

# Supplementary Materials (business overview)

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Medical Data Vision Co.,Ltd.

( Code : 3902 )

May 12, 2021

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# Company Profile





# Company Profile (As of the end of December 2020)

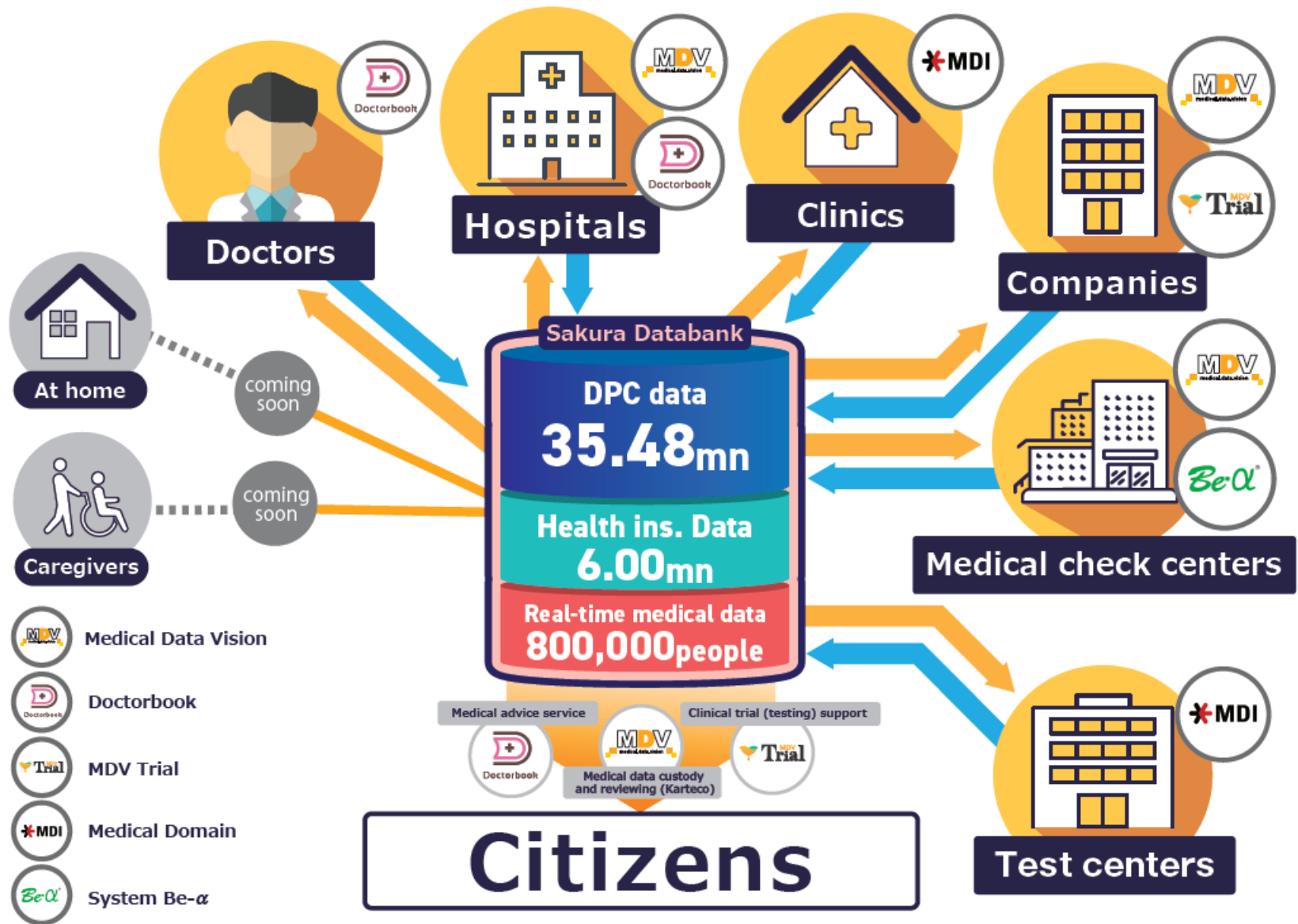


Company Name	Medical Data Vision Co.,Ltd.
Established	August 20 , 2003
Head Office	Sumitomo Fudosan Kanda Building 10F, 7 Kanda-Mitoshirocho,Chiyoda-ku,Tokyo
Number of Employees	237 employees (Number of employees in the group)
