Supplementary Materials
（business overview）

Medical Data Vision Co.,Ltd.
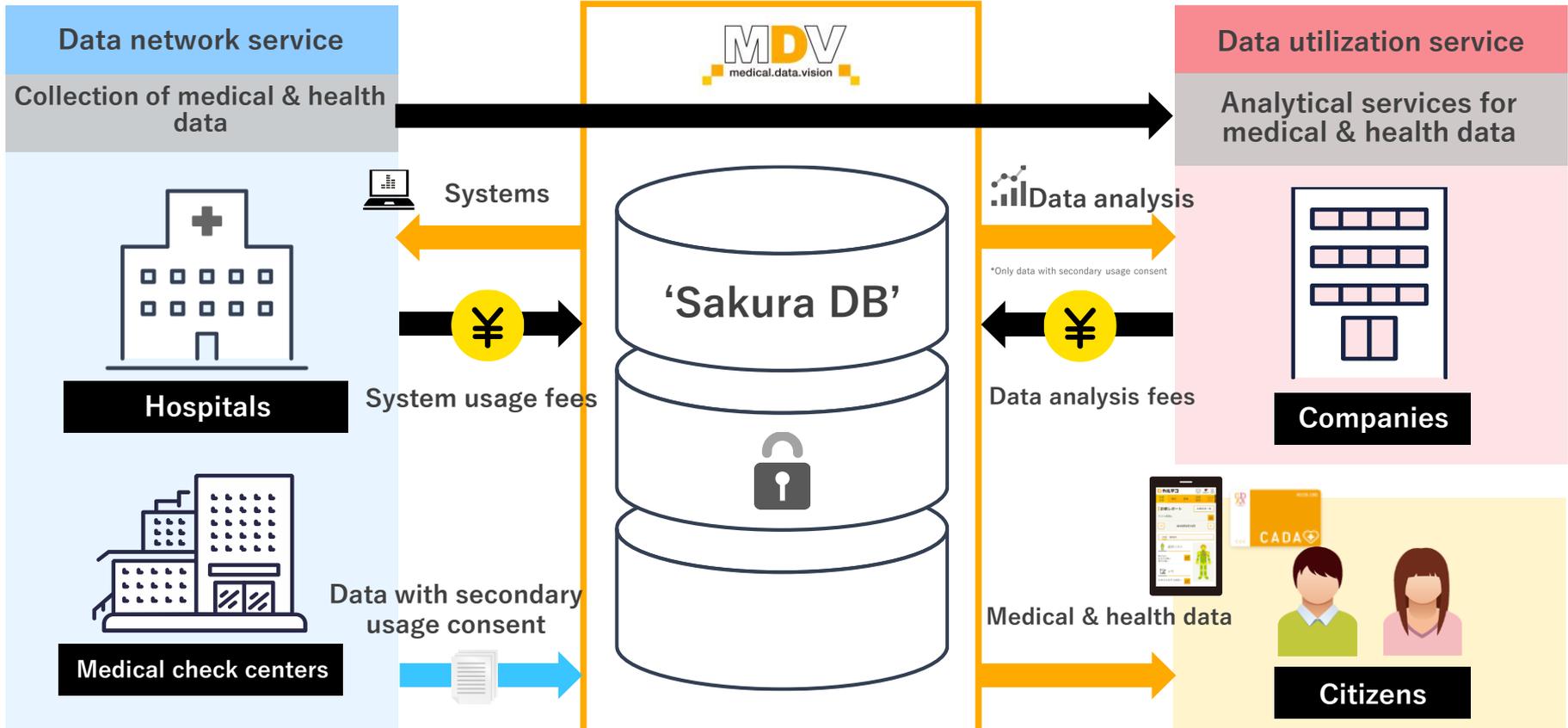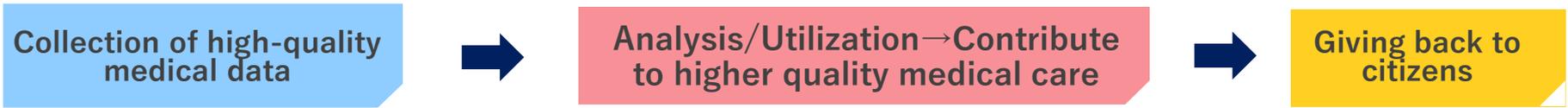** （ Code：3902 ）**
February 13, 2024

