



Consolidated Financial Results  
for the Nine Months Ended December 31, 2020 [IFRS]  
(Abridged)

Jan 29, 2021

Listed Company: M3, Inc. Listed Stock Exchange: Tokyo  
 Securities Code: 2413 URL: <https://corporate.m3.com/en/>  
 Representative: (Title) CEO (Name) Itaru Tanimura TEL: 03-6229-8900  
 Contact: (Title) Director (Name) Eiji Tsuchiya Dividend payment commencement date: —  
 Submission of quarterly report: February 12, 2021  
 Preparation of explanatory materials for quarterly financial result: Yes  
 Assembly for briefing of quarterly financial results: No

(amounts rounded to the nearest million yen)

**1. Consolidated Financial Results for the Nine Months Ended December 31, 2020**

(April 1, 2020 to December 31, 2020)

(1) Consolidated Operating Results (Cumulative)

(% figures show year-on-year change)

	Net sales		Operating profit		Pre-tax profit		Net profit	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
Nine months ended December 31, 2020	123,750	28.5	42,468	57.7	42,481	57.3	29,507	58.5
Nine months ended December 31, 2019	96,319	15.1	26,933	17.3	27,003	16.9	18,616	16.5

	Profit attributable to owners of the parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
	Million Yen	%	Million Yen	%	Yen	Yen
Nine months ended December 31, 2020	26,711	61.0	29,306	61.5	39.36	39.32
Nine months ended December 31, 2019	16,586	13.8	18,141	14.7	24.45	24.44

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent	Equity per share attributable to owners of the parent
	Million Yen	Million Yen	Million Yen	%	Yen
As of December 31, 2020	248,246	192,712	186,013	74.9	273.38
As of March 31, 2020	221,839	171,601	166,111	74.9	244.24

**2. Dividends**

	Annual per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
Fiscal year ended March 31, 2020	Yen —	Yen 0.00	Yen —	Yen 8.50	Yen 8.50
Fiscal year ending March 31, 2021	—	0.00	—	—	—
Fiscal year ending March 31, 2021 (Forecast)	—	—	—	—	—

(Note) 1 Amendments to forecasts of dividends recently announced: None

2 Dividend forecast for the fiscal year ending March 31, 2021 is currently undetermined. It is to be determined after consideration of capital needs and condition of cash flow hereafter.

### 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2021

(From April 1, 2020 to March 31, 2021)

Consolidated financial results forecast for the fiscal year ending March 31, 2021 is undisclosed due to the inability to reasonably gauge the COVID-19 global pandemic impact on M3 group's business environment. Forecasts will be provided promptly once the environment allows for proper estimates.

#### ※ Notes

(1) Changes in significant subsidiaries during the period (changes in specific subsidiaries accompanying changes in scope of consolidation): None

(2) Changes in accounting policies and accounting estimates:

(i) Changes in accounting policies required by IFRS: None

(ii) Changes in accounting policies other than item (i) above: None

(iii) Changes in accounting estimates: None

(3) Number of shares issued (common stock)

(i) Number of shares outstanding at the end of the period (including treasury shares)		
As of December 31, 2020	678,747,600	shares
As of March 31, 2020	678,645,600	shares
(ii) Number of treasury stock at the end of the period		
As of December 31, 2020	44,867	shares
As of March 31, 2020	65,002	shares
(iii) Average number of shares during the period (cumulative)		
As of December 31, 2020	678,644,883	shares
As of December 31, 2019	678,421,743	shares

※ This quarterly financial report is outside the scope of the review procedures for quarterly financial statements.

※ Explanation of proper use of financial results forecasts, and other special matters

(Caution regarding statements concerning the future)

The forward-looking statements herein are based on information available to the Company and on certain assumptions deemed to be reasonable at the date of publication of this document. They are not intended as the Company's commitment to achieve such forecasts, and actual results may differ significantly due to various factors.

(Explanatory materials for quarterly financial result)

Explanatory materials for quarterly financial result will be posted on our website on Friday, January 29, 2021.

## 4. Qualitative Information on Quarterly Results

### (1) Explanation of consolidated operating results

In Japan, various services are provided for the 290,000+ physician members via the “m3.com” website designed for medical professionals.

Medical Platform includes services which allow member physicians to proactively receive continuous and frequent information via the “m3.com” platform such as the “MR-kun” family services, marketing research capabilities paneling the physician members, and “QOL-kun” which provides marketing support for non-healthcare related corporates desiring to advertise daily life services to doctors, offering a wide menu of services catering towards various agendas and purposes of our clients. Additionally, provision of next generation sales reps, or “Medical Marketers,” and healthcare advertisement agency services are also being expanded via group companies.

Evidence Solution includes clinical trial related services centered around “Mr. Finder” which excavates institutions and patient participants for clinical studies, large-scale clinical study services, assistance with clinical trial operations by CROs, and administrative and operations support across the entire clinical trial process by SMOs, all provided through various group companies.

Career Solution provides job search and placement services for physicians and pharmacists through M3 Career, Inc.

Site Solution provides services supporting medical institutions.

