2Q FY2022 Financial Results

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

August 8, 2022

MDV medical.data.vision メディカル・データ・ビジョン株式会社

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✓ 1Q-2Q sales end on target, **but no leeway for 2H**

2 Progress on FY2022 Strategies and Focus Businesses --- 14

✓ Steady progress on shift to cloud, sales of medical check systems, etc.

3 Latest topics ---------- 27

✓ Release of new tool for ‘MDV analyzer’「for Patient Journey」

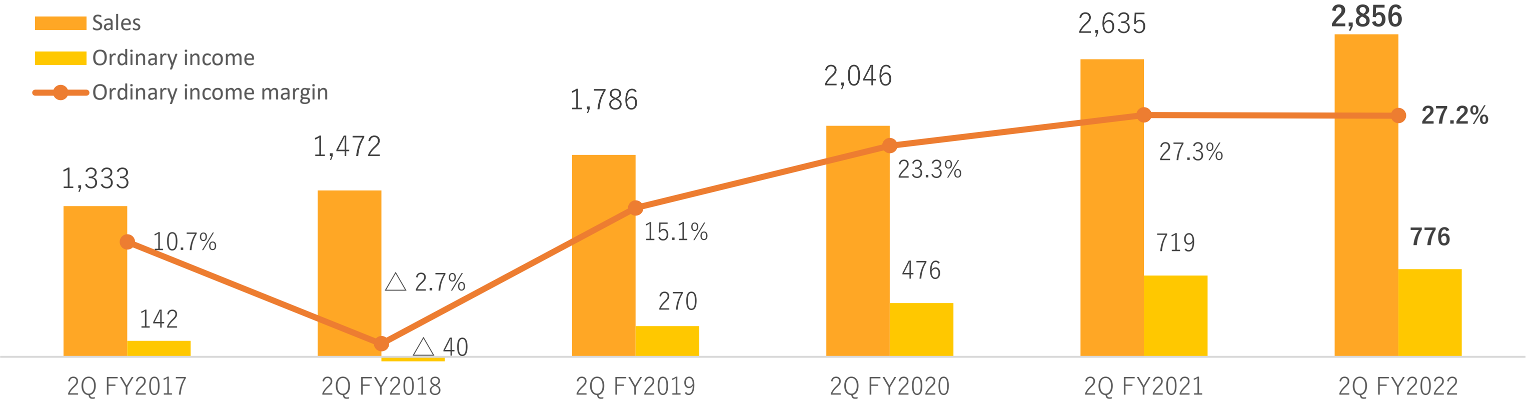
2Q FY2022 Financial Results

2Q FY2022 results highlights

(Millions of Yen)

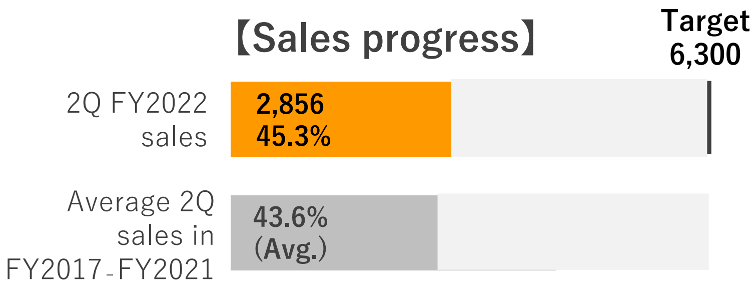
1Q-2Q sales end on target, but no leeway for 2H

Ordinary income slightly ahead of pace to reach full-year target of ¥1.6bn



	Data network service	Data utilization service	All-company total
Sales YoY	971 △3.6%	1,885 +15.8%	2,856 +8.4%
Gross income YoY	626 △8.4%	1,734 18.2%	2,360 +9.8%
Ordinary income YoY	—	—	776 8.0%

【Sales progress】



2Q FY2022 results comparison

Ordinary income margin of 23.5% in 2Q, stays at high level on a YoY basis too

Sales growth rate 14.1% on the new basis, close to the reference value (15%)

（Millions of Yen）	2Q FY2022 （Apr–Jun 2022）				
	Actual （new basis）	YoY （old basis）		【Ref.】 YoY （adjusted to new basis*）	
		Actual	Change	Ref	Change
Sales	**1,345**	1,205	+11.6%	1,179	**+14.1%**
Sales growth rate	**+11.6%**	+20.1%	△8.5P	―	―
Ordinary income	**315**	265	+18.9%	―	―
Ordinary income margin	**23.5%**	22.0%	+1.5P	―	―
Employees	**253**	246	+2.8%	―	―
Sales per employee	**5.3**	4.9	+8.5%	―	―

*Sales in 2Q FY2021 would have been ¥26mn lower when applying the new revenue recognition standards to contracts straddling FY2020 and FY2021 and FY2021 and FY2022 .

Change in sales booking method from new revenue recognition standards

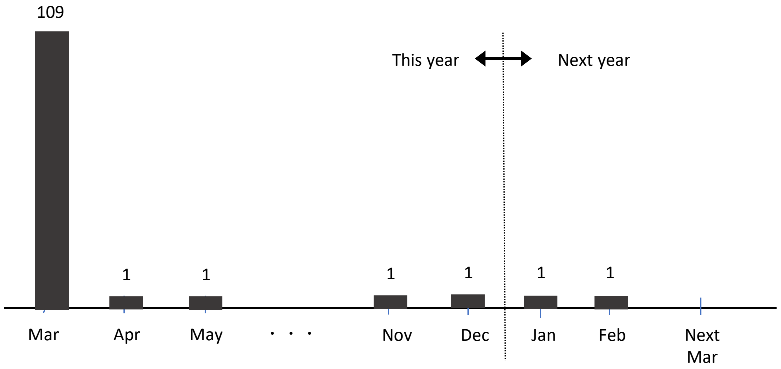
Adjustment in historical sales data to reflect new standards

Main impact on sales from medical data survey analysis in Data utilization service

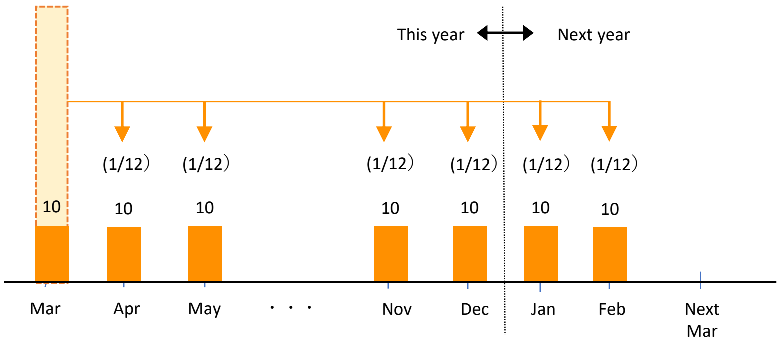
All sales this year to be booked under new standards

(Example) Provision of data over 12 months from March under 12-month data contract (assuming 120 units)

Sales booking under old standards



Sales booking under new standards



Impact of new revenue recognition standards on sales, etc.

