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M3 to Acquire Integrated Development Associates  
~ Streamlined Delivery of Drug R&D Services for Overseas Biopharmaceutical Firms ~

**M3, Inc. ("M3" below) announced a transaction to make Integrated Development Associates Co., Ltd. ("IDA" below), a firm which provides consulting for Pan Asia drug development, a wholly owned subsidiary by purchasing 100% of its shares.**

I. Strategic Reasons for the Acquisition

The M3 Group provides services centered around "Mr. Finder," (Chicken-kun) (see Note 1) which excavates potential institutions and patients, through its group CROs (see Note 2) and SMOs (see Note 3), in order to optimize clinical trial efficiency via utilization of the internet

On the other hand, Integrated Development Associates Co., Ltd. ("IDA") is a specialty drug development company that assists global biopharmaceutical companies increase the value of their products through optimal strategy and operational integration of Japan and Asia into global drug development. Since 2004, IDA has enabled 50 clients to conduct bridging development programs, integrate Japan into global trials, obtain and maintain Orphan Drug Designation and successfully partner their products in Japan.

As global clinical trials increase, cooperation between IDA and M3 will allow provision of upstream-support of development planning for Japan and Asia, and allow for more global

alignment in clinical trial implementation between the US, Europe and Japan/Asia in manner catered to the needs of global pharmaceutical companies.

< Intended Synergistic Effects >

- Increased competitiveness in CRO contract awards, particularly global clinical trials introduced by IDA
- Further penetration of “Mr. Finder” (Chiken-kun) through upstream (planning stage) involvement in the clinical trial process
- Maximize the value of the expertise of IDA and the M3 Group regarding medical practice, drug R&D, and pharmaceutical markets, by developing new business models based on success contingent contracts and other risk sharing development models.

IDA will continue to be managed by John Winebarger as CEO, and he will spearhead efforts towards further development of the business both in Japan and globally.

(Note 1) “Mr. Finder” (Chiken-kun)

“Mr. Finder” is an M3 Group provided service that rapidly and efficiently excavates clinical trial case patients via integration with m3.com and its physician members.

(Note 2) CRO

A CRO (Contract Research Organization) is an organization that provides drug development services outsourced on a contract basis. Contracted services cover nearly the entire range of operations related to clinical trials conducted by pharmaceutical or similar companies.

(Note 3) SMO

An SMO (Site Management Organization) is an organization that provides clinical trial related services based on GCP standards via contracts with clinical sites (medical facilities) in order to ensure appropriate and smooth execution of often cumbersome trials carried out at medical facilities. This lightens the workload on pharmaceutical company and CRO staff while improving quality and speed by supporting the related activities of doctors, nurses, and administrative departments involved in the clinical trial.

II. Outline of Stock Purchase

M3 will purchase 100% of outstanding shares of IDA.

III. Outline of Subsidiary to be Transferred

(1)	Name	Integrated Development Associates Co., Ltd.
(2)	Head office	Shibuya, Tokyo
(3)	Main Business	Preparation and implementation of Japanese and Asian drug development strategies for global biopharmaceutical companies.
(4)	Relationship between M3, Inc. and IDA	There are no capital, personnel, or business ties that require reporting.

