

# FY2024 Q3 Financial Results

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

November 11, 2024

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## Q3 results

### FY consolidated results forecast and medium-term management plan

## Measures to achieve the medium-term plan are progressing, no changes to the medium-term plan

- Delays in plans for 'ALPHA SALUS' and 'Karteco' impacting FY's financial results
- The FY2024 forecast is revised downward, however measures are progressing the foundation for sales growth to achieve the medium-term plan is being laid

## Business progress

## Status of services to achieve medium-term plan and future measures

- Substantial increase in personnel, building a structure for future growth is progressing as planned
- 'MDV Act' progressing as planned
- 'ALPHA SALUS' software issue repaired and resumed introduction
- 'Karteco' saw an increase in number of downloads thanks to TV commercials, 'Karteco' newly released for enterprises
- Data Utilization Services progressing to reach current FY sales target and for further growth in the next FY

# FY2024 Q3 Financial Results

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# FY2024 Q3 results comparison (year-on-year)

## Sales and Profit declined YoY

Sales : Mainly due to decrease of sales in Data Utilization Services

Profit : Decrease in profit due to lower sales. Increase in SG&A expenses due to execution of growth investments

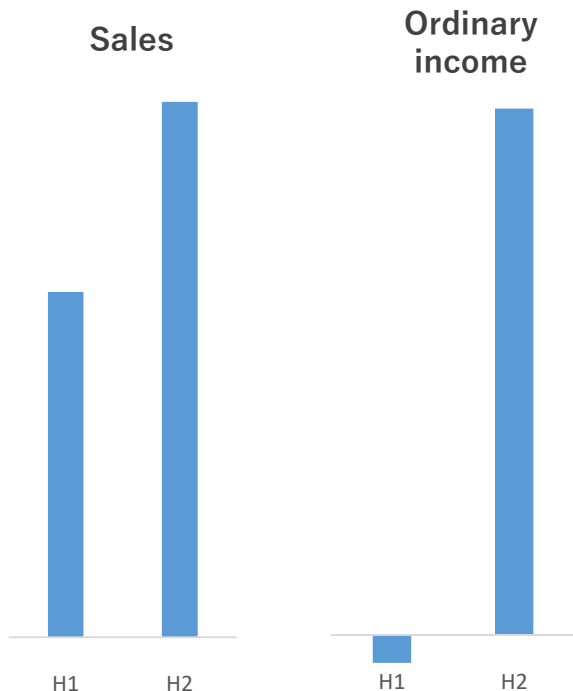
(Millions of Yen)	Q3 (Q1-Q3)		
	FY2023 Q3 results	FY2024 Q3 results	YoY
Sales	4,487	4,125	-8.1%
Sales growth	+ 3.7%	-8.1%	—
Operating income	1,111	-140	—
Ordinary income	1,063	-229	—
Ordinary income ratio on sales	23.7%	-5.6%	—

## Sales and Profit behind schedule

Sales : Delayed progress in Karteco, ALPHA SALUS, and Data Utilization Services

Profit : Lower profit due to decreased sales. Growth investments executed as planned, SG&A expenses generally in-line with plan

Image of this fiscal year's performance plan



### Concept of this FY's plan

- ① Sales growth driven by increased headcount in sales teams
- ② Expansion of sales in cloud-based services
- ③ Aggressive deployment of 'Karteco'

**H1 :** Increase/strengthen sales force, order-taking activities for cloud-based services, and wide-spread adoption of Karteco

**H2 :** Accumulation of recurring and non-recurring sales through expansion of cloud-services and sales growth by increasing Karteco users

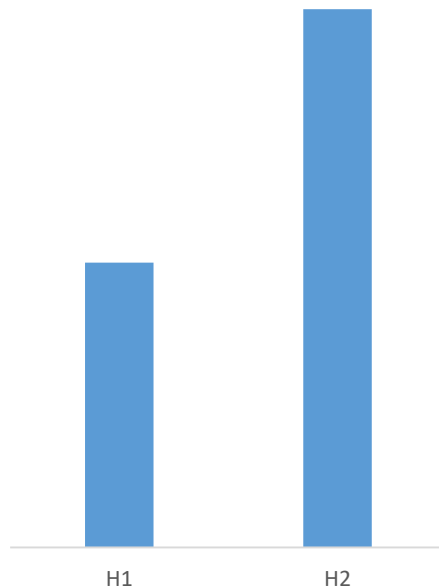
### Q3 Status

- 'MDV Act' development is progressing as planned
- 'ALPHA SALUS' software issue repaired and resumed introduction in October
- 'Karteco' had a large increase in number of downloads thanks to TV commercials, exceeding plan. Cat sensing function delayed into Q4 however with the launch of 'Karteco' for enterprises, progress being made in acquiring customers and prospective customers
- 'Data Utilization Services' delayed verse plan. Onset effect from increasing sales personnel gradual, however orders being received through sales collaboration with TXP Medical

## 'MDV Act' on track, 'ALPHA SALUS' and 'Karteco' delayed

Enhancements and development delays caused significant delays in business plans

Data network service  
Image of this fiscal year's performance plan



### Concept of this FY's plan

Sales growth through 3 services in focus this FY

- ① Expansion of 'MDV Act' sales
- ② Expansion of 'ALPHA SALUS' sales
- ③ Aggressive deployment of 'Karteco'

H1 : Order-taking activities for cloud-based services, wide-spread adoption of Karteco

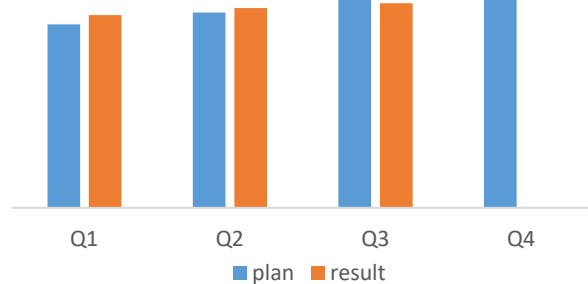
H2 : Accumulation of recurring and non-recurring sales through expansion of cloud-services and sales growth by increasing Karteco users

### Q3 Status

- 'MDV Act' development is progressing as planned
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# Sales by Services of Focus (vs. Plan)

## MDVAct



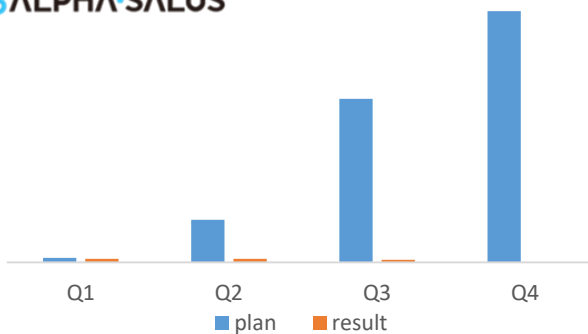
### Concept of this FY's plan

- Steady build-up of recurring sales by increasing the number of contracted hospitals
- Sales growth by acquiring new contracted hospitals through release of new paid functions and cross-selling to existing customers