Expect 2H sales growth of more than 20% after application of new standards

Expect quarterly leveling of sales during this year, but 4Q likely to remain the peak

FY2021 sales

(Millions of Yen)

		1Q	2Q	3Q	4Q	Total
Sales (old)	①	1,429	1,205	1,316	1,720	5,672
Adjustment（old→new） *1	②	+69	-26	-25	-261	-243
Adjusted sales (new)	③=①+②	1,499	1,179	1,291	1,458	5,428

FY2022 sales

		1Q	2Q	3Q	4Q	Total (target)
Sales (new)	④	1,511	1,345			6,300
YoY comparison	⑤=④÷③	+0.8%	+14.1%			+16.0%

*1 Adjustment based on applying the new revenue recognition standards to sales in the previous year to contracts straddling FY2020 and FY2021 and FY2021 and FY2022.

2Q FY2022 results: cost analysis

Stringent control of costs, unused cost budgets boost profit

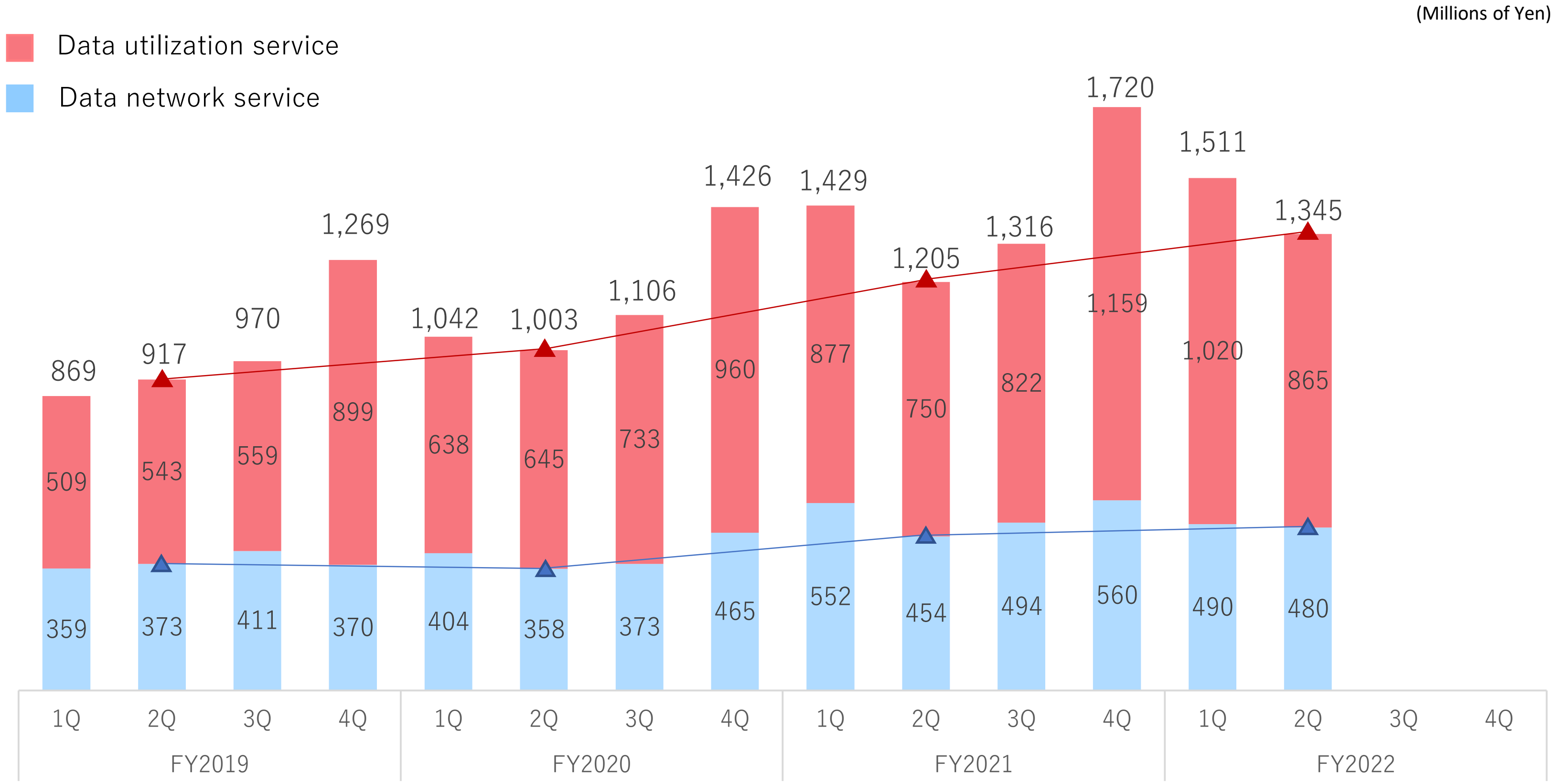
Rise in CoGS and R&D spending as expected, ongoing investment in human resources

(Millions of Yen)	**【Consolidated】 2Q FY2022**	【Consolidated】 2Q FY2021	YoY	【Consolidated】 1Q FY2022	QoQ	Details
CoGS	**243**	216	+12.8%	251	△3.2%	・Rise in procurement at SBα, etc.（+14M） ・Rise in labor costs to reflect revision of medical fee reimbursement, etc. (+5M)
Personnel costs	**426**	377	+13.0%	410	+4.0%	・Higher wage costs from salary increases, headcount rise, etc.（+33M）
Hiring costs	**11**	7	+54.4%	13	△9.6%	・Costs related to adoption of contingency fees, etc.（+4M）
Others	**359**	346	+3.7%	378	△5.1%	・Goodwill（+7M） ・Rise in travel and transportation costs from increase in face-to-face marketing (+3M)
R&D costs	**64**	86	△25.7%	68	△5.5%	・Lower development costs for existing businesses (‘MDV Act’, ‘Alpha Salus’, etc.)（-45M） ・Higher HMV-related development costs（+20M）
Total costs*	**1,029**	940	+9.5%	1,041	△1.1%	

*The total of CoGS and SG&A

Sales by quarter（breakdown by service）

Data network service sales stable, data utilization service sales remain on growth trend