Capital	JPY 992,661,739
President and CEO	Hiroyuki Iwasaki
TSE code / TSE market	3902 / Tokyo Stock Exchange First Section (Listed on Mothers market in December 16, 2014)
Major Shareholders	SBI Holdings, Inc. (20.68%) MEDIPAL HOLDINGS CORPORATION (8.14%) CMIC HOLDINGS Co., Ltd. (2.43%) Hiroyuki Iwasaki (President and CEO) (2.03%) ※Shareholding ratio excluding treasury stock
Major Subsidiaries	Doctorbook Inc. MDV Trial Co., Ltd Medical Domain Co., Ltd. System Be Alpha Co., Ltd.

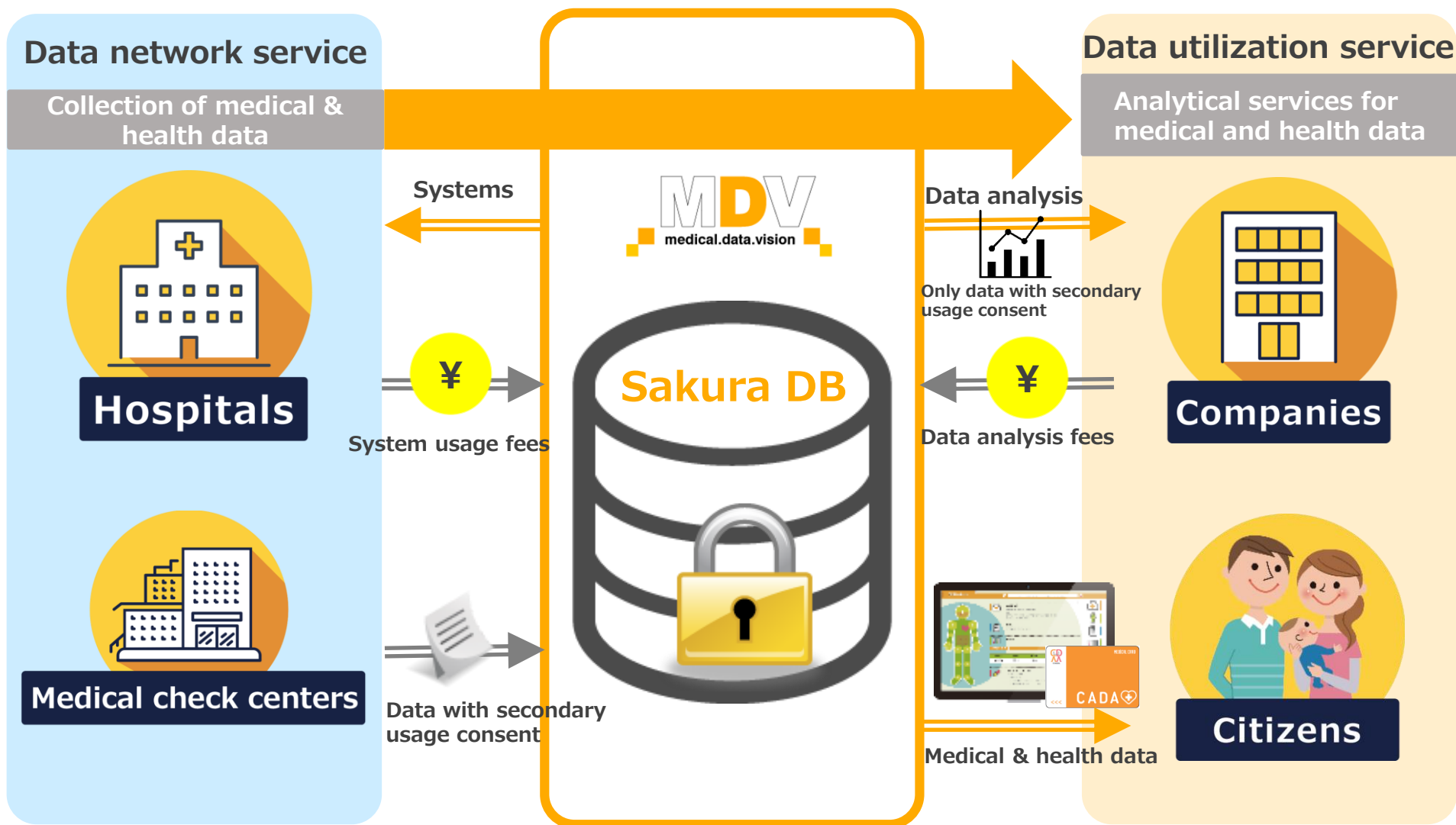
# Main group companies and business fields

