumes using Japan's largest medical database Enables multifaceted analysis based on actual medical practice (surgery, testing) as well as disease and drug regimen	Y20mn/yr.
Ad hoc surveys	Provision of tailored reports in line with client's wishes	Avg. Y3.5-4mn per survey

Quarterly sales breakdown (by service segment)



※This graph is for illustration purposes only and does not represents the company’s forecasts.

Business indicators

Main business indicators	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020 E
Net sales（Ymn）	1,950	2,413	2,632	3,225	3,577	4,026	4,800
Operating income（Ymn）	260	282	430	569	351	809	900
Operating income margin（%）	13.4	11.7	16.4	17.6	9.8	20.1	18.8
Ordinary income（Ymn）	248	280	415	565	351	804	900
Net income （Ymn）	135	164	178	354	69	554	600
Net income per share（Y）	4.51	4.42	4.67	8.86	1.74	13.85	14.99
Net assets（Ymn）	2,271	2,489	2,809	3,164	3,278	4,023	—
Total assets（Ymn）	2,659	2,918	3,194	3,752	3,865	4,948	—
Net assets per share（Y）	61.58	65.94	70.22	79.08	81.91	99.68	—
ROA（%）	12.5	10.0	13.7	16.3	9.2	18.3	—
ROE（%）	8.0	6.9	6.7	11.9	2.2	15.3	—
Equity ratio（%）	85.4	85.3	88.0	84.3	84.8	80.6	—
CoGS（Ymn）	384	516	458	619	797	662	1,022
SG&A （Ymn）	1,305	1,614	1,743	2,037	2,428	2,554	2,877

※ FY2014 and FY2015 figures are parent data provided for comparison purposes. Per-share data adjusted for past stock splits.

Sales breakdown, other indicators, cash flow statement

Sales breakdown (Ymn)	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020 E
Data network service	1,213	1,449	1,438	1,571	1,467	1,514	1,943
Data utilization service	737	963	1,194	1,654	2,110	2,511	2,856

Other indicators	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	3Q FY2020
No. of hospital using「EVE」	705	768	791	799	801	802	778
No. of hospitals using「Medical Code」	131	176	224	265	274	281	266
No. of hospitals using「CADA−BOX」	–	–	1	5	6	7	5
No. of patients in MDV large-scale medical database (10,000)	865	1,265	1,723	2,117	2,593	2,984	3,332
No. of patients' health ins. data (10,000)	–	–	–	–	–	–	598
No. of patients' real-time medical data (10,000)	–	–	–	–	–	82.3	82.7
Clinical Cloud clinician accounts	–	–	–	–	–	22,346	33,144

Cash flow statement (Ymn)	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
Balance of cash and cash equivalents at start of period	679	1,799	1,751	1,959	1,697	1,574
CF from operating activities	206	118	196	486	120	1,202
CF from investment activities	-108	-218	-144	-739	-271	-31
CF from financial activities	1,021	52	139	-7	28	199
Change in cash and cash equivalent	1,119	-47	191	-261	-123	1,370
Balance of cash and cash equivalents at end of period	1,799	1,751	1,959	1,697	1,574	2,944

※ FY2014 and FY2015 figures are parent data provided for comparison purposes.

Balance sheet

Balance sheet	End-FY2014	End-2015	End-FY2016	End-FY2017	End-FY2018	End-FY2019
Current assets	2,274	2,416	2,797	2,864	2,799	3,872
Cash and deposits	1,799	1,751	1,959	1,797	1,674	2,944
Accounts receivables	433	596	770	794	949	757
Raw materials	14	9	9	13	15	12
Merchandise	–	–	–	142	–	–
Others	27	57	57	116	160	179
Allowance for doubtful accounts	–	–	-0	-0	-0	-22
Fixed assets	376	497	394	888	1,066	1,076
Tangible fixed assets	119	97	105	173	224	233
Intangible fixed assets	146	194	127	476	368	356
Investments and other assets	110	205	161	238	473	486
Deferred assets	7	5	2	–	–	–
Total assets	2,659	2,918	3,194	3,752	3,865	4,948
Current liabilities	361	407	363	550	543	852
Accounts payable	53	63	39	40	28	33
Income taxes payable	62	78	80	188	164	138
Others	245	265	243	321	350	679
Noncurrent liabilities	25	21	20	37	43	71
Asset retirement obligations	18	18	18	33	38	71
Others	7	2	1	4	4	–
Total liabilities	387	429	384	588	587	924
Shareholders' equity	2,271	2,489	2,809	3,164	3,278	3,989
Capital stock	883	910	981	981	992	992
Capital surplus	1,468	1,495	1,565	1,565	1,599	1,756
Retained earnings	-80	83	263	617	687	1,241
Treasury stock	–	-0	-0	-0	-0	-0
Total net assets	2,271	2,489	2,809	3,164	3,278	4,023
Total liabilities and net assets	2,659	2,918	3,194	3,752	3,865	4,948

※ FY2014 and FY2015 figures are parent data provided for comparison purposes.

Disclaimer

Contacts

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