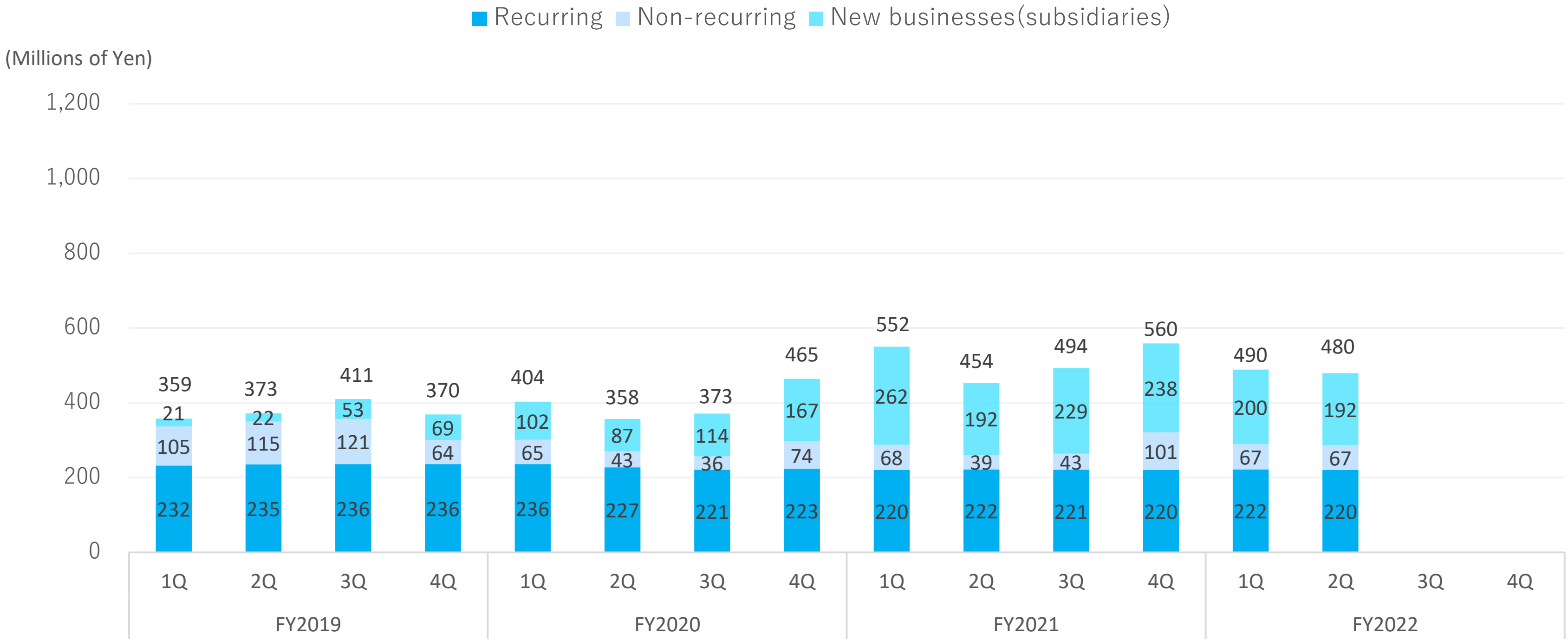


Data network service sales breakdown

Expect flat YoY sales in FY2022, on target through 2Q

Significant rise in subsidiaries sales boost in FY2021, including consolidation of SB α

Impact seen on non-recurring sales from medical check system sales



KPI for data network service

New indicator added as KPI for cloud contracts

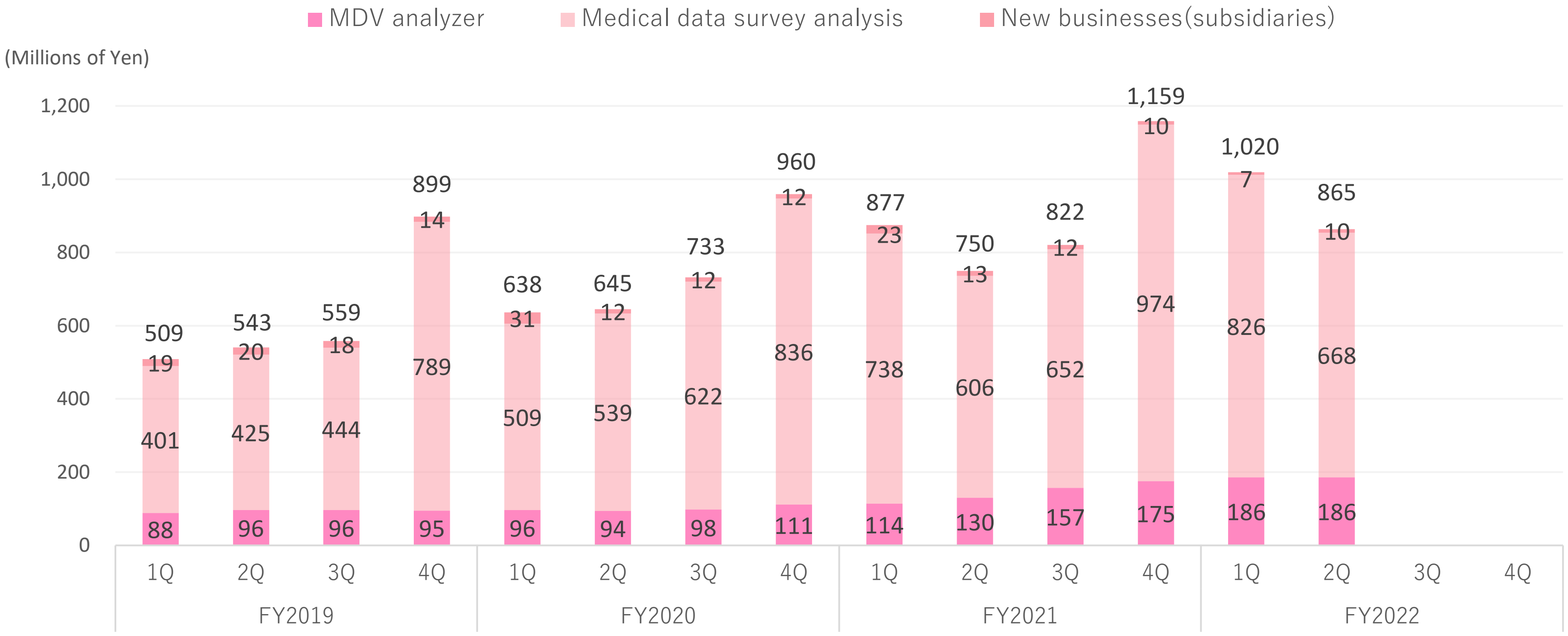
Reflects contracts that lead to cloud usage for services other than ‘MDV Act’

Indicators	FY2019 Results	FY2020 Results	FY2021 Results	1Q FY2022 Results	2Q FY2022 Results	FY2022 Targets
No. of hospitals using 'EVE’	802	772	770	753	750	**750～770**
No. of hospitals using cloud services	–	–	–	778	834	**1,000**
No. of hospitals using ‘MDV Act’		–	558	757	809	1,000

Data utilization service sales breakdown

Sales of medical data survey analysis on target

MDV analyzer sales unchanged from 1Q, but cancellation of some contracts



KPI for data utilization service

No change in FY2022 target for MDV analyzer

MDV analyzer quarterly sales around 175M based on end-2Q contract volume

Target increase by year-end on recovery from sales of new services and DB links with DeNA

Indicators	FY2019 Results	FY2020 Results	FY2021 Results	1Q FY2022 Results	2Q FY2022 Results	FY2022 Targets
No. of contract (each type) for 'MDV analyzer'	**25**	**27**	**44**	**45**	**40**	**50**
No. of companies using medical data survey analysis	93	103	118	–	–	**130**
Sales from top 10 clients for medical data survey analysis (millions of yen)	1,221	1,410	1,667	–	–	**1,800**
No. of patients in MDV large-scale medical database (10,000)	**2,984**	**3,451**	**3,849**	**3,940**	**4,016**	—
No. of patients in Health Insurance Association database (10,000)	—	616	762	769	780	—

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Progress of Fiscal 2022 Strategy and Progress of Focus Businesses

Stepping up development in various fields in line with strategy under COVID conditions

Responding to societal changes while also building a structure for the future

List of services and functions developed and released by MDV Group in 2020～2021

For medical institutions

MDV Act
病院経営改善アプリケーション

MDV Must
小規模病院・診療所向け診療可視化システム

MDV DPS
MDVデータプラットフォームサービス
健全な病院経営支援のための情報活用基盤

クラウド型総合健康管理システム
Alpha Salus

カンゴッチ+ PLUS
看護必要度分析アプリケーション

Director
「公立病院経営強化プラン」作成支援サービス

Core business

For pharm cos. & academia

MDVanalyzer
拡大推計機能

MDVanalyzer
英語版

MDVanalyzer for Oncology
英語版

MDVanalyzer for Academia
英語版

MDVanalyzer
健保データ版

Fast growing segment

For consumers（BtoC）

Online Dr.Bank
オンライン診療プラットフォーム

CADA-BOXから分割
カルテコ アプリ

POCKET BRAIN
医療略語アプリ

Targeting future needs

HMV Concept

hyper medical vision
HMV platform

dAIbet
Diabetes AI application “dAIbet”