Contents

About Our Business

business model

Collection of high-quality medical data → Analysis/Utilization→Contribute to higher quality medical care → Giving back to citizens

Data network service
Collection of medical & health data

Data utilization service
Analytical services for medical & health data

Systems

'Sakura DB'

Data analysis

*Only data with secondary usage consent

Hospitals

System usage fees

Data analysis fees

Companies

Medical check centers

Data with secondary usage consent

Medical & health data

Citizens

Our business journey

Steadily expanding business fields, sales, and scale in line with our corporate vision

FY2016	FY2019	FY2025
Seeding period	**Investment period**	**Expansion period**

■Data utilization service to embark on a growth path
- Business growth amid market expansion
- Begin further strengthening data and DB
- M&A to accelerate growth
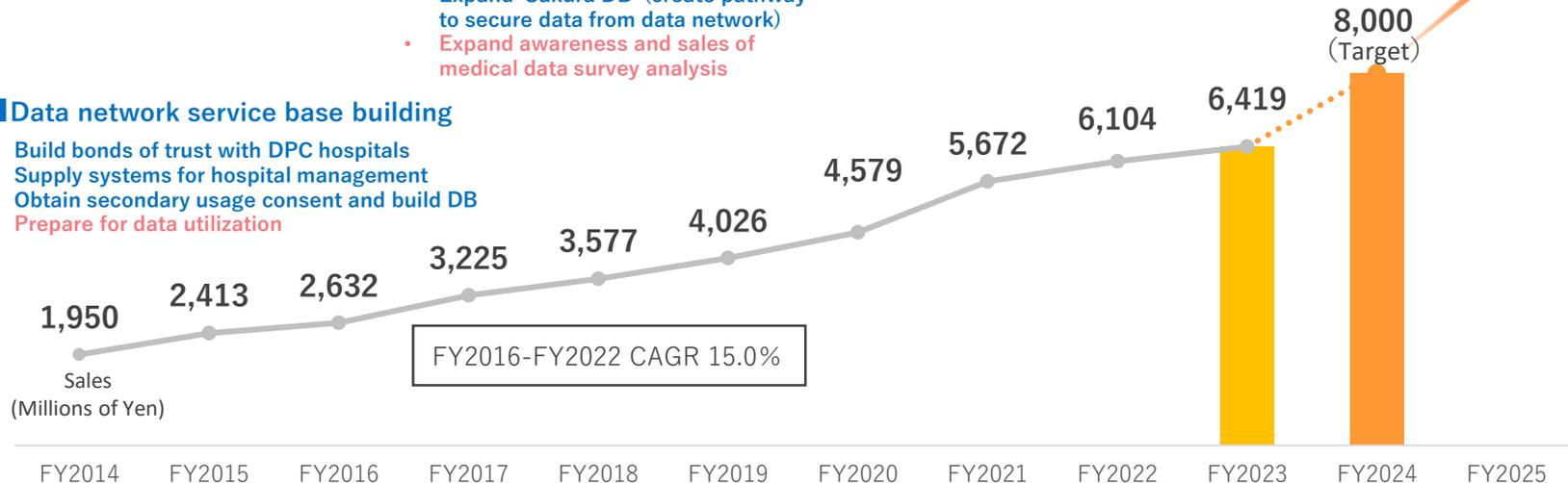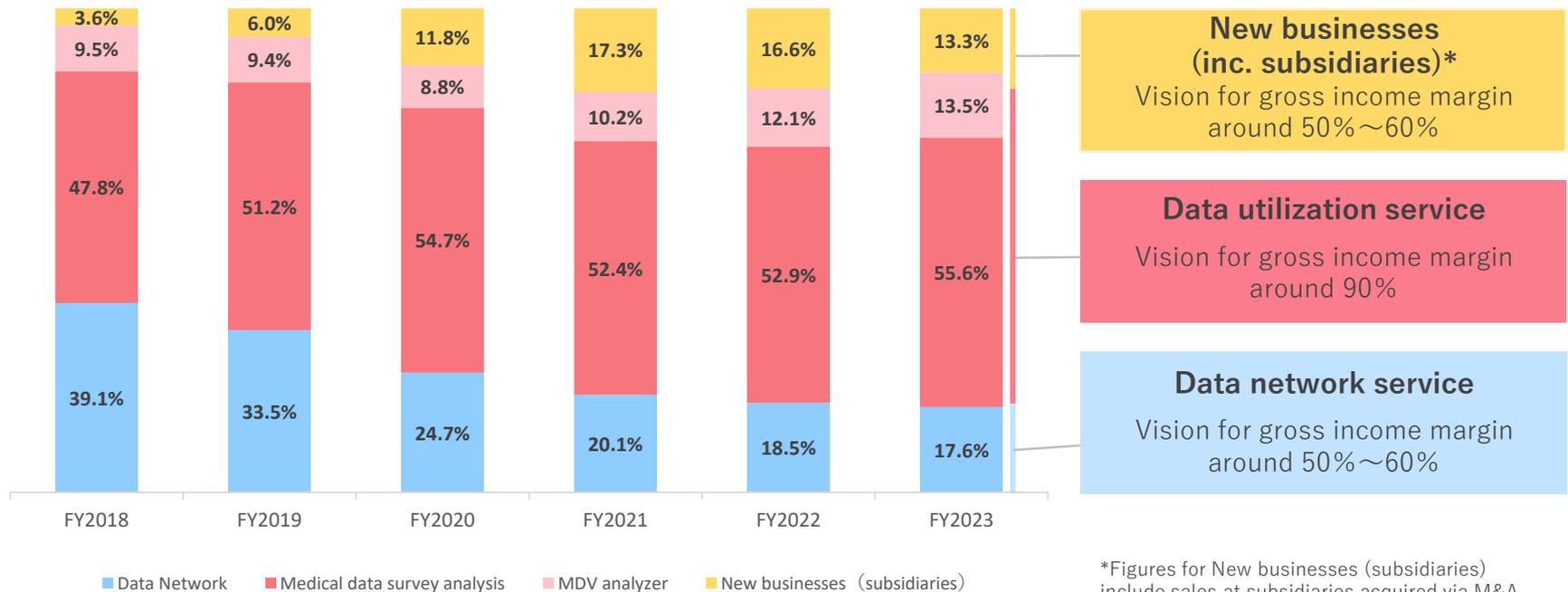- Consider scheme to return information to citizens