Company	Business
 <b>Medical Data Vision</b>	<ul style="list-style-type: none"> <li>• Development, sale &amp; maintenance of management analysis systems</li> <li>• Medical data analysis, surveys, consulting</li> </ul>
 <b>Doctorbook</b>	<ul style="list-style-type: none"> <li>• Creation &amp; operation of medical info video website</li> </ul>
 <b>MDV Trial</b>	<ul style="list-style-type: none"> <li>• Data-based clinical trial business</li> <li>• SMO business</li> </ul>
 <b>Medical Domain</b>	<ul style="list-style-type: none"> <li>• Receipt inspection software</li> <li>• Consultation support system</li> <li>• Development, sale &amp; maintenance of various data converters</li> </ul>
 <b>System Be-a</b>	<ul style="list-style-type: none"> <li>• Development, sale &amp; maintenance of software including health consulting systems</li> <li>• Agency sales for electronic medical records, etc.</li> </ul>

# Group strategy: unification and utilization of medical and health data



## Target major growth in data utilization service



# Services overview

## 【Data network service】

Product	Overview	Price
EVE	<p>Analysis of charges/DPC fee gap, patient #s/stay length/resources by disease/condition, and benchmarking with other hospitals</p> <p>Uses benchmarks to identify user hospital's trends/strengths &amp; weaknesses, helps with detailed investigation of treatment policy as core of hospital management</p>	<p>Installation: ¥4mn</p> <p>Maintenance: ¥50,000/mth.</p>
Medical Code	<p>Uses standardized format for DPC/elec. receipt data to support hospital management in areas like costing, raising treatment prices</p> <p>Unlimited user registration promotes smooth internal data sharing, change in awareness/actions to help improve management</p>	<p>Installation: ¥8.2mn</p> <p>Maintenance: ¥100,000/mth.</p>
CADA-BOX	<p>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</p> <p>Free to use for patients</p>	<p>Installation: ¥20mn</p> <p>Maintenance: ¥500,000/mth.</p>

## 【Data utilization service】

Product	Overview	Price
MDV analyzer	<p>Online analysis tool allowing clients to easily examine data on patient numbers, prescription lengths/volumes using Japan's largest medical database</p> <p>Enables multifaceted analysis based on actual medical practice (surgery, testing) as well as disease and drug regimen</p>	<p>¥20mn/yr.</p>
Ad hoc surveys	<p>Provision of tailored reports in line with client's wishes</p>	<p>Avg. ¥3.5-4mn per survey</p>

# Business transition



- Develop system to obtain patient consented real time data
- Build database for recoupment of investments
- Expand revenues to underpin investments

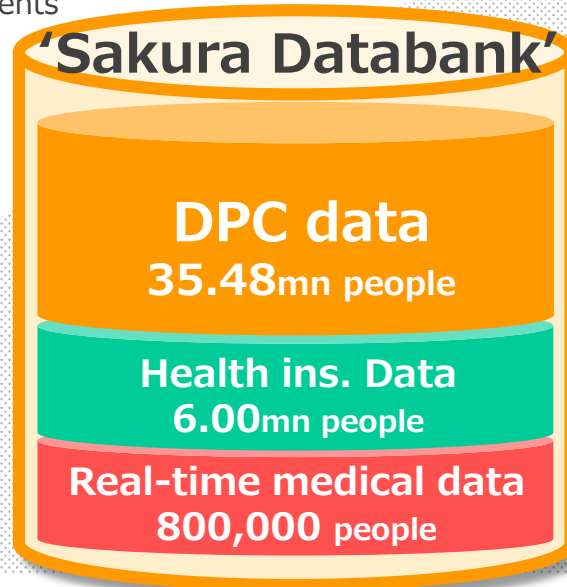
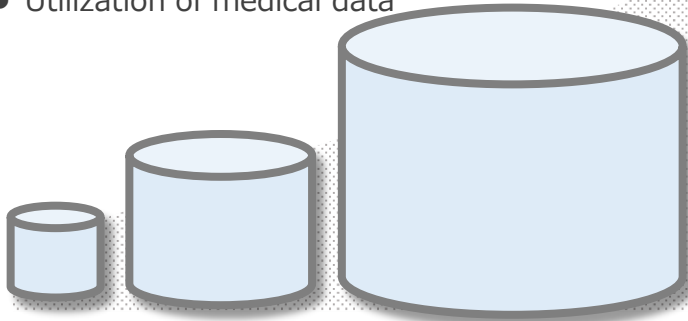
- Completion of building database foundation
- Expand data utilization service