### Q3 Status

- Focus being in acquiring new hospital contracts, hence increase in number of hospitals with paid contracts moderate (2024 Q2 674 hospitals→2024 Q3 683 hospitals)

## ALPHA-SALUS



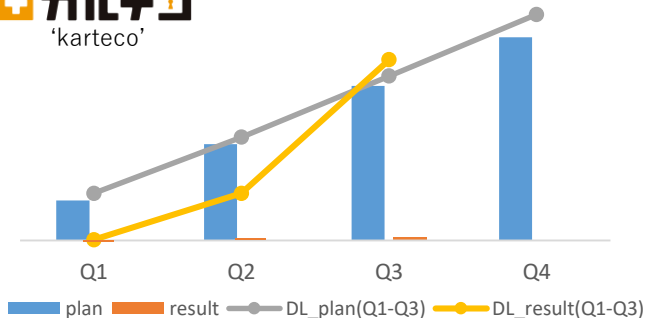
### Concept of this FY's plan

- Target number of Medical checkup system installed facilities : 161 facilities (+61 facilities From FY2023)

### Q3 Status

- Malfunction repair completed and introduction resumed in October, however difficult to achieve plan

## カイルテコ 'karteco'



### Concept of this FY's plan

- Number of downloads 780,000 downloads
- Sales 520mn yen

### Q3 Status

- 'Karteco' had a large increase in number of downloads thanks to TV commercials, exceeding plan
- 'Karteco' for enterprises launched, progressing towards acquiring new customers and prospective customers
- Release of cat sensing function delayed into Q4



# Data network service sales (year-on-year)

## Sales decreased YoY due to partial cancellation of sales in Q2

Sales decrease in new business (subsidiary) due to merger with System Be Alpha

(Millions of Yen)	Q3(Q1-Q3)		
	FY2023 Q3 results	FY2024 Q3 results	YoY
Data network service	1,053	900	-14.6%
Recurring	655	646	-1.4%
Non-recurring	158	88	-44.4%
New businesses (subsidiaries)	239	161	-32.8%
Karteco	—	4	—

※System Be Alpha sales previously included in new business (subsidiaries), MDV acquiring System Be Alpha in July 2024, reclassified to recurring and non-recurring from 2024 Q3

## ‘MDV Act’ sales growth progressing as planned

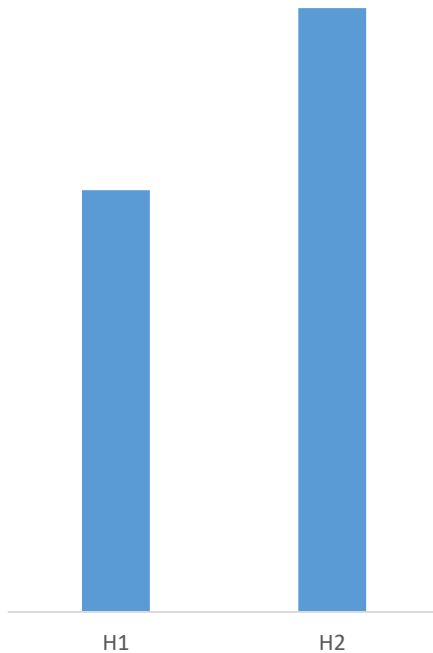
‘Karteco’ downloads surpasses Q3 plan as TV commercials showing a positive effect

Indicators		FY2022 Results	FY2023 Results	FY2024 Q1 Results	FY2024 Q2 Results(Q1-Q2)	FY2024 Q3 Results(Q1-Q3)	FY2024 Targets
MDV Act sales growth rate		—	—	— ※	+196.8%	<b>+106.6%</b>	+78.4%
Number of installations of medical checkup systems		94	100	97	97	<b>87</b>	161
Karteco	Number of downloads	—	—	62,105	167,698	<b>630,369</b>	780,000
	Sales (Millions of Yen)	—	—	0	0	<b>4</b>	520

※ ‘MDV Act’ launches paid functions starting 2023 Q2

**Results of sales alliance with TXP Medical beginning to show**  
To further strengthen cooperation and increase the number of receiving orders going into Q4 demand period

Data utilization service  
Image of this fiscal year's performance plan



## Concept of this FY's plan

- Maintain sales growth by strengthening sales force
- H1 : Recruitment and development of sales personnel  
H2 : Organic sales growth thanks to increased sales force

## Q3 Status

- Winning orders through sales cooperation with TXP Medical
- Promptly strengthen new sales personnel to become immediate assets

# Data utilization service sales (year-on-year)



**Sales personnel have increased, but effect has been gradual**

System is already in place, efforts being made to make sales force more effective going into Q4 demand period

(Millions of Yen)	Q3(Q1-Q3)		
	FY2023 Q3 results	<b>FY2024 Q3 results</b>	YoY
Data utilization service	3,030	<b>2,836</b>	-6.4%
Medical data survey analysis	2,373	<b>2,157</b>	-9.1%
MDV analyzer	657	<b>678</b>	+ 3.3%

# FY2024 Q3 results:cost analysis

## Substantial increase in staff, building a foundation for future growth progressing as planned

Headcount increase, upfront investment in 'MDV Act', 'ALPHA SALUS', 'Karteco'

(Millions of Yen)	<b>【Consolidated】 FY2023 Q3 results</b>	<b>【Consolidated】 FY2024 Q3 results</b>	YoY	Details
CoGS	328	<b>351</b>	+ 7.0%	• Increase in support costs (mainly costs for MDV Act paid functions, Karteco, and other cloud services) (+24M)
Personnel Costs	445	<b>524</b>	+ 17.8%	• Higher wage costs from salary increases, headcount rise, etc (+45M)
Hiring costs	9	<b>41</b>	+ 334.5%	• Increase in new graduate hire and training-related expenses (+12M) • Increase in mid-career hire related expenses (+15M)
Others	319	<b>637</b>	+ 99.2%	• Increase in advertising expenses (mainly Karteco) (+235M) • Increase in support costs (mainly AWS and other external service fees) (+29M)
R&D costs	24	<b>39</b>	+ 59.2%	• Increase in MDV Act development expenses (+11M)
non-operating expenses	28	<b>30</b>	+ 9.4%	• Investment loss on equity-method affiliate of SENSING Co., Ltd. (+2M)
Total costs※	1,121	<b>1,543</b>	+ 37.6%	
Employees	260	<b>309</b>	+ 18.8%	

※ The total of CoGS, SG&A and non operating expenses

# FY2024 Consolidated Results Forecast Medium-term Management Plan

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# FY2024 Consolidated Results Forecast

## Revised full-year consolidated earnings forecast

Mainly affected by delay verse plans in 'Karteco' and 'ALPHA SALUS', issues have been resolved