Medical check AI hyperCheckup

Dynamic growth

FY2022 business strategies and current progress

Sales of cloud-based services and response to active pursuit of external partnerships

Furthering understanding of our strategy of shifting to the cloud

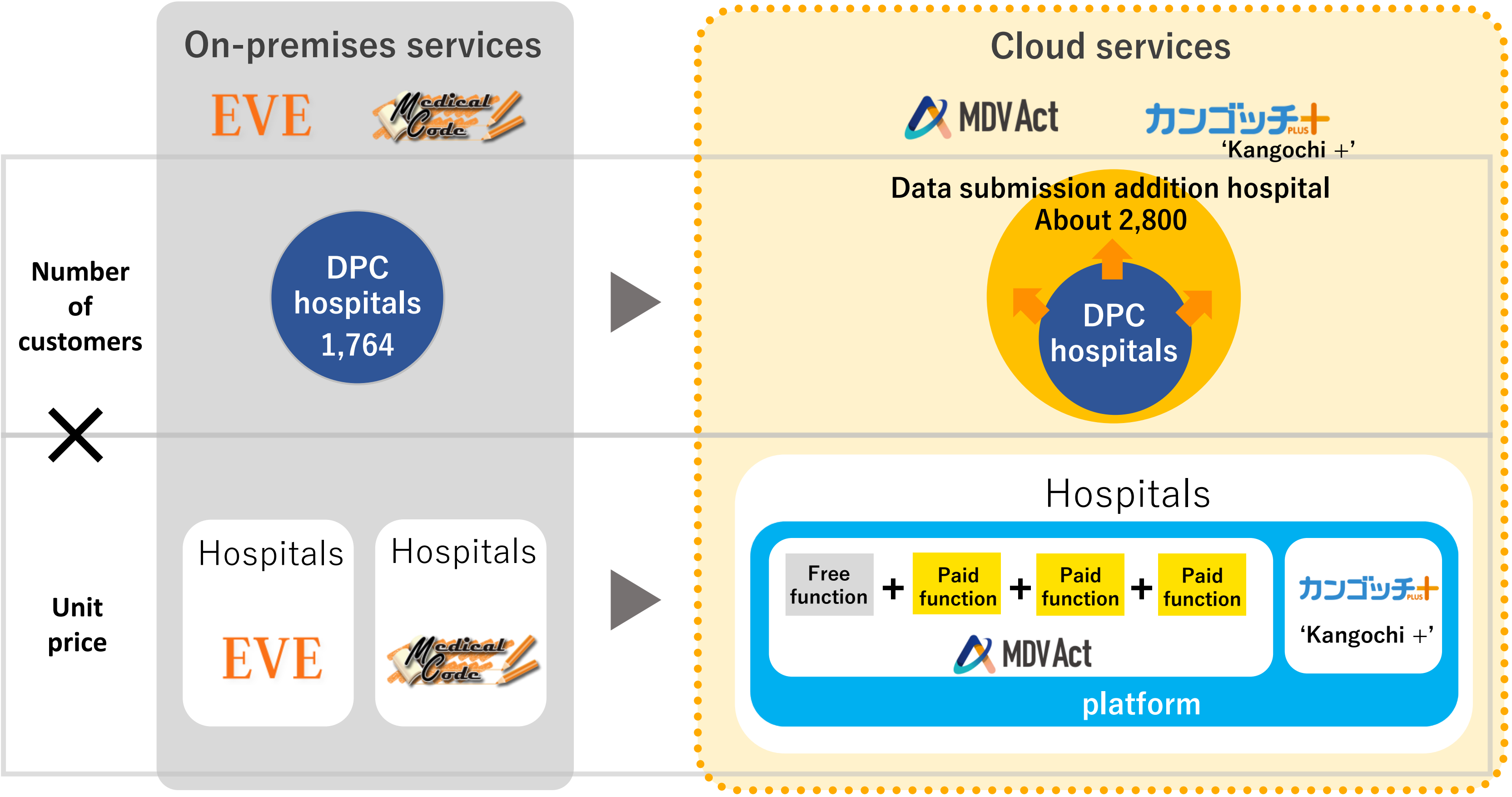
Business strategy	Progress
1 Shift data network service operations to the cloud	○ ・Rise in no. of hospitals using ‘MDV Act’ ・Progress on orders pairing ‘Karteco’ and medical check systems
2 Strengthen data utilization service overseas and in the insurance field	○ ・Added this strategy to links with DeNA ・Measures to grow the scope of data utilization
3 Develop the HMV business	○ ・Some measures with SBI have taken shape

1)-① Pursue a shift to cloud operations focused around ‘MDV Act’

Benefits of shift to cloud ＝「expanded customer base」and「cross-selling」

Initial widening of scope to data submission addition hospitals, target cross-selling when paid functionality is launched

Enable demonstration of practical data utilization to user hospitals with data in the MDV cloud



On-premises services

EVE Medical Code

Cloud services

MDV Act カンゴッチ＋ PLUS

‘Kangochi ＋’