■Start of data utilization service
- Develop new market for data utilization
- Expand 'Sakura DB' (create pathway to secure data from data network)
- Expand awareness and sales of medical data survey analysis

■Data network service base building
- Build bonds of trust with DPC hospitals
- Supply systems for hospital management
- Obtain secondary usage consent and build DB
- Prepare for data utilization

8,000 (Target)

6,419

6,104

5,672

4,579

4,026

3,577

3,225

2,632

2,413

1,950

Sales (Millions of Yen)

FY2016-FY2022 CAGR 15.0%

| FY2014 | FY2015 | FY2016 | FY2017 | FY2018 | FY2019 | FY2020 | FY2021 | FY2022 | FY2023 | FY2024 | FY2025 |

Change in sales weighting by service

Data network crucial to data collection,
turn data utilization into sales

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
New businesses (subsidiaries)	3.6%	6.0%	11.8%	17.3%	16.6%	13.3%
MDV analyzer	9.5%	9.4%	8.8%	10.2%	12.1%	13.5%
Medical data survey analysis	47.8%	51.2%	54.7%	52.4%	52.9%	55.6%
Data Network	39.1%	33.5%	24.7%	20.1%	18.5%	17.6%

New businesses (inc. subsidiaries)*
Vision for gross income margin around 50%～60%

Data utilization service
Vision for gross income margin around 90%

Data network service
Vision for gross income margin around 50%～60%

■ Data Network ■ Medical data survey analysis ■ MDV analyzer ■ New businesses（subsidiaries）

*Figures for New businesses (subsidiaries) include sales at subsidiaries acquired via M&A.