### Consolidated

(Millions of Yen)	FY2024 previous forecast	<b>FY2024 revised forecast</b>	Amount change	Percentage change	(Reference) FY2023 results
Sales	8,000	<b>6,600</b>	-1,400	-17.5%	6,419
Operating income	1,630	<b>510</b>	-1,120	-68.7%	1,770
Ordinary income	1,540	<b>390</b>	-1,150	-74.7%	1,700
Net income attributable to owners of parent	1,000	<b>180</b>	-820	-82.0%	979

## No changes to medium-term management plan

Measures are progressing and the foundation for sales growth is being laid for achieving the medium-term management plan

FY2025  
Sales

**10** Billion  
yen

FY2025  
Ordinary  
Income

**2.5** Billion  
yen  
or more



# Business progress

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## Status of services of focus and data utilization services, future measures

1

Cloud based hospital management improvement application  
Expand sales of 'MDV Act' paid functions

2

Expand sales of cloud  
based medical checkup systems ('ALPHA SALUS')

3

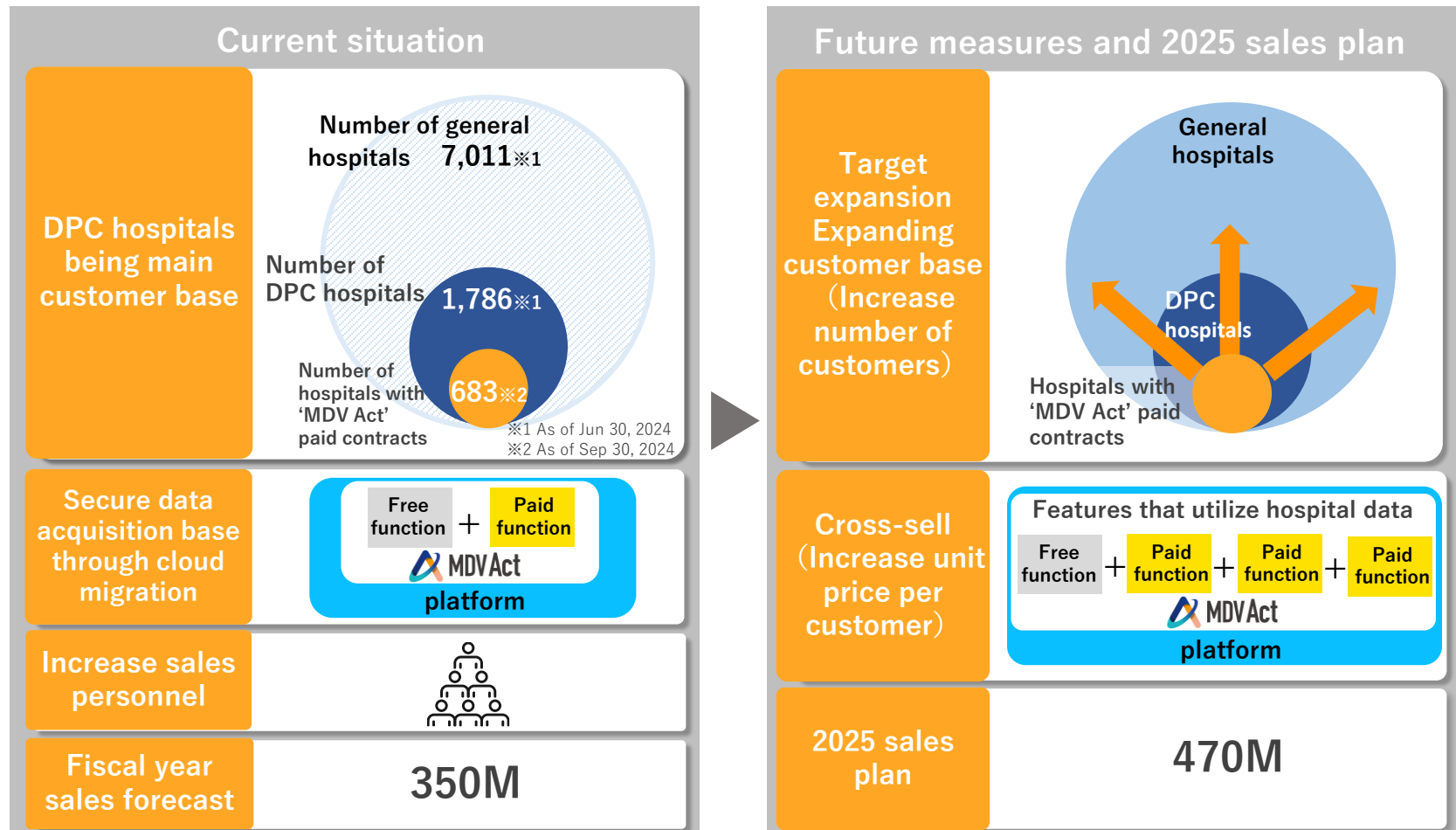
Promote widespread adoption of 'Karteco'