Number of customers

DPC hospitals 1,764

Data submission addition hospital About 2,800

DPC hospitals

×

Unit price

Hospitals

EVE

Hospitals

Medical Code

Hospitals

Free function ＋ Paid function ＋ Paid function ＋ Paid function

MDV Act

カンゴッチ＋ PLUS

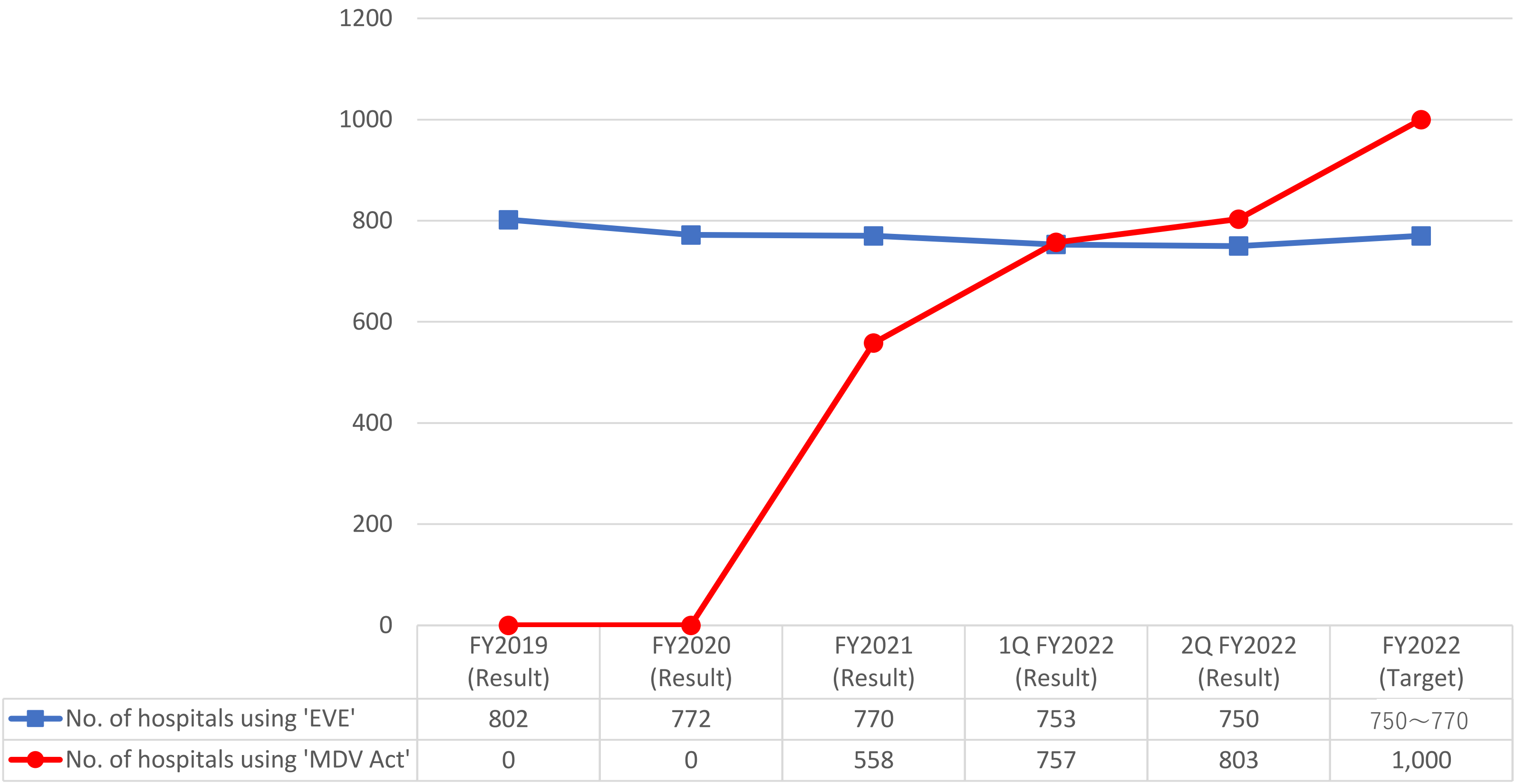
‘Kangochi ＋’

platform

1)-① Contract growth for ‘MDV Act’

Progress on capturing new users with no existing contract

Launch of ‘MDV Act’ helped **secure more than 160** new users
FY2022-end target 1,000, but aiming for even further growth in the future



	FY2019 (Result)	FY2020 (Result)	FY2021 (Result)	1Q FY2022 (Result)	2Q FY2022 (Result)	FY2022 (Target)
■ No. of hospitals using 'EVE'	802	772	770	753	750	750～770
● No. of hospitals using 'MDV Act'	0	0	558	757	803	1,000

1)-① Measures to achieve FY2022 target for 'MDV Act'

Further strengthening structure to achieve FY2022 target of 1,000 hospitals

Widening customer target group by adding new services, approaching potential customers, etc.

1 Adding functionality for report creation on outpatient capabilities to 'MDV Act'

✓ Plan to add "outpatient capability reporting system" in the autumn of 2022
✓ Help in smooth creation of reports via contract for 'MDV Act'
✓ Enable showcasing of 'MDV Act' to hospitals supplying and adding data (about 2,800)

2 Hold large-scale seminars for potential customers of 'MDV Act'

✓ Joint seminar with Tama University attracted 769 people from 633 facilities, including distribution
✓ Hold seminars showing how use of 'MDV Act' can enable analysis of a hospital's management indices

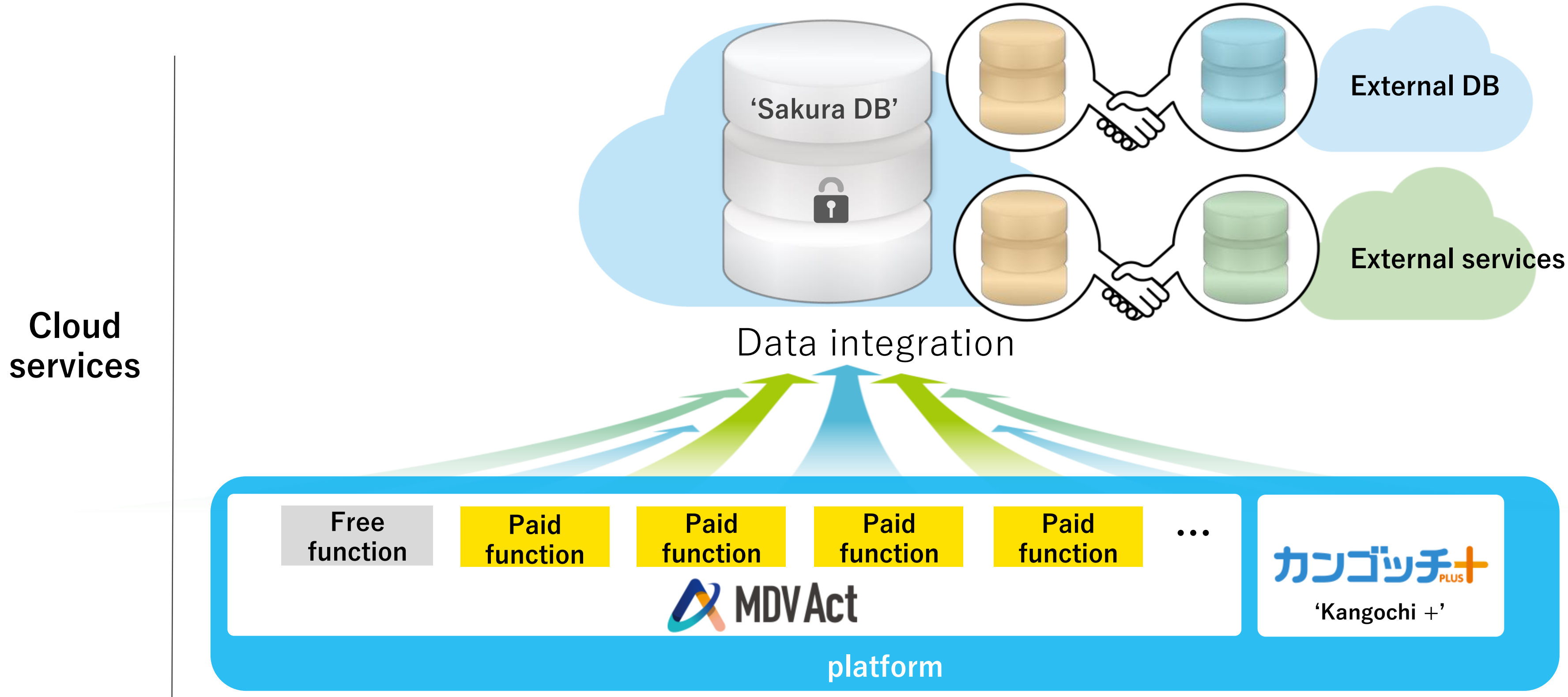
3 Providing individual lessons for 'MDV Act' users

✓ Promote continued use of 'MDV Act' after contract by providing support for utilization methods

1)-① The future beyond the shift to cloud operations

Shift to cloud makes external linkages easier

Collection and integration of medical data under our **「open alliance」** will lead to further growth in data utilization services