Our strengths

We possess the largest domestic stock of high-quality medical data in the rapidly growing medical big data market

Business conditions

- Valuable big data (46.00mn patients) being collected from the Japanese medical frontline
- Aiming to raise medical care quality by building bonds of trust with major hospitals
- Alliance with DeNA to create the largest DB in Japan for insurers data (21.02m patients)
- Expect further rapid market growth for the data utilization service

Business model

- A hybrid model rooted in marketing capabilities as well as IT
- A business field with barriers to entry that are not easy to overcome
- Significant growth potential from expansion into data utilization services

Earnings structure

- Main business model has strong profitability
- Data network service mostly a recurring revenue business, but a mixed recurring and non-recurring business model in data utilization service gives the earnings structure balance

Current business opportunities/challenges and the direction of growth

> **Raise speed of business development by strengthening alliances**
>
> **Pursue investment in B2C business to realize our future vision**

	Opportunities	Challenges
Data network service	• Grow sales partners via shift to cloud • Nationwide medical check system sales • Room to expand the scope of subsidiary operations	• Sluggish on-premises services • Slow growth in new services
Data utilization service	• Market expansion, promote awareness of the benefits of data utilization • Promote use outside the pharmaceutical sector • Acquire largest insurer data stock via alliance with DeNA	• Maintaining and improving the speed of growth • Hire more data analysis staff and expediting training
New businesses	• Lack of large-scale healthcare DB for citizens • Growth prospects for BtoC healthcare business • New technologies such as BlockChain, AI	• Establish business model for BtoC services • Accelerate links with SBI Group and others

Medical data held by MDV

Medical data held by MDV

'Sakura Databank'