Completion of stable growth foundation

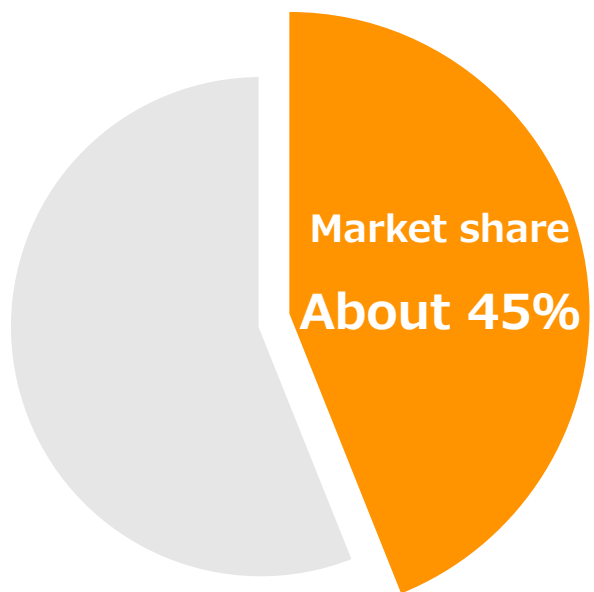
- Scale expansion and integration of medical data
- Further expand data utilization service
- Shareholder return

- Start accumulating data by providing systems
- Utilization of medical data



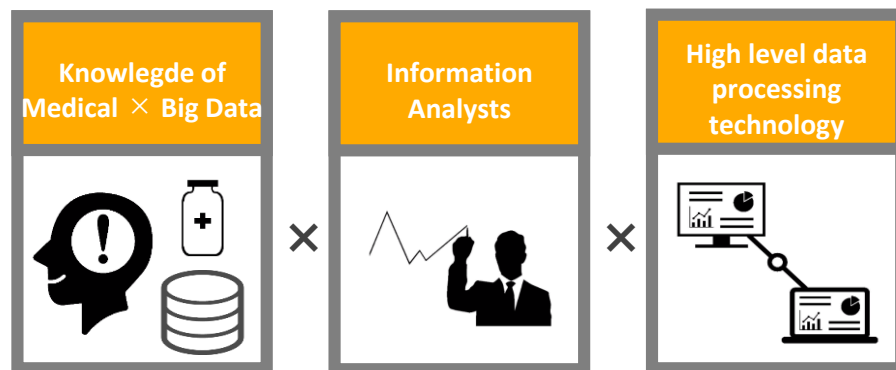
## ① Overwhelmingly number of users

Strong network with medical institutions to gain about 45% market share and build a business foundation

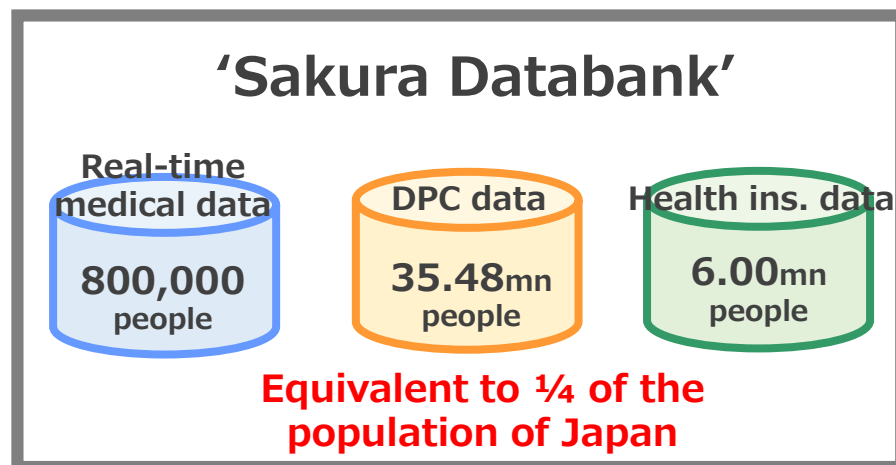


Share of our products in 1,757 DPC hospitals  
(As of the end of March 2021)