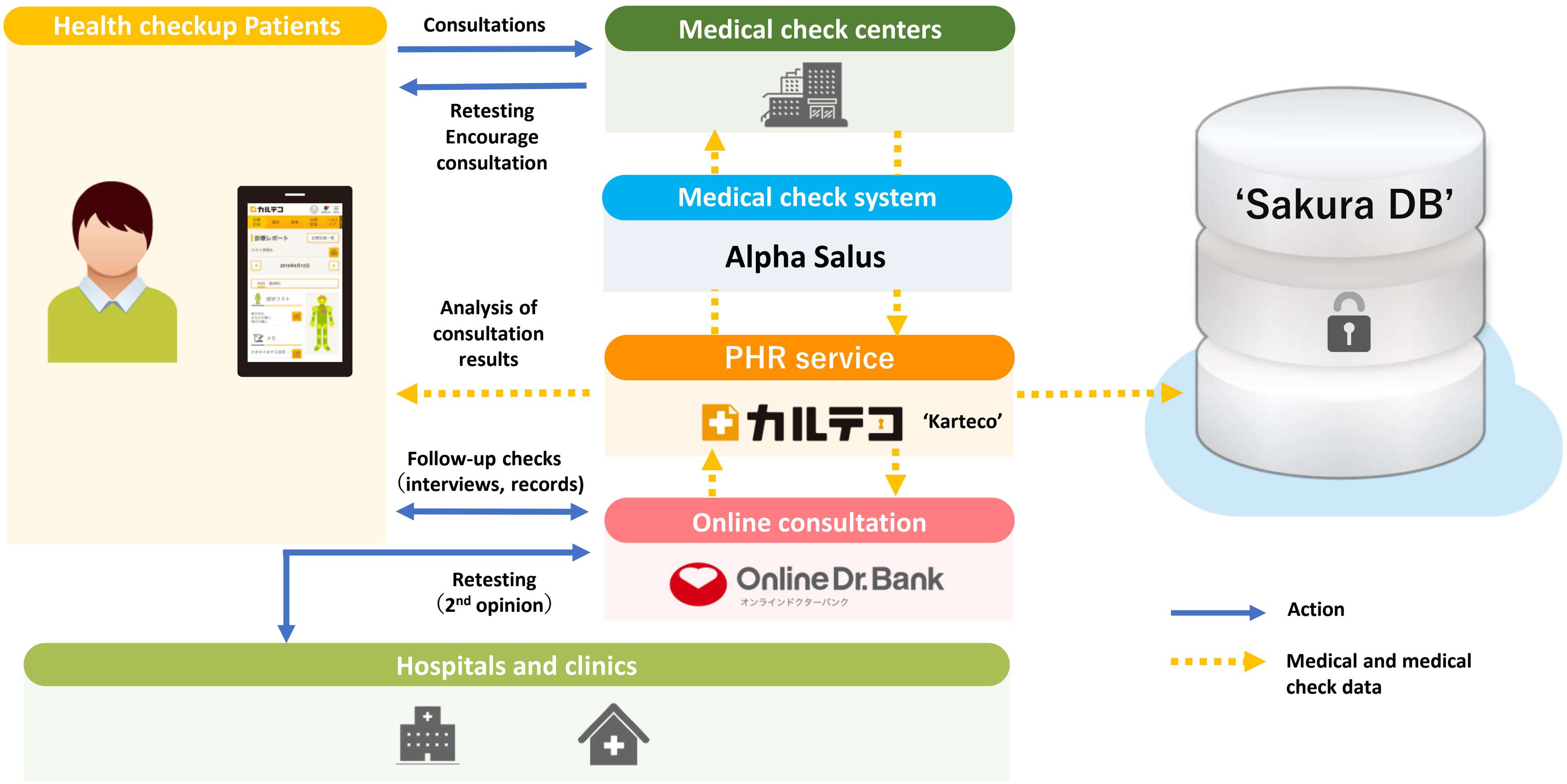


Cloud services
'Sakura DB'
External DB
External services
Data integration
Free function
Paid function
Paid function
Paid function
Paid function
…
MDV Act
カンゴッチ+ PLUS
'Kangochi +'
platform

1)-② Expand sales of cloud-based medical check systems

Progress on orders for medical check systems even before sales begin

Hospitals expect increase in patient numbers from service linkage with ‘Karteco’



Health checkup Patients

Consultations

Retesting
Encourage consultation

Medical check centers

Medical check system

Alpha Salus

Analysis of consultation results

PHR service

カルテコ ‘Karteco’

Follow-up checks
(interviews, records)

Online consultation

Online Dr. Bank
オンラインドクターバンク

Retesting
(2nd opinion)

Hospitals and clinics

‘Sakura DB’