4

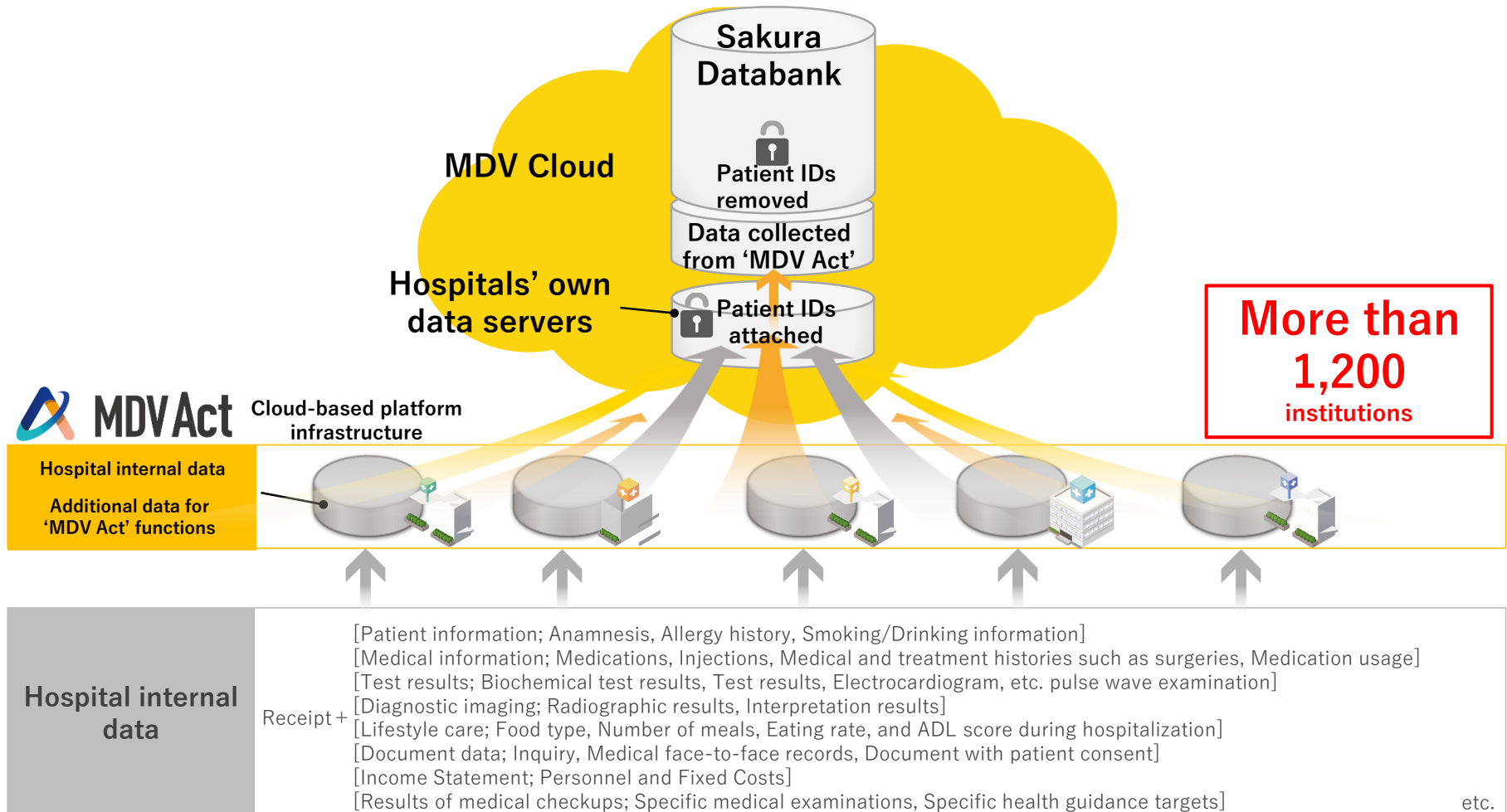
Growth of data utilization services

### Expanding sales of MDV Act is an important strategy for sales growth and new data collection

Strengthening capabilities of new sales personnel to become immediate assets and developing paid functionality are rapidly underway



### Expand sales of 'MDV Act', improve data quality



**Repair of software malfunction completed, constructing an efficient introduction installation system under way**  
Stronger sales force and installation system to boost sales and installations at once

**Current situation**

- Software issue repair completed
- Sales · installation personnel increase
- Constructing an efficient installation system
- Fiscal year sales forecast **39M**



**Future measures and 2025 sales plan**

- Receive early orders by prospects
  - MDV customer base more than 1,200 hospitals
  - <Target> Hospitals providing medical checkups among MDV customers Approx. 60%
  - Plenty of proposal sources
  - ALPHA SALUS + カルテコ 'Karteco'
  - Competitive advantage to encourage medical checkups
- Effective installations
- 2025 sales plan **730M**

# 3 Promote widespread adoption of 'Karteco'

## Promoting TV commercials and transportation advertisements in metropolitan areas

Regardless of TV commercials having ended, downloads through searches have increased, leading to increased recognition

### Mass media Advertising

#### TVCM



Mid-August ~  
Area : Kanto, Kansai, Nagoya, Fukuoka, Hokkaido  
Broadcasters : Fuji, Nippon Television Network

#### Traffic Advertising



Mid-August ~  
Area : Kanto, Kansai, Nagoya, Fukuoka

#### Operational Advertising



Mid-August ~  
Area : Nationwide

OTT(Over The Top) services

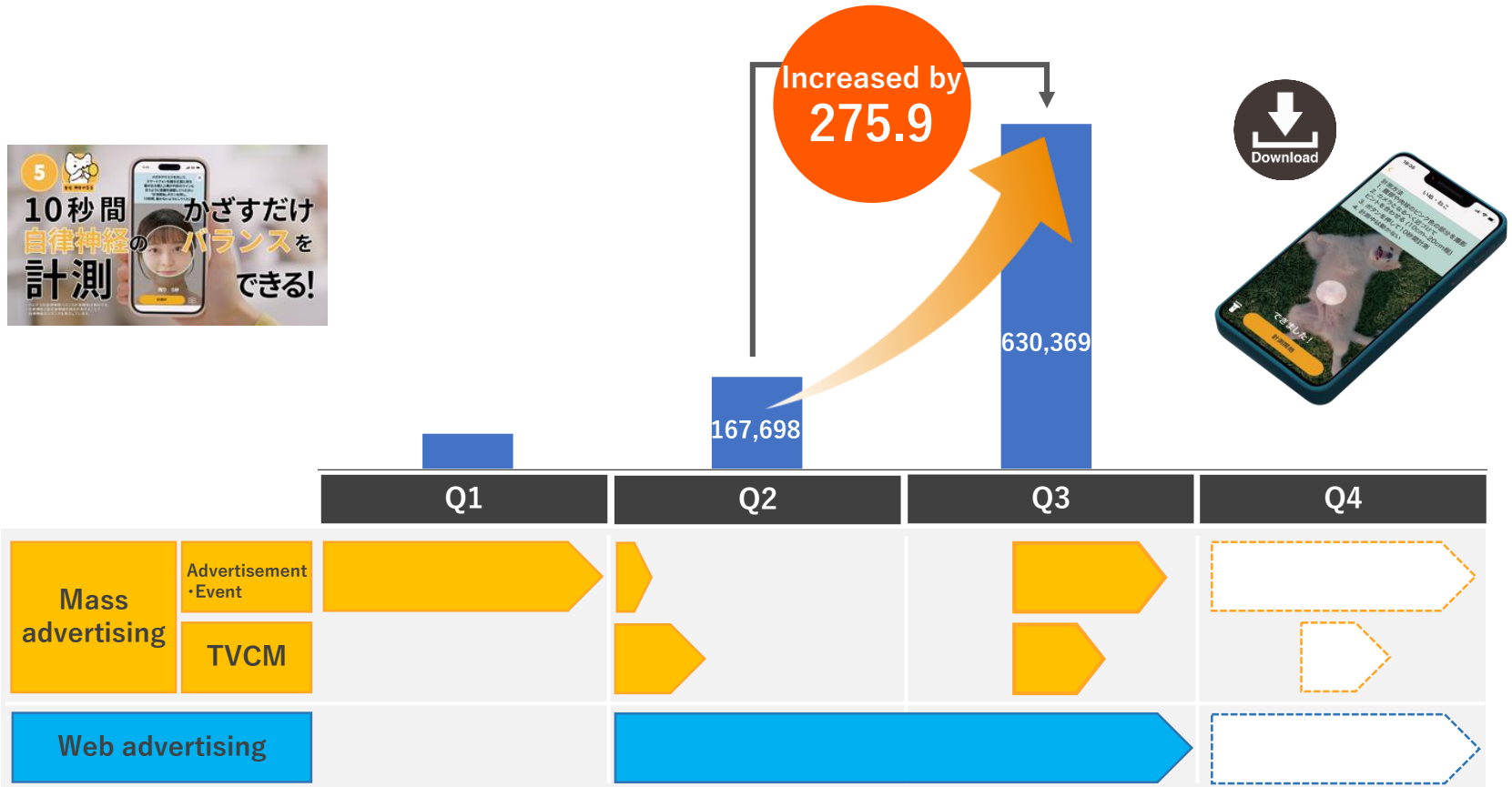
※ All screens are images



### 3 Promote widespread adoption of 'Karteco'

## TV commercial effect leading to dramatic increase in downloads

Cumulative total exceeded Q3 plan, significant progress towards achieving KPI of 780,000 downloads this term