Real-time medical data

DPC data

Insurer data
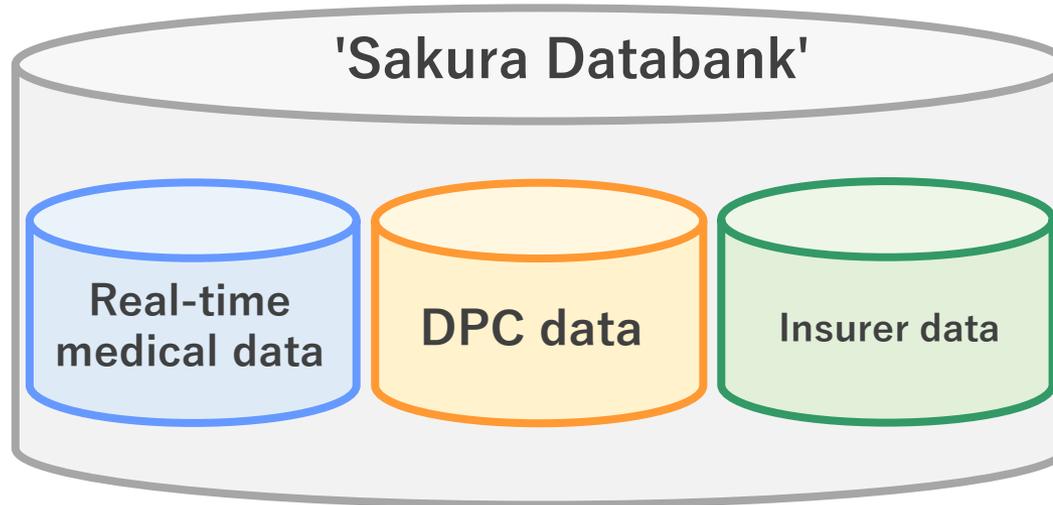
Real-time medical data

Features

All types of hospital data inc. test results, images, appointment info

Immediacy

DPC data

Hospitals

Features

Data focus on treatment/surgery of acute diseases

Extensive patient data（all ages, ins. types）

Data on disease severity（tumor stage, etc.）

Analytical extensibility（e.g. combination with test data）

Insurer data

Clinics

Features

Data focus on chronic and light disease stages
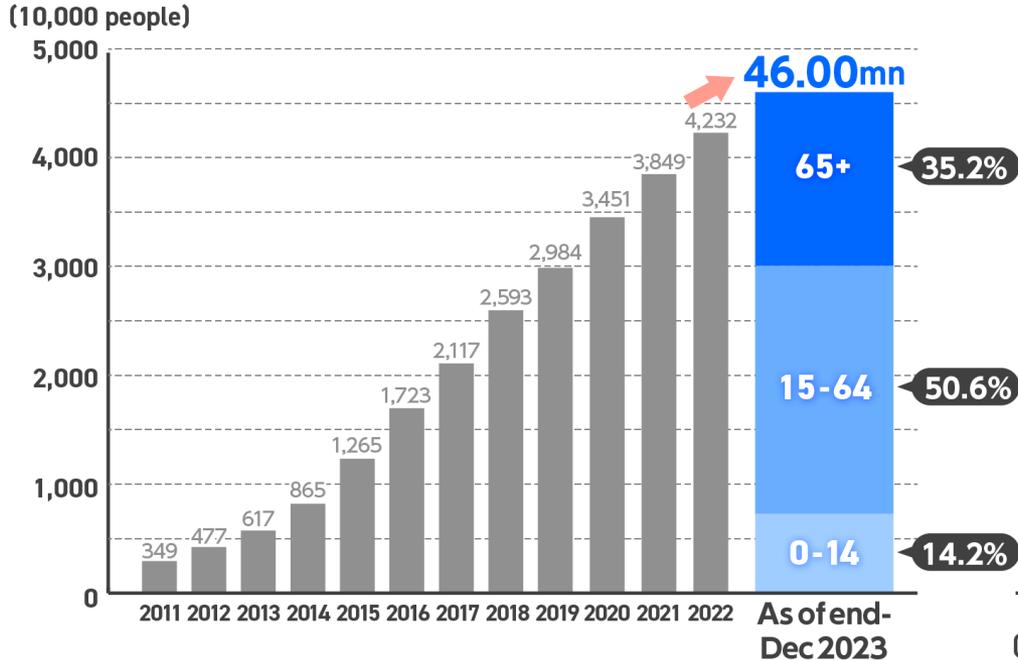
Useful for individual tracking

Elderly Data
（National Health Ins.＋Elderly in the Latter Stage of Life）
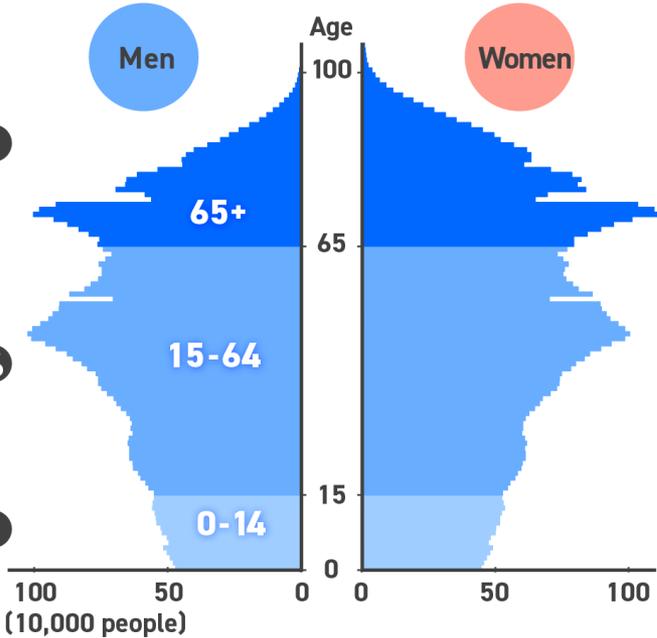
Medical database that has both quality and volume

No. of patients in medical database exceeds 46mn (46.00mn at end-Dec 2023)

Age distribution of database roughly matches Japan's population pyramid
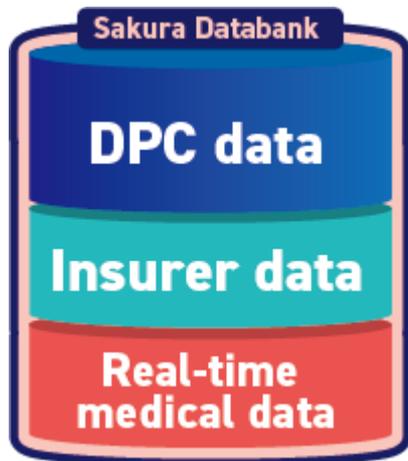
No. of patients in medical database

(10,000 people)