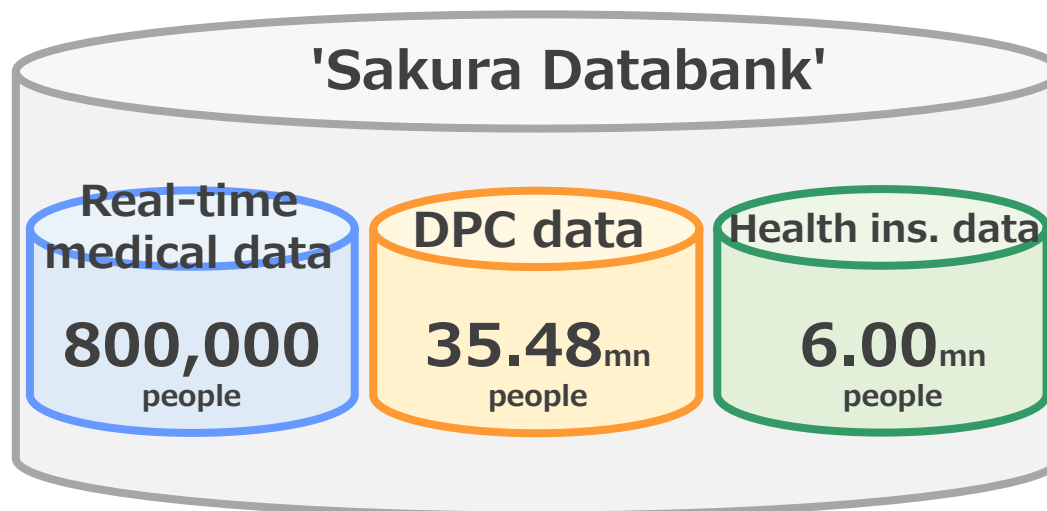
## ② Owns all essential assets for medical big data retention and utilization



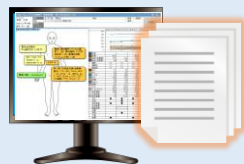
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# 'Sakura Databank' (large-scale medical database)



## Real-time medical data



### Features

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

Immediacy

## DPC data



Hospitals

### Features

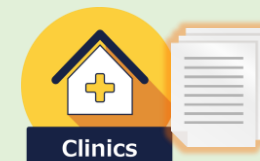
Data focus on treatment/surgery of acute diseases

Extensive patient data (all ages, ins. types)

Data on disease severity (tumor stage, etc.)

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

## Health ins. data



Clinics

### Features

Data focus on chronic and light disease stages

Useful for individual tracking

# Change in data network service sales category (from 1Q FY2021)

	Sales category	Remarks
Before	Maintenance (monthly fees)	Monthly maintenance fees and monthly usage fees for 'EVE', 'Medical Code', etc.
	Packages (initial cost)	Initial installation costs for 'EVE', 'Medical Code', etc.
	CADA-BOX	Initial installation costs and monthly maintenance fees for 'CADA-BOX' etc.
	Subsidiaries	Sales of subsidiaries
	Others	Sales of others
After	Recurring (monthly maintenance fees and monthly usage fees)	Monthly maintenance fees and monthly usage fees for 'EVE', 'Medical Code', 'CADA-BOX', 'Kangochi+' etc.
	Non-recurring (initial installation costs)	Initial installation costs for 'EVE', 'Medical Code', 'CADA-BOX', etc.
	Subsidiaries	Sales of subsidiaries