Solid line . . . Completed  
Dotted line . . . Plan

# 3 Promote widespread adoption of 'Karteco'

## Expansion of future prediction function, risk prediction diseases increased from 6 to 34 diseases

Leads to life-style change to stay healthy and prevent diseases, and encourages consultation post medical checkups

**未来予測**

健康診断結果と設問回答を基に、あなたの未来「34疾患」を予測します。

未来予測レポートを作成する

未来予測レポートを見る

**未来予測**

2024/9/30レポート

未来予測レポートサマリ

健康リスクTOP3

- 1 脳卒中 12.3
- 2 胃十二指腸潰瘍 8.9
- 3 小腸大腸ポリプ... 6.4

発症率TOP3

- 1 小腸大腸ポリプ 10.2倍
- 2 糖尿病 2.5倍
- 3 脂肪肝 2.3倍

病名をタップすると詳細が確認できます

**疾患別詳細**

脳卒中

健康リスク 12.3

疾患リスク 3.2%

疾患倍率 2.5倍

この病気について

リスクシミュレーター

以下の項目を変化させることで、リスク値をシミュレーションできます。

● 喫煙	吸う	吸う
● 体重	62.1kg	62.1kg
● 血圧	85-140	85-140
● 糖質 (HbA1c)	6.1	6.1
● 膽内蔵増 (LDL-C)	138mg/dl	138mg/dl
● 肝機能 (γ-GTP)	74U/l	74U/l

シミュレーションする

健康リスク	12.3	12.3
疾患リスク	3.2%	3.2%
疾患倍率	2.5倍	2.5倍

脳卒中に罹患した時の医療費を見る

医療費情報

**Disease prevention · health maintenance**

**Encourage consultation**

### Price revision

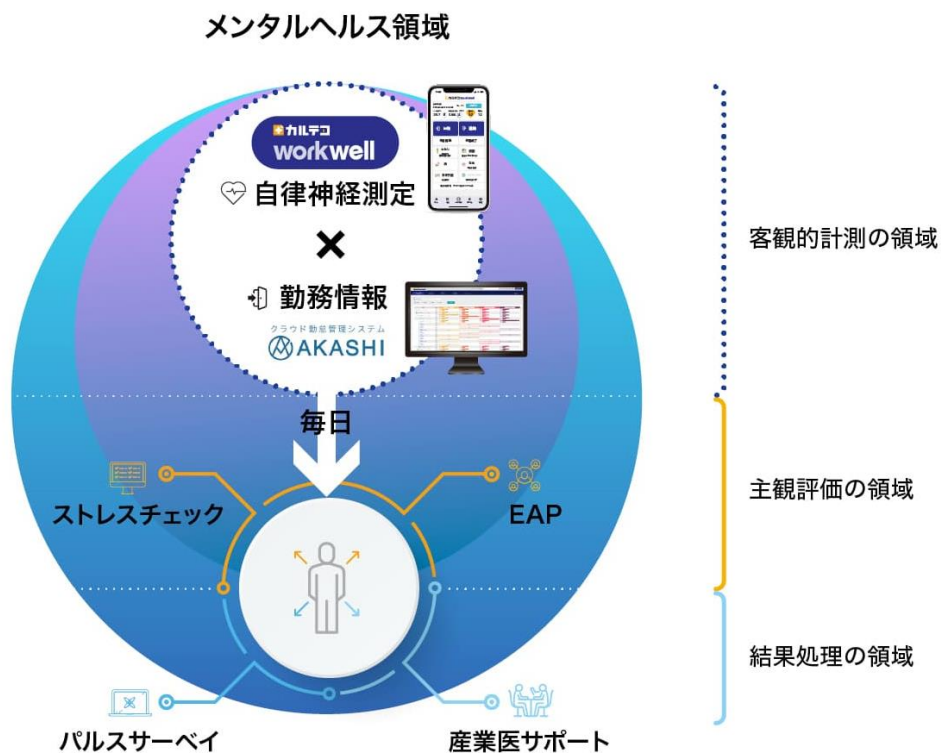
Current 220 yen per month → 550 yen per month / 5,500 yen per year \*New pricing plan



### 3 Promote widespread adoption of ‘Karteco’

## Release of ‘Karteco workwell’, a PHR system for companies

In addition to Sony Biz Networks, progress is being made in acquiring new customers and prospects



#### ■ Overview

- Collaboration with Sony Biz Networks’ cloud-based attendance management system “AKASHI”
- Propose a solution that objectively measures employee health conditions at the same time as managing attendance, predicting deterioration in health conditions at an early stage, and encourages remedial action

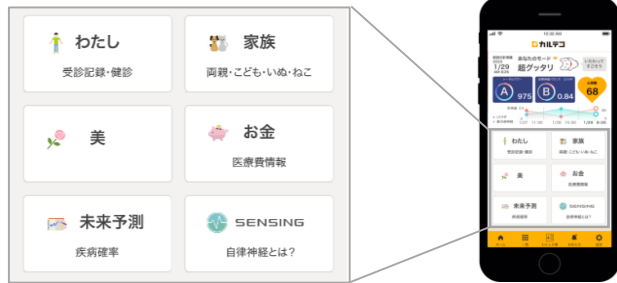
#### ■ Features

- Combining attendance and vital sensing information, analyzes working habits and autonomic nerves, objectively measuring employees’ mental state
- Using ‘Emo Scan Approach’, a new mental health approach consisting of 3 layers, ‘objective measurement’, ‘subjective measurement’, and ‘result processing’, help to create a tolerant and vibrant work environment

# 3 Promote widespread adoption of 'Karteco'

## Accelerate dissemination with 'Karteco workwell'

### 'Karteco', a PHR system for consumers



Promotion of ALPHA SALUS at installed locations



PR

Mass advertising  
Web advertising  
etc.

Collaboration with affinity sites

Companies with high affinity for medical and health information

### 'Karteco workwell', a PHR system for companies



Corporations with excellent health management

Approx. 20,000 companies ※1

Companies with high affinity

Warehousing, transportation, construction etc.