Year	Value
2011	349
2012	477
2013	617
2014	865
2015	1,265
2016	1,723
2017	2,117
2018	2,593
2019	2,984
2020	3,451
2021	3,849
2022	4,232

As of end-Dec 2023: **46.00mn**
- 65+ : 35.2%
- 15-64 : 50.6%
- 0-14 : 14.2%

Population pyramid (2020)

Men — Women

Age: 100, 65, 15, 0

65+
15-64
0-14

100 50 0 (10,000 people) 0 50 100

Source: Based on the Population Projection for Japan (2017 survey), National Institute of Population and Social Security Research

Data users and example uses

MDV medical.data.vision

■Main users

Sakura Databank

DPC data

Insurer data

Real-time medical data

Pharma cos.

Medical device & materials makers

Academia

Research institutions

■Example uses

- Post-marketing database studies
- Survey of drug prescription trends (by disease, by treatment department)
- Collection of promotional information, evidence extraction
- Target identification and analysis
- Analysis of disease onset factors
- Safety and efficacy validation, evidence extraction
- Feasibility studies
- Research-use data
- Expanding drug applications

etc.

Company Profile

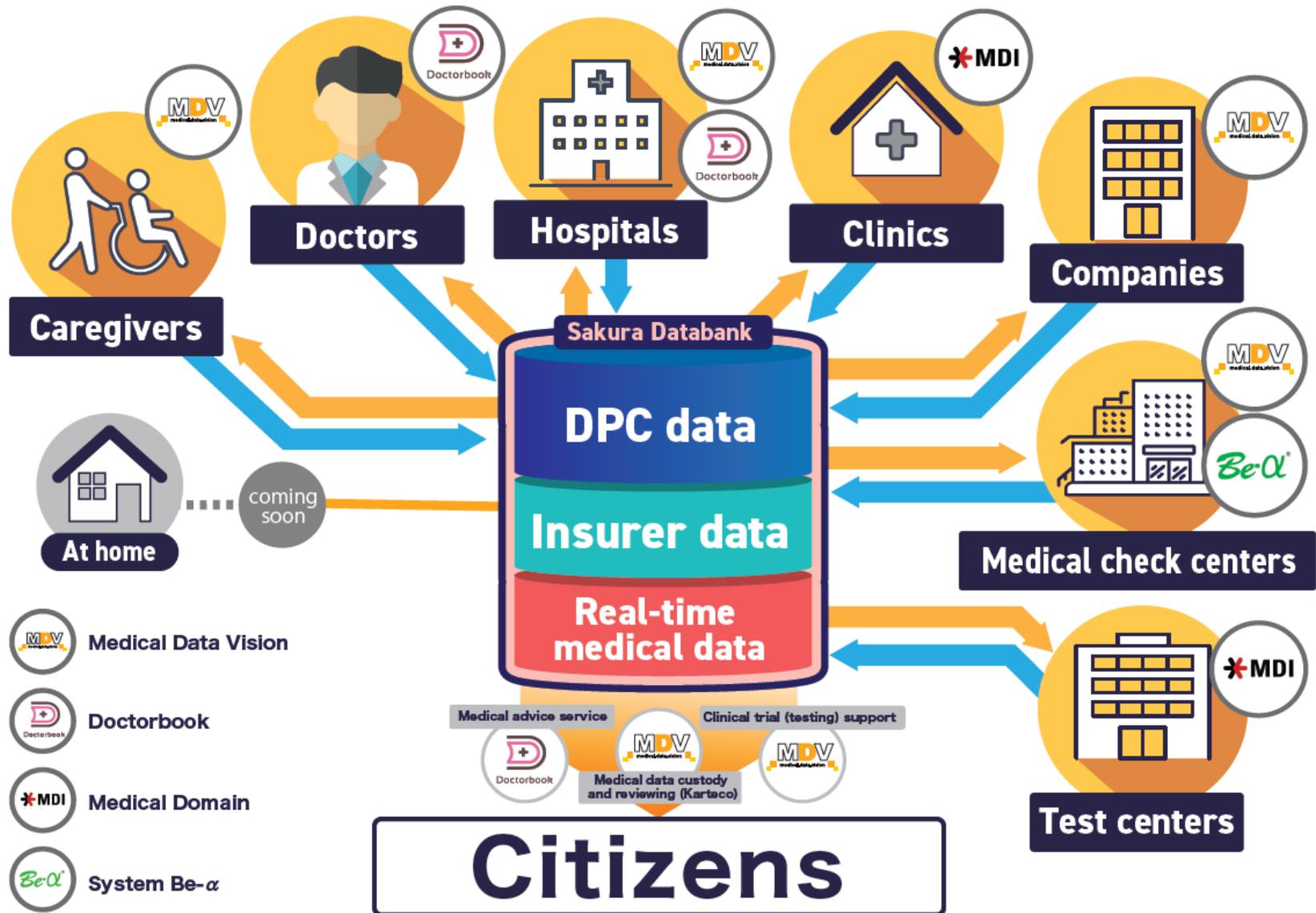# Company Profile （As of the end of December 2023）