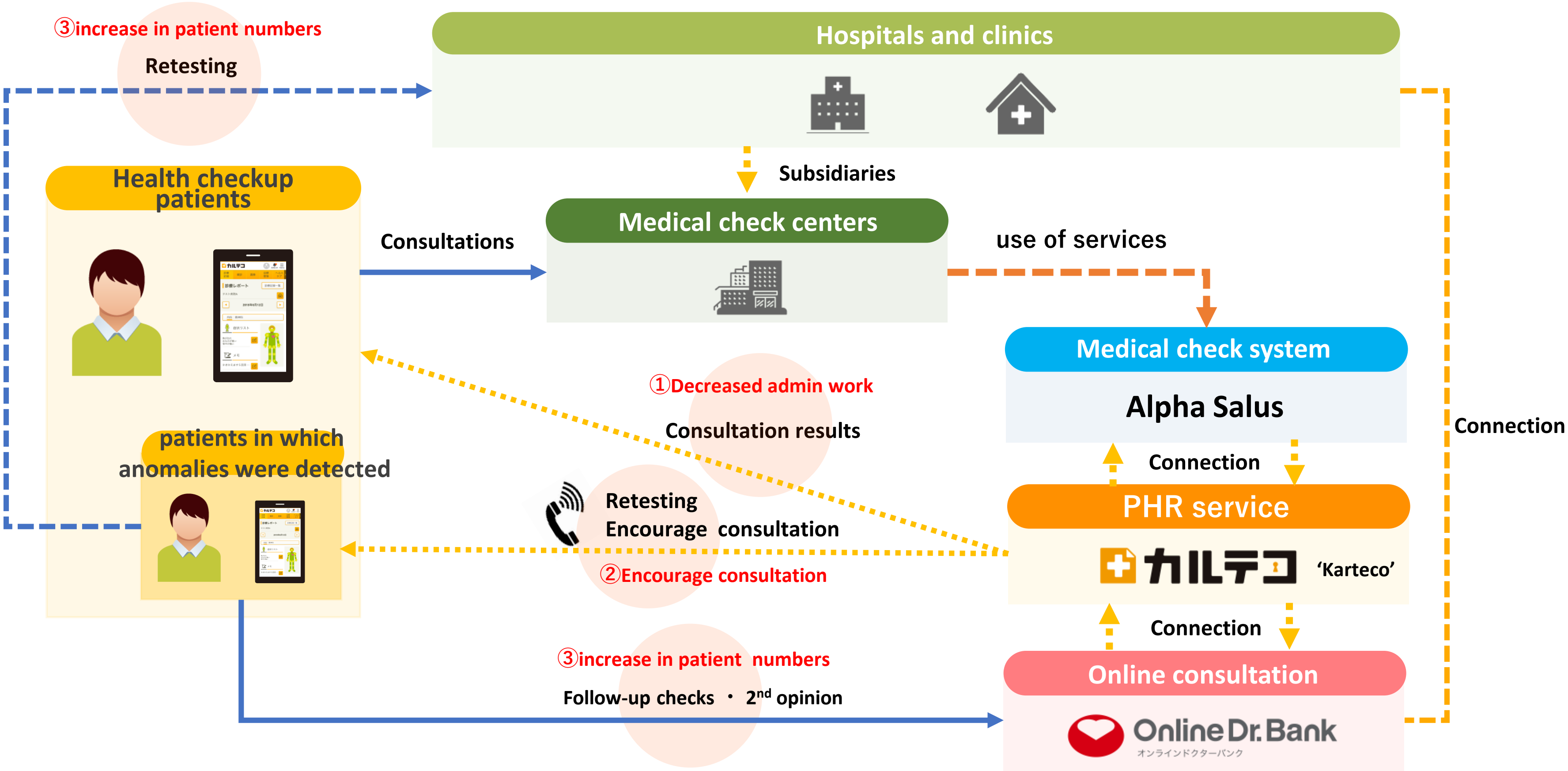
→ Action

⋯▶ Medical and medical check data

1)-② Medical check systems installed as a set with 'Karteco'

Future vision including 'Karteco' to boost installation as a set

Encourages retesting of patients in which anomalies were detected, which is not conducted at medical test centers, by building a pathway to retesting consultation, offering the prospect of increase in patient numbers



③increase in patient numbers

Retesting

Hospitals and clinics

Subsidiaries

Health checkup patients

Consultations

Medical check centers

use of services

Medical check system

Alpha Salus

Connection

①Decreased admin work

Consultation results

patients in which anomalies were detected

Retesting
Encourage consultation

②Encourage consultation

PHR service

カルテコ 'Karteco'

Connection

③increase in patient numbers

Follow-up checks ・ 2nd opinion

Online consultation

Online Dr. Bank
オンラインドクターバンク

2) Expand data sales, inc. overseas, and strength operations in insurance field

Added business alliance with DeNA to focus businesses for FY2022

Integrated DB loaded onto ‘MDV analyzer’ and aim to begin service soon

Health insurance data on more than 15mn people

Health Insurance Associations:
7.80mn people

Hospital data: 40.16mn
(actual patient number)

Largest medical DB in Japan

Health Insurance Associations
＋local authorities:
8.08mn people

*Data as of end-Jun 2022

Outline of the Business Alliance

1.Collaboration in data utilization

①By combining the database of both companies, it would result into the largest medical database in Japan, regrouping 40 million patient hospital data combined with health insurance data of 15 million patients.
②The combined database will be the data source of MDV analytics web tool 「MDV analyzer」 and the service is expected to go-live this summer.

2.Collaboration in Direct-to-Consumer health promotion services

By sharing know-how of their respective services such as MDV’ s PHR service “Karteco” and DeSC Healthcare’ s “kencom” both companies will cooperate to further support the health promotion to consumers and contribute to the optimization of medical expenses and services.

2）Data strengthened via alliance with DeNA

Integration of DB will raise the volume and quality of the DB for health insurance users

Supplements the limited amount of data for elderly patients on the health insurance DB

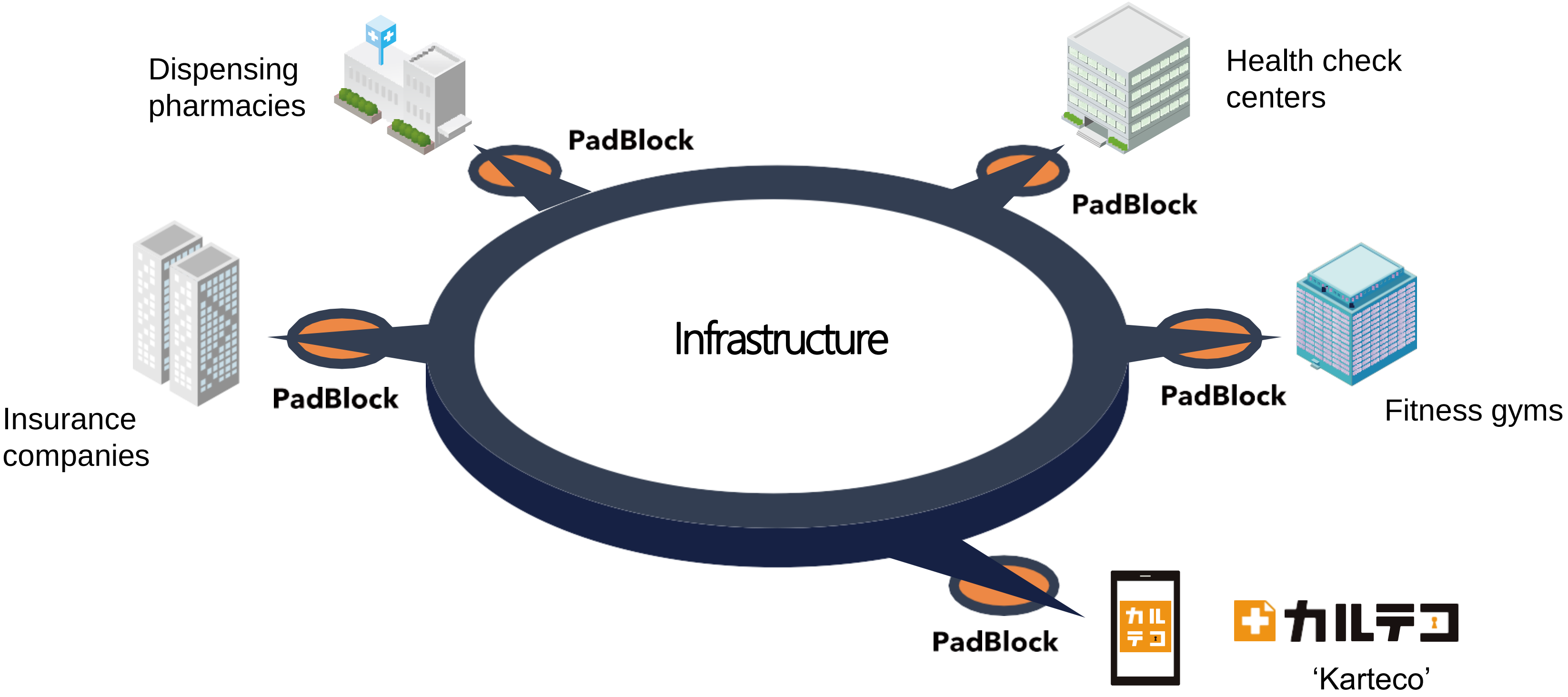
A medical DB more closely aligned to the actual demographic will enable more accurate diagnosis

Age	Acute diseases	Mild diseases・chronic diseases
65+	MDV medical.data.vision **40.16**mn people DPC data （Hospitals）	DeNA HEALTHCARE **8.08**mn people Health ins. data （Health Ins. Associations ＋National Health Ins.＋Elderly in the Latter Stage of Life）
15－64		MDV medical.data.vision **7.80**mn people Health ins. data （Health Ins. Associations）
0－14		