AKASHI users



※1. As of March 11, 2024

※2. ITreview Category Report Attendance System (September 2020) / Midsize enterprise : 100~999 employees

※3. ITreview Category Report Attendance System (September 2021) / Midsize enterprise : 100~999 employees

# 3 Promote widespread adoption of 'Karteco'

## Widespread promotion and usage of Karteco by approaching individuals and companies

### Current situation

Increased recognition of 'Karteco'	
Expanded functions of 'Karteco', a PHR system for consumers	
Launch of 'Karteco workwell', a PHR system for companies	
Fiscal year sales forecast	10M
FY Downloads forecast (Cumulative)	780,000



### Future measures and 2025 sales plan

Promotion of widespread usage through individual and corporate approaches	
Continued PR implementation	<ul style="list-style-type: none"> <li>① Promotion of ALPHA SALUS at installed locations</li> <li>② PR</li> <li>③ Collaboration with affinity sites</li> </ul>
2025 sales plan	1,000M
2025 Downloads plan (Cumulative)	5,300,000

# 4 Growth of data utilization services

Promote measures to acquire sales in the current fiscal year and increase sales growth in the next fiscal year

### Current situation

Increase sales personnel Strengthening capabilities	
Strengthening cooperation with alliance partners	<b>TXP Medical</b>
Preparation of new services	
Fiscal year sales forecast	<b>4,800M</b>

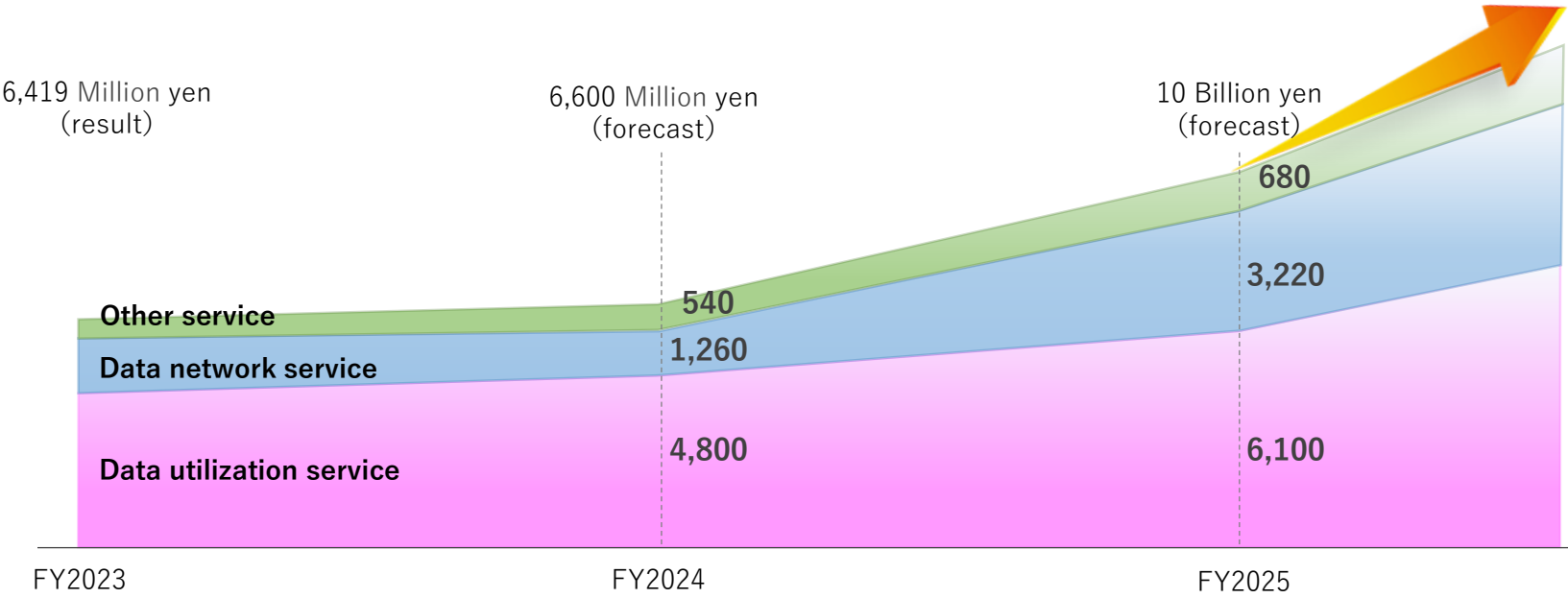


### Future measures and 2025 sales plan

Organic growth through increased staff effect	
Sales Growth Measures	<ul style="list-style-type: none"><li>① Strengthening sales of annual data provisions service</li><li>② Strengthen sales of post-marketing database studies</li><li>③ Acquire sales through new services</li><li>④ Expand sales through collaboration with alliance partners</li></ul>
2025 sales plan	<b>6,100M</b>

# Medium-term management plan

**No changes to medium-term management plan**  
All efforts to be made to achieve plan



Sales growth and acquisition of new data through 3 focused services

Dramatic growth of Data Utilization Services through new data

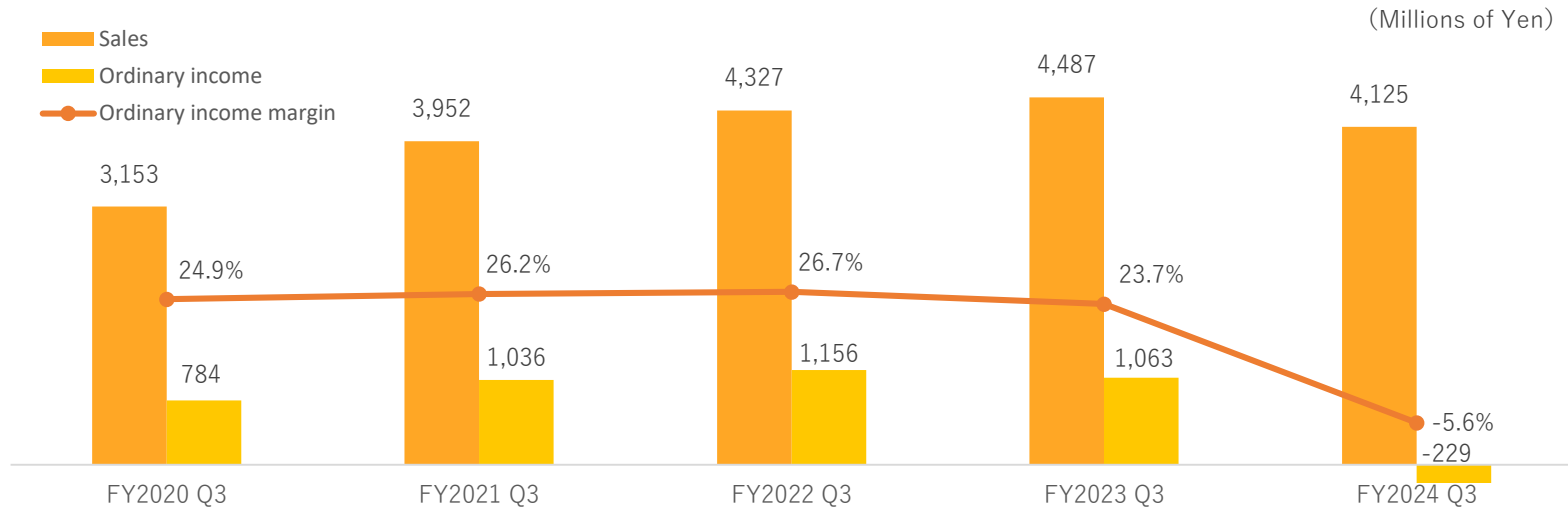
# Appendix

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# Q3 results by fiscal year, Q3 earnings by service