Company Name	Medical Data Vision Co.,Ltd.
Established	August 20 , 2003
Head Office	Sumitomo Fudosan Kanda Building 10F, 7 KandaMitoshirocho,Chiyoda-ku,Tokyo
Number of Employees	262 employees(Number of employees in the group)
Capital	JPY 992,661,739
President and CEO	Hiroyuki Iwasaki
TSE code / TSE market	3902 / Tokyo Stock Exchange Prime Market （Listed on Mothers market in December 16, 2014)
Major Shareholders	SBI Holdings, Inc. （29.13%） MEDIPAL HOLDINGS CORPORATION （8.41%） Hiroyuki Iwasaki （President and CEO） （2.09%） CMIC HOLDINGS Co., Ltd. （1.59%） ※ Shareholding ratio excluding treasury shares
Major Subsidiaries	Doctorbook Inc. System Be Alpha Co., Ltd. Medical Domain Co., Ltd. AIR BIOS Co., Ltd

Main group companies and business fields

Company	Business
Medical Data Vision	• Development, sale & maintenance of management analysis systems • Medical data analysis, surveys, consulting
System Be Alpha	• Development, sale & maintenance of software including health consulting systems • Agency sales for electronic medical records, etc.
Doctorbook	• Creation & operation of medical info video website
Medical Domain	• Consultation support system • Development, sale & maintenance of various data converters
AIR BIOS	• Development of new treatments and medical services

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 DPC/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.
MDV Act	'Main story' of the free-function can list indicators required for hospital management analysis. In addition, allows benchmarking against other institutions on various indicators for DPC hospitals, regional integrated community care facilities, and convalescent facilities. 'Medical analysis package', a paid function, enables data analysis necessary for acute hospitals and care mix hospitals, such as clinical analysis functions and case retrieval functions.	Main story Free Medical analysis package Y50,000/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.
Medical data survey analysis	Provision of tailored reports in line with client's wishes	Avg. Y3.5-4mn per survey

Financial Results ・Financial Statements

Sales breakdown by service, sales progress（cumulative）

(Millions of Yen)	FY2020				FY2021				FY2022				FY2023			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Data network service total sales	404	762	1,136	1,602	552	1,007	1,501	2,061	490	971	1,506	2,100	388	723	1,053	1,462
Non-recurring	65	109	145	220	68	107	151	252	67	135	168	237	72	133	158	256
Recurring	236	463	685	909	220	443	665	886	222	443	664	890	230	442	655	875
New Business (Subsidiaries) ※1	102	189	304	472	262	455	684	922	200	393	673	973	86	146	239	330
Data utilization service total sales	638	1,283	2,017	2,977	877	1,628	2,450	3,610	1,020	1,885	2,821	4,003	1,022	2,007	3,030	4,434
MDV analyzer	96	191	289	400	114	245	403	578	186	372	549	735	217	443	657	865
Medical data survey analysis ※2	541	1,092	1,727	2,576	762	1,382	2,047	3,032	833	1,512	2,271	3,268	805	1,563	2,373	3,569
Other service total sales※1	–	–	–	–	–	–	–	–	–	–	–	–	147	271	402	521

※1　Sales of 'Karteco' (B2C business) previously classified as 'other services', has been reclassified as data network services.
　　　No retroactive adjustments to sales made due to this reclassification.
※2　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.