Furthermore, consumer facing services such as the “AskDoctors” (<https://www.AskDoctors.jp/>) website which connects public users with “m3.com” member physicians for answers to daily health questions, medical professional education such as national examination preparatory services provided by TECOM Corporation, and equity method affiliate LINE Healthcare Corporation established with LINE Corporation to operate an online healthcare business, are all being expanded.

In Overseas, the U.S. portal website, “MDLinx,” designed for healthcare professionals, continues to expand its member network based services catering towards pharmaceutical companies, as well as its career support services for physicians and clinical trial support services. In Europe, the “Doctors.net.uk” U.K. portal website is expanding services for pharmaceutical companies, along with pharmaceutical database services offered by the Vidal Group in France, Germany, and Spain. In China, the portal website designed for healthcare professionals has topped 3 million physician registrations, expanding at a healthy pace. We are also expanding operations in India.

Additionally, membership and panel participation at websites operated by M3 group starting with Japan, U.S., Europe, China, and Korea, now totals over 6 million physicians, enabling provision of marketing research services that span across a global scale.

Consolidated cumulative results for the third quarter is as below.

(Unit: Million Yen)

	Nine months ended Dec 31, 2019 (April 1, 2019 to Dec 31, 2019, cumulative)	Nine months ended Dec 31, 2020 (April 1, 2020 to Dec 31, 2020, cumulative)	Quarter Comparison		(Reference) Previous consolidated fiscal year (April 1, 2019 to March 31, 2020)
Net sales	96,319	123,750	+27,431	+28.5%	130,973
Operating Profit	26,933	42,468	+15,536	+57.7%	34,337
Pre-Tax Profit	27,003	42,481	+15,479	+57.3%	34,610
Net Profit	18,616	29,507	+10,891	+58.5%	24,153

(Segment results)

(Unit: Million yen)

		Nine months ended Dec 31, 2019 (April 1, 2019 to Dec 31, 2019, cumulative)	Nine months ended Dec 31, 2020 (April 1, 2020 to Dec 31, 2020, cumulative)	Quarter Comparison	
Medical Platform	Segment Net Sales	36,986	55,629	+18,643	+50.4%
	Segment Profit	14,114	27,469	+13,356	+94.6%
Evidence Solution	Segment Net Sales	15,942	14,427	-1,515	-9.5%
	Segment Profit	3,335	2,648	-686	-20.6%
Career Solution	Segment Net Sales	12,018	10,965	-1,053	-8.8%
	Segment Profit	3,626	3,353	-273	-7.5%
Site Solution	Segment Net Sales	8,678	12,530	+3,852	+44.4%
	Segment Profit	460	1,510	+1,050	+228.2%
Overseas	Segment Net Sales	22,160	29,814	+7,654	+34.5%
	Segment Profit	4,660	8,378	+3,717	+79.8%
Other Emerging Businesses	Segment Net Sales	2,440	2,395	-45	-1.8%
	Segment Profit	794	718	-76	-9.5%
Adjustment	Segment Net Sales	(1,904)	(2,009)	—	—
	Segment Profit	(56)	(1,609)	—	—
Total	Net Sales	96,319	123,750	+27,431	+28.5%
	Operating Profit	26,933	42,468	+15,536	+57.7%

#### 1) Medical Platform

Due to an exponential increase in demand from pharmaceutical companies in response to the COVID-19 pandemic, Medical Platform segment sales reached 55,629 million yen, higher by 50.4% versus previous year.

Upfront investments aimed for future growth such as new business initiatives and fortification of the marketing service teams have raised SG&A mainly around personnel costs, however, Medical Platform segment produced profits of 27,469 million yen, higher by 94.6% versus previous year.

#### 2) Evidence Solution

Temporary halt in projects due to the COVID-19 pandemic produced total sales of 14,427 million yen, lower by 9.5% versus previous year. Segment profit was 2,648 million yen, lower by 20.6% versus previous year.

3) Career Solution

Dampened activity from physicians and pharmacists due to COVID-19 impact resulted in sales of 10,965 million yen, lower by 8.8% versus previous year, and profit of 3,353 million yen, lower by 7.5% versus previous year.

4) Site Solution

An increase in affiliate medical institution brought segment sales to 12,530 million yen, higher by 44.4% versus previous year, and profit of 1,510 million yen, higher by 228.2% versus previous year. Negative impact from COVID-19 has proven to be limited regarding this segment.

5) Overseas

Effects from the COVID-19 pandemic impacted an increase in demand in online services, resulting in rapid growth in APAC regions as well as an increase in COVID-19 related clinical trial services in the US. Segment sales were 29,814 million yen, higher by 34.5% versus previous year, and profit amounted to 8,378 million yen, higher by 79.8% versus previous year.

6) Other Emerging Businesses

Segment sales totaled 2,395 million yen, lower by 1.8% versus previous year, and profits were 718 million yen, lower by 9.5% versus previous year, as a result of upfront investment in new businesses such as online consultations. Negative impact from COVID-19 has proven to be limited regarding this segment.

Combining all of the above, results for the entire group for the nine months ended December 31, 2020, amounted to sales of 123,750 million yen, higher by 28.5% versus previous year, and operating profit of 42,468 million yen, higher by 57.7% versus previous year. Pre-tax profit was 42,481 million yen, higher by 57.3% versus previous year, and net profit was 29,507 million yen, higher by 58.5% versus previous year.

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