## Q3 results by fiscal year



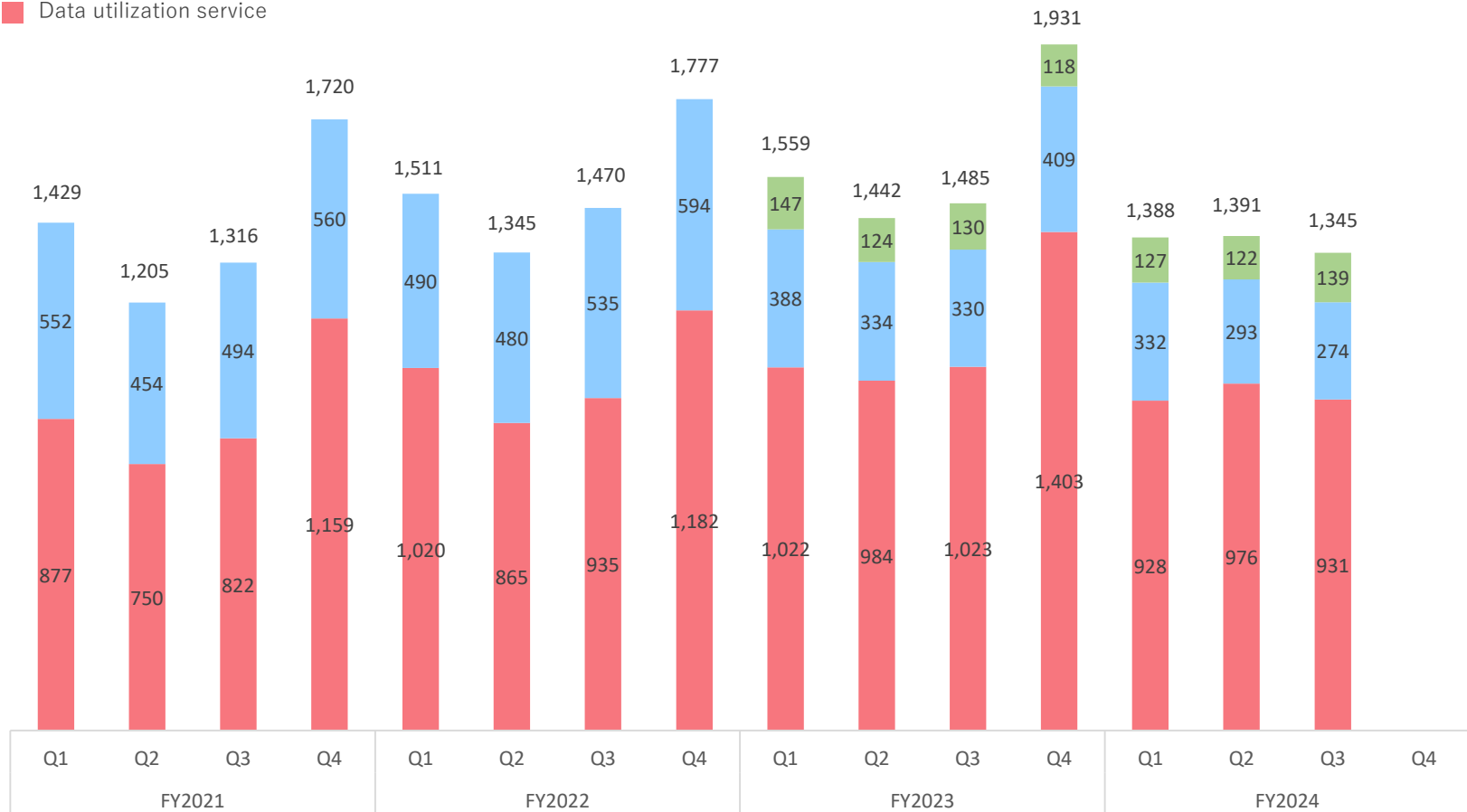
## Q3 earnings by service

(Millions of Yen)	Data Network Service	Data Utilization Service	Other Service	All-company total
Sales	900	2,836	389	4,125
YoY	-14.6%	-6.4%	-3.4%	-8.1%
Gross income	225	2,507	321	3,055
YoY	-53.2%	-7.1%	+ 0.2%	-12.8%
Ordinary income	—	—	—	-229
YoY	—	—	—	—