Business indicators

Main business indicators	FY2020	FY2021	FY2022	FY2023
Net sales（Ymn）	4,579	5,672	6,104	6,419
Net sales growth （%）	13.7	23.9	7.6	5.2
Operating income （Ymn）	1,146	1,594	1,758	1,770
Ordinary income（Ymn）	1,148	1,592	1,750	1,700
Ordinary income margin （%）	25.1	28.1	28.7	26.5
Net income attributable to owners of parent（Ymn）	700	1,087	870	979
Net income per share（Y）	17.72	27.74	22.77	25.63
Net assets （Ymn）	4,136	4,205	3,606	4,317
Total assets （Ymn）	5,321	5,534	4,897	6,221
Net assets per share（Y）	104.00	106.69	92.04	111.21
ROA（%）	22.4	29.3	34.0	30.6
ROE（%）	17.3	26.3	24.2	25.2
Equity-to-assent ratio （%）	77.0	75.1	71.8	68.3
CoGS（Ymn）	697	1,028	1,074	1,388
SG&A（Ymn）	2,736	3,049	3,271	3,260

※Per-share data adjusted for past stock splits.

Sales breakdown, other indicators, cash flow statement

Sales breakdown（Ymn）	FY2020	FY2021	FY2022	FY2023
Data network services※1	1,602	2,061	2,100	1,462
Data utilization services	2,977	3,610	4,003	4,434
Other services※1	—	—	—	521

※1 Sales of 'Karteco' (B2C business) previously classified as 'other services', has been reclassified as data network services.
　　No retroactive adjustments to sales made due to this reclassification.

Other indicators	FY2020	FY2021	FY2022	FY2023
No. of hospitals with paid contracts for 'MDV Act'	—	—	—	638 ※2
No. of hospitals using 'EVE'	772	770	741	718 ※2
No. of hospitals using 'Medical Code'	260	250	233	207
No. of patients in MDV large-scale medical database（10,000）	3,451	3,849	4,232	4,600
No. of patients in insurer database（10,000）	616	762	1,797	2,102

※2　Includes hospitals that subscribe to and use 'EVE' and 'MDV Act' paid contracts.

Cash flow statement（Ymn）	FY2020	FY2021	FY2022	FY2023
Cash and cash equivalents at beginning of period	2,944	3,177	3,202	2,264
CF from operating activities	964	1,082	910	1,619
CF from investing activities	-142	-26	-868	-437
CF from financing activities	-589	-1,030	-979	-225
Net increase(decrease) in cash and cash equivalents	232	25	-937	953
Cash and cash equivalents at end of period	3,177	3,202	2,264	3,218

Balance sheet

Balance sheet（Ymn）	End-FY2020	End-FY2021	End-FY2022	FY2023 Q3
Current assets	4,319	4,525	3,524	4,662
Cash and deposits	3,194	3,221	2,264	3,218
Accounts receivable – trade	867	1,058	967	1,107
Contract assets	—	—	16	16
Raw materials	34	11	13	6
Other	224	235	265	318
Allowance for doubtful accounts	-1	-2	-2	-4
Non-current assets	1,002	1,009	1,372	1,558
Property, plant and equipment	177	140	137	158
Intangible assets	303	227	259	90
Investments and other assets	521	641	975	1,309
Total assets	5,321	5,534	4,897	6,221
Current liabilities	1,099	1,243	1,206	1,805
Accounts payable – trade	76	97	93	140
Income taxes payable	298	400	95	478
Contract liabilities	—	—	755	769
Other	725	746	262	417
Non-current liabilities	84	85	84	98
Asset retirement obligations	72	72	71	85
Other	12	12	12	12
Total liabilities	1,184	1,328	1,291	1,904
Shareholders' equity	4,100	4,156	3,535	4,285
Share capital	992	992	992	992
Capital surplus	1,763	1,763	1,838	1,838
Retained earnings	1,934	2,879	3,045	3,795
Treasury shares	-590	-1,479	-2,341	-2,341
Total net assets	4,136	4,205	3,606	4,317
Total liabilities and net assets	5,321	5,534	4,897	6,221

Contacts
https://en.mdv.co.jp/application/contactus/form.php?TOP-

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