3)-① The HMV concept

The HMV concept is a challenge investment in future growth

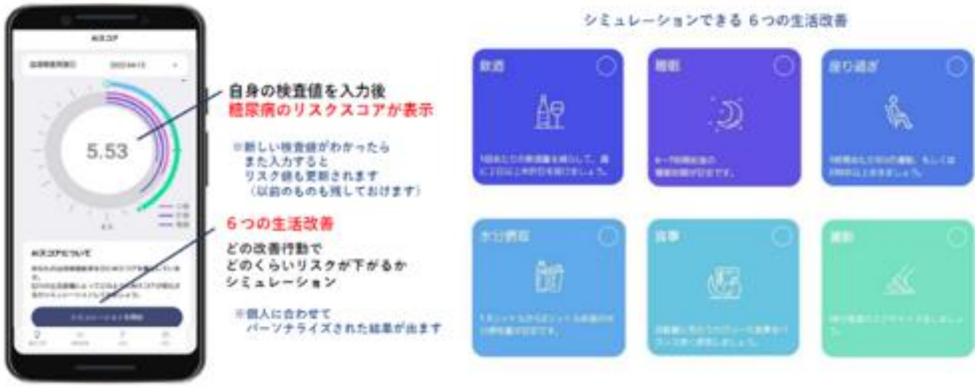
It encompasses the infrastructure necessary to achieve our aim of creating a data utilization society


Dispensing pharmacies
PadBlock
Health check centers
PadBlock
Infrastructure
Insurance companies
PadBlock
PadBlock
Fitness gyms
PadBlock
カルテ
コ
カルテコ
'Karteco'

3)-② Develop the HMV business

MDV cooperates with SBI Securities to launch “dAIbet”（7/6～）

SBI SECURITIES account users will be encouraged to actively work on diabetes prevention by downloading “dAIbet”.


5.53
自身の検査値を入力後
糖尿病のリスクスコアが表示
※新しい検査値がわかったら
また入力すると
リスク値も更新されます
（以前のものも残しておけます）
6つの生活改善
どの改善行動で
どのくらいリスクが下がるか
シミュレーション
※個人に合わせて
パーソナライズされた結果が出ます
シミュレーションできる 6つの生活改善
飲酒
睡眠
座り過ぎ
水分摂取
食事
運動

【2D code for app download】

■Summary

MDV and SBI SECURITIES Co., Ltd. which has the largest number of securities accounts in Japan with approximately 8.45 million accounts (*1) are pleased to announce their new cooperation project to promote diabetes prevention. Through the cooperation between MDV and SBI SECURITIES, securities account users will receive notifications such as email newsletters. SBI SECURITIES account users will be encouraged to actively work on diabetes prevention by downloading “dAIbet”.

※1 As of the end of March 2022, the number of SBI accounts includes the number of SBI Neomobile Securities accounts since the end of April 2019, the number of SBI Neotrade Securities accounts since the end of October 2020, and the number of FOLIO accounts since the end of August 2021.

■About”dAIbet”(※2)

With “dAIbet”, any diabetic patient can enter their vital data such as blood test values to manage their exposure to the risk of diabetes aggravation, by displaying indicators on the screen, which can be useful for health management. Diabetes risk is calculated by AI (artificial intelligence) algorithm based on medical data of MDV. “DAIbet” also provides life-improving measures for diabetes prevention, and users can evaluate how the current risks could be reduced by changing behaviors as a result of implementing those improvement measures. This app is available for free.

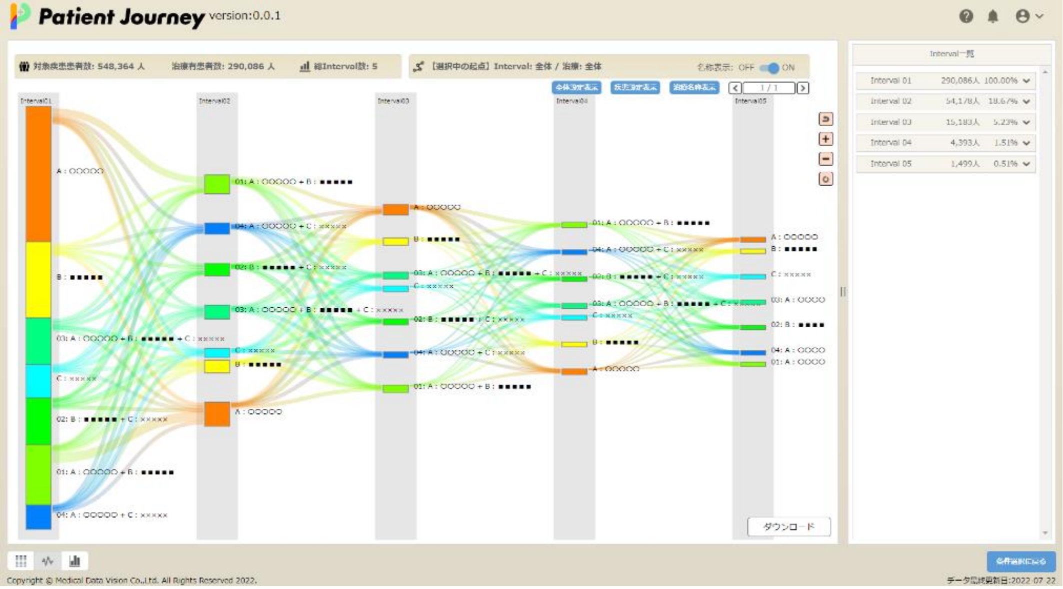
※2 "dAIbet" coined by combining AI and diabetes

Latest Topics

Topic Launch of “MDV analyzer for Patient Journey”

Introducing “MDV analyzer for Patient Journey”

A Chronological Approach to Monitor Changes in Treatment & Prescription


Patient Journey version:0.0.1
名称表示: OFF ON
全体分析表示
疾患分析表示
治療名称表示
1 / 1
Interval01
Interval02
Interval03
Interval04
Interval05
A : OOOOO
B : ■■■■■
C : xxxxx
01: A : OOOOO + B : ■■■■■
02: B : ■■■■■ + C : xxxxx
03: A : OOOOO + B : ■■■■■ + C : xxxxx
04: A : OOOOO + C : xxxxx
ダウンロード
条件選択に戻る

対象疾患患者数: 548,364 人　治療有患者数: 290,086 人　総Interval数: 5

【選択中の起点】Interval: 全体 / 治療: 全体

Interval一覧		
Interval 01	290,086人	100.00%
Interval 02	54,178人	18.67%
Interval 03	15,183人	5.23%
Interval 04	4,393人	1.51%
Interval 05	1,499人	0.51%

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What is possible with “MDV analyzer for Patient Journey”

①Grasp the actual conditions of clinical surgery / treatment, drugs, etc for each disease
②Check prescription changes, treatments, etc. of patients undergoing medical treatment in chronological order
③Get a Visual display by Sankey diagram (chart showing flow rate between processes)
④Compare with clinical practice guidelines

Patient Journey is a common expression to represent the historic progression through which a patient would consult medical professionals and would be treated for a disease or symptom, with the subsequent medication and treatment, while the patient’s health conditions may evolve positively or negatively, requiring adjustments in the treatment.
By using the “MDV analyzer for Patient Journey”, users can enter the name of the disease, set the period, and analyze the evolution of treatment with the conditions of the patient based on details of the surgery / treatment that the patient received, the prescribed medicines, etc. . It is also possible to check the clinical status of each clinical practice guideline.

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IR Contents in English

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