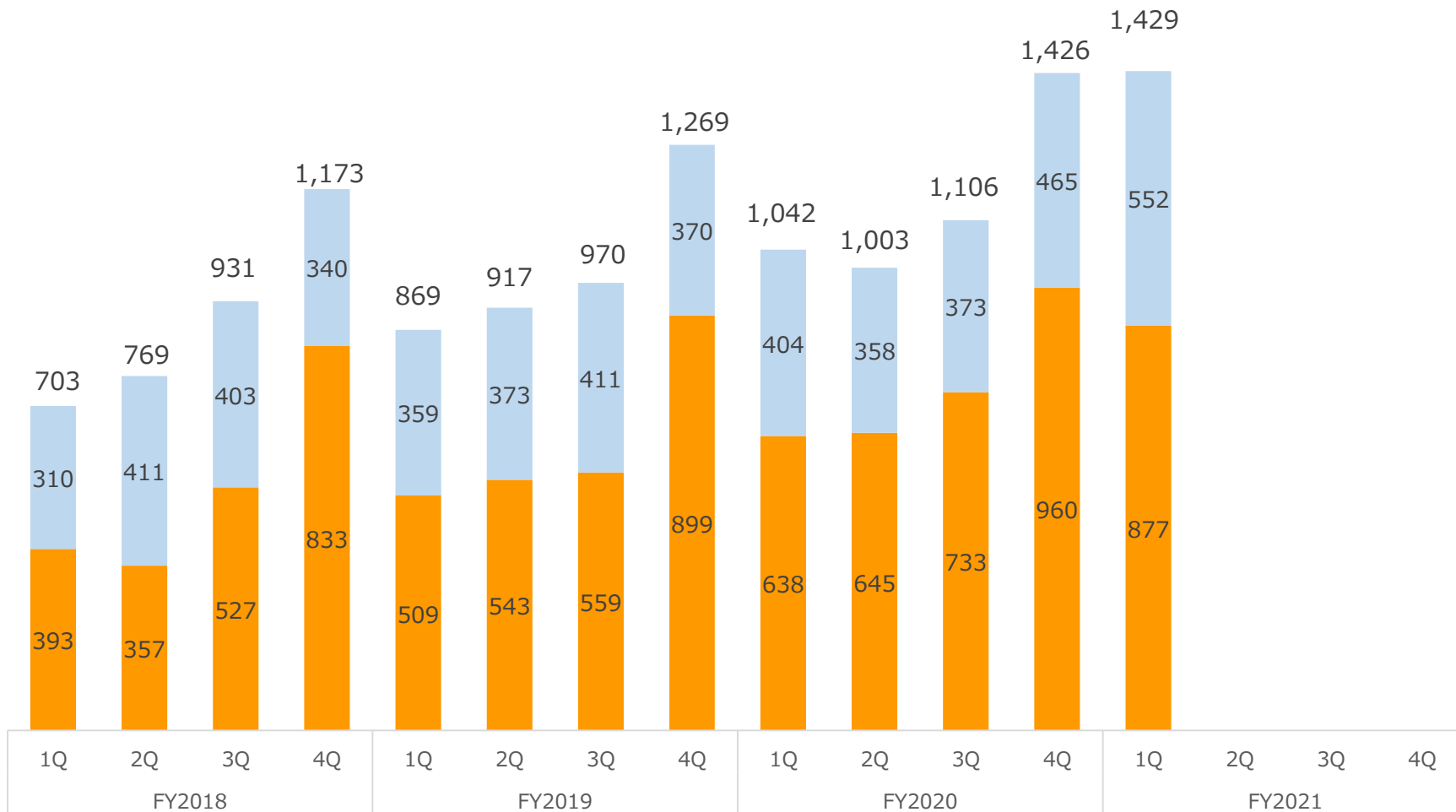
## ■ Sales trends (After category change)

(Millions of Yen)	FY2018				FY2019				FY2020				FY2021
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Data network service total sales	310	722	1,126	1,467	359	733	1,144	1,514	404	762	1,136	1,602	552
Recurring	226	456	692	926	232	468	704	940	236	463	685	909	220
Non-recurring	72	236	386	473	105	221	342	407	65	109	145	220	68
Subsidiaries	12	29	48	67	21	43	97	166	102	189	304	472	262