# Sales by quarter (breakdown by service)

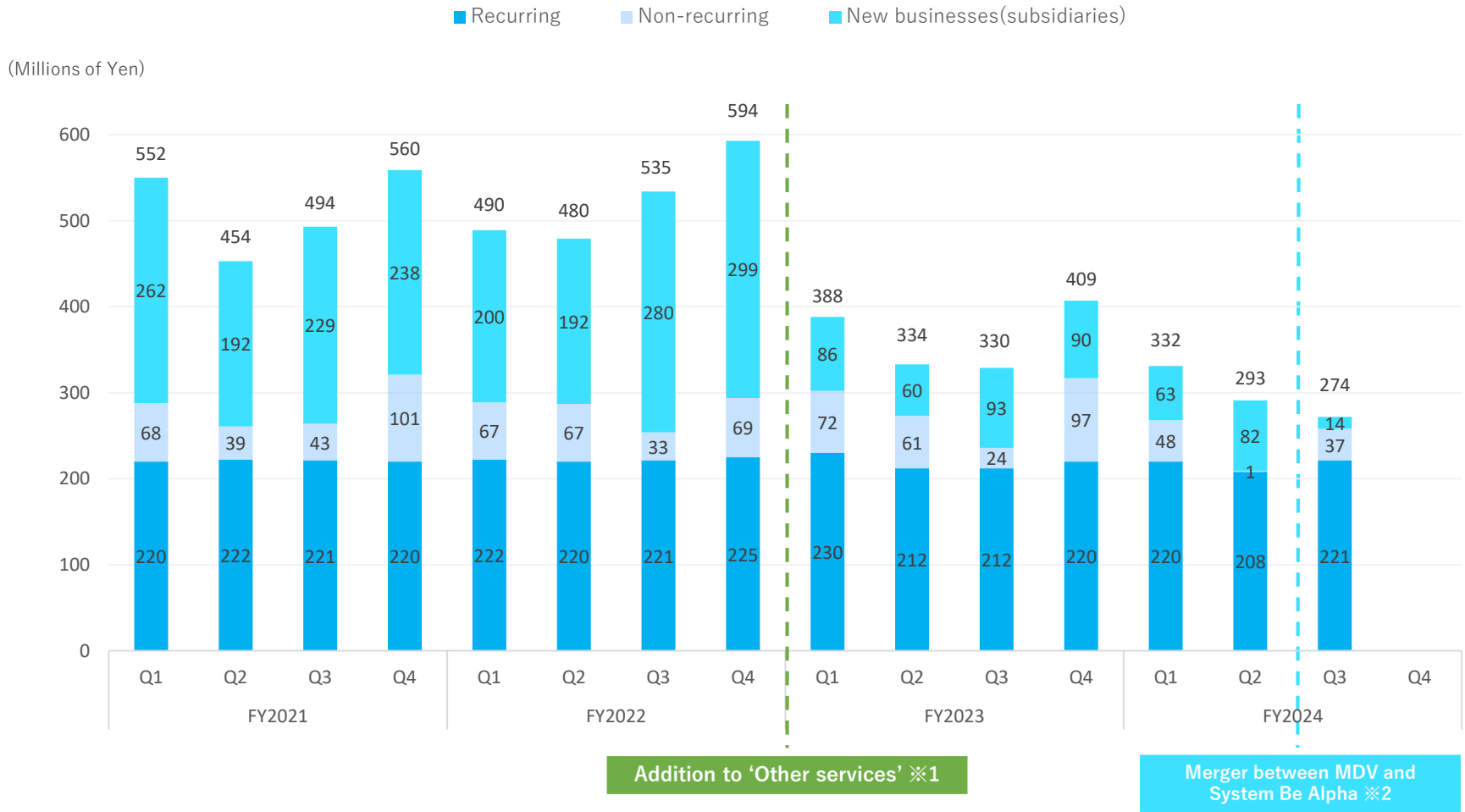
(Millions of Yen)

- Other service
- Data network service
- Data utilization service





# Data network service sales breakdown



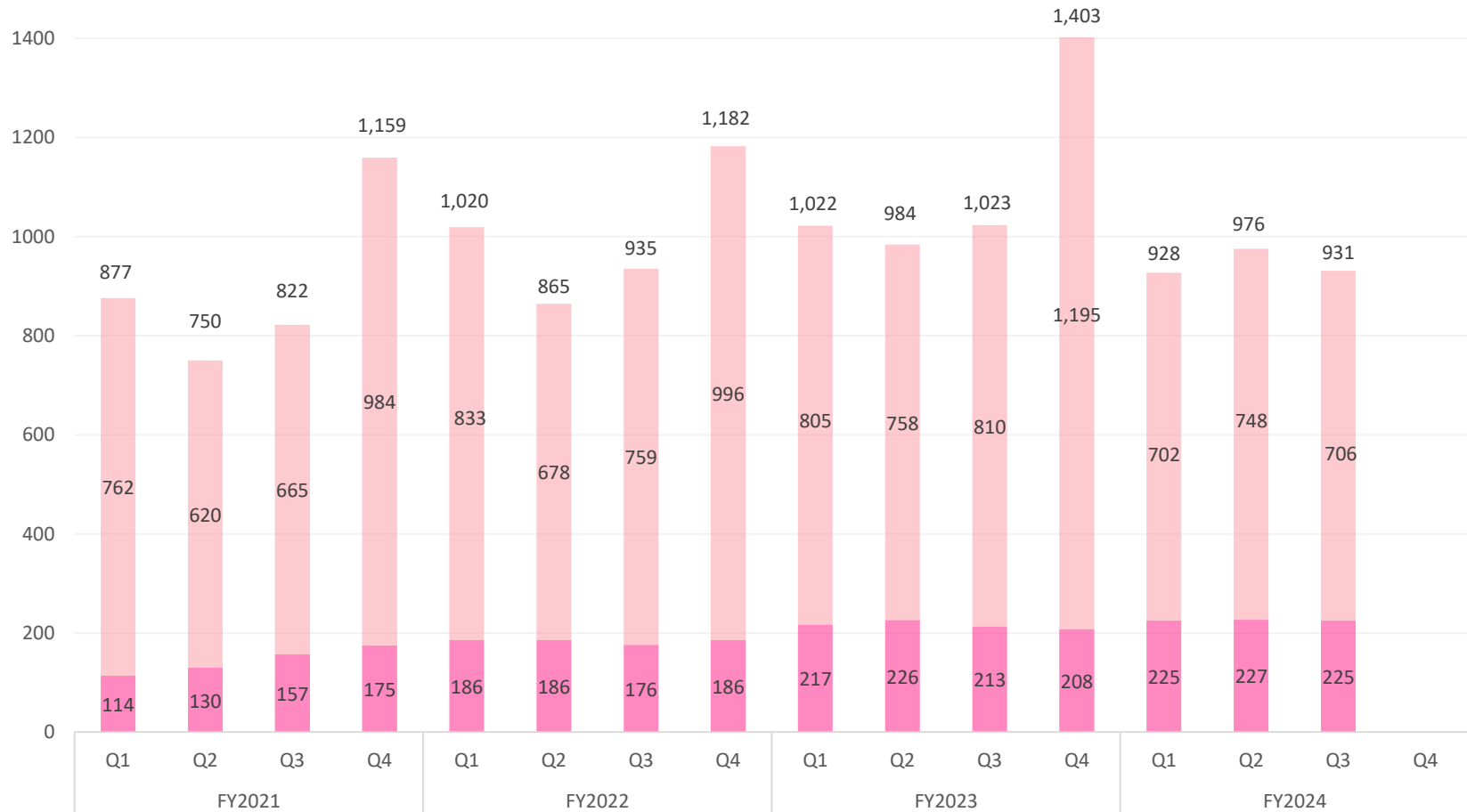
※1 As of 2023 Q1, sales of Doctorbook and AIRBIOS previously classified as New business (subsidiaries), has been reclassified as 'Other services'

※2 As of 2024 Q3, sales of System Be Alpha previously classified as New business (subsidiaries), has been reclassified as 'Recurring', 'Non-recurring'

# Data utilization service sales breakdown

(Millions of Yen)

■ MDV analyzer    ■ Medical data survey analysis



\*Owing to the absorption of MDV Trial on 1 January 2023, its sales, previously listed under New businesses (subsidiaries), are now included in medical data survey analysis.

## IR Contents in English

<https://en.mdv.co.jp/investor-relations/>

## Contacts

<https://en.mdv.co.jp/application/contactus/form.php?investor-relations-category2>

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