# Financial Results · Financial Statements

# Quarterly sales breakdown (by service segment)

- Data network service
- Data utilization service



# Business indicators

Main business indicators	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	1Q FY2021
Net sales (Ymn)	2,413	2,632	3,225	3,577	4,026	4,579	1,429
Operating income (Ymn)	282	430	569	351	809	1,146	454
Operating income margin (%)	11.7	16.4	17.6	9.8	20.1	25.0	31.8
Ordinary income (Ymn)	280	415	565	351	804	1,148	453
Net income (Ymn)	164	178	354	69	554	700	309
Net income per share (Y)	4.42	4.67	8.86	1.74	13.85	17.72	7.86
Net assets (Ymn)	2,489	2,809	3,164	3,278	4,023	4,136	3,811
Total assets (Ymn)	2,918	3,194	3,752	3,865	4,948	5,321	4,705
Net assets per share (Y)	65.94	70.22	79.08	81.91	99.68	104.00	—
ROA (%)	10.0	13.7	16.3	9.2	18.3	22.4	—
ROE (%)	6.9	6.7	11.9	2.2	15.3	17.3	—
Equity ratio (%)	85.3	88.0	84.3	84.8	80.6	77.0	80.1
CoGS (Ymn)	516	458	619	797	662	697	268
SG&A (Ymn)	1,614	1,743	2,037	2,428	2,554	2,736	706

※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)	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	1Q FY2021
Data network services	1,449	1,438	1,571	1,467	1,514	1,602	552
Data utilization services	963	1,194	1,654	2,110	2,511	2,977	877

Other indicators	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	1Q FY2021
No. of hospital using 'EVE'	768	791	799	801	802	772	758※1
No. of hospitals using 'Medical Code'	176	224	265	274	281	260	254
No. of hospitals using 'CADA-BOX'	–	1	5	5	7	6	6
No. of patients in MDV large-scale medical database (10,000)	1,265	1,723	2,117	2,593	2,984	3,451	3,548

※1 Temporary decrease due to switching to group hospitals.  
784 hospitals at the end of April (estimate)

Cash flow statement (Ymn)	FY2015※2	FY2016	FY2017	FY2018	FY2019	FY2020
Balance of cash and cash equivalents at start of period	1,799	1,751	1,959	1,697	1,574	2,944
CF from operating activities	118	196	486	120	1,202	964
CF from investment activities	-218	-144	-739	-271	-31	-142
CF from financial activities	52	139	-7	28	199	-589
Change in cash and cash equivalents	-47	191	-261	-123	1,370	232
Balance of cash and cash equivalents at end of period	1,751	1,959	1,697	1,574	2,944	3,177

※2 FY2015 figures are parent data provided for comparison purposes.

# Balance sheet

Balance sheet (Ymn)	End-FY2015	End-FY2016	End-FY2017	End-FY2018	End-FY2019	End-FY2020	1Q FY2021
Current assets	2,416	2,797	2,864	2,773	3,872	4,319	3,759
Cash and deposits	1,751	1,959	1,797	1,674	2,944	3,194	2,806
Accounts receivables	596	770	794	949	757	867	746
Raw materials	9	9	13	15	12	34	15
Merchandise	–	–	142	–	–	–	–
Others	57	57	116	134	179	224	192
Allowance for doubtful accounts	–	-0	-0	-0	-22	-1	-1
Fixed assets	497	394	888	1,091	1,076	1,002	946
Tangible fixed assets	97	105	173	224	233	177	166
Intangible fixed assets	194	127	476	368	356	303	284
Investments and other assets	205	161	238	498	486	521	494
Deferred assets	5	2	–	–	–	–	–
Total assets	2,918	3,194	3,752	3,865	4,948	5,321	4,705
Current liabilities	407	363	550	543	852	1,099	809
Accounts payable	63	39	40	28	33	76	55
Income taxes payable	78	80	188	164	138	298	128
Others	265	243	321	350	679	725	624
Noncurrent liabilities	21	20	37	43	71	84	85
Asset retirement obligations	18	18	33	38	71	72	72
Others	2	1	4	4	–	12	12
Total liabilities	429	384	588	587	924	1,184	894
Shareholders' equity	2,489	2,809	3,164	3,278	3,989	4,100	3,768
Capital stock	910	981	981	992	992	992	992
Capital surplus	1,495	1,565	1,565	1,599	1,756	1,763	1,763
Retained earnings	83	263	617	687	1,241	1,934	2,102
Treasury stock	-0	-0	-0	-0	-0	-590	-1,090
Total net assets	2,489	2,809	3,164	3,278	4,023	4,136	3,811
Total liabilities and net assets	2,918	3,194	3,752	3,865	4,948	5,321	4,705

※End-FY2015 figures are parent data provided for comparison purposes.

## Contacts

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

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