IV. Schedule

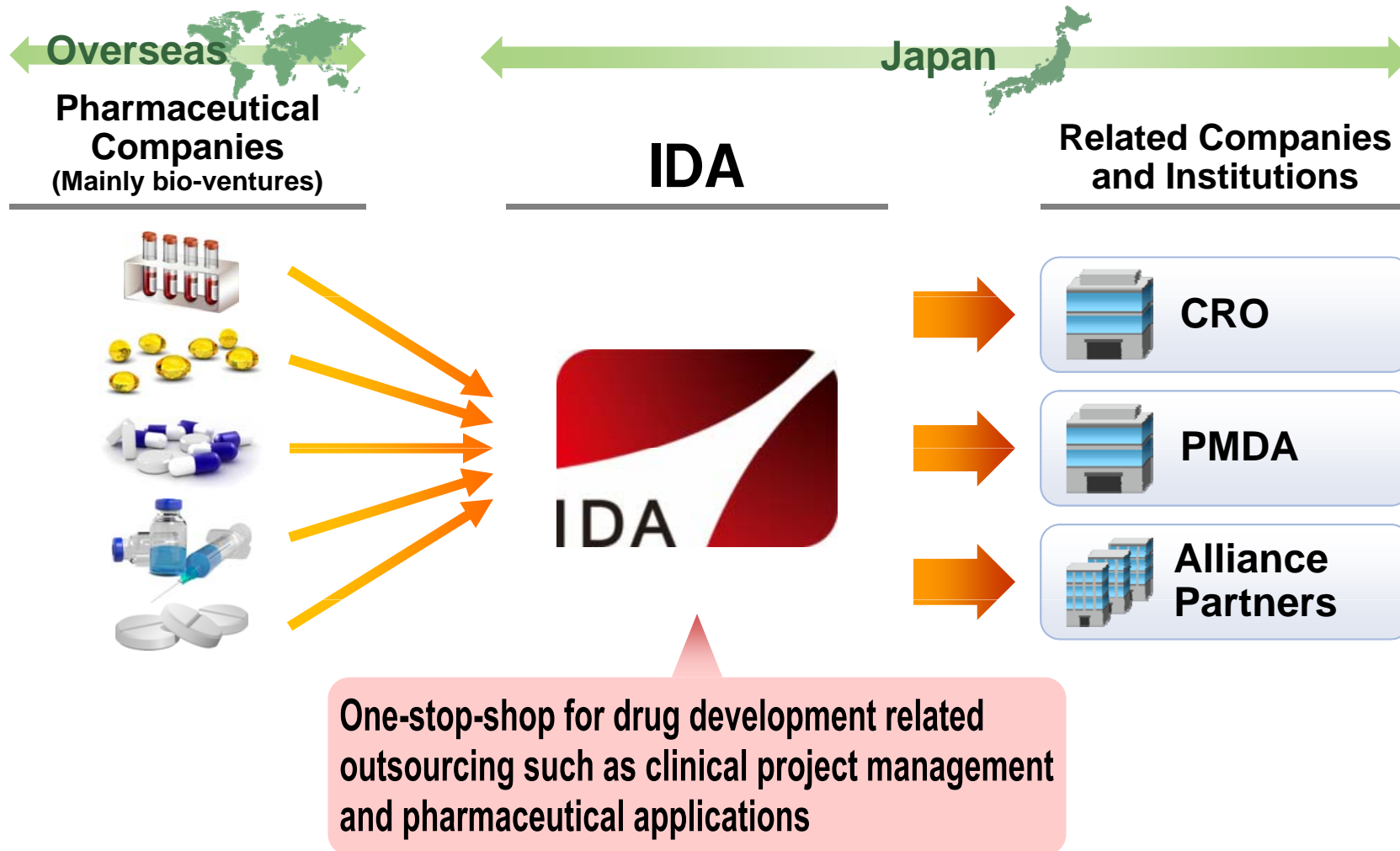
(1) Signing of Share Purchase Agreement: February 2015

(2) Transfer of Shares: March 2015

V. Forward Outlook

Impact from the purchase of shares of IDA will have minimal impact on M3, Inc.'s consolidated performance. Any predictable impact that this acquisition may raise hereafter will be disclosed promptly.

# IDA Overview



**👉 Support overseas pharmaceutical firms that lack local presence in Japan/Asia through IDA's unique network**

# Intended Synergistic Effects

## IDA



- Client base of roughly 50 pharmas that lack presence in Japan
- Elite staff with backgrounds in pharmaceutical firms, bio-venture firms, as well as physicians


## Expected Synergies

- Business expansion driven by direct contract awards from overseas pharma
- Upstream (planning stage) involvement in the clinical trial process utilizing Mr. Finder
- Future shift towards a more lucrative business model such as actual in-licensing done by the Group

## M3, Inc.



- Top ranking CRO in Japan with roughly 800 CRAs
- Wide range of services across the drug development process including pharmaceutical application, pharma co-vigilance, etc.
- Marketing services utilizing internet based tools such as MR-kun and Mr. Finder.

 **The addition of extensive expertise and a network of overseas pharmaceutical firms to the Group will allow for further expansion and development of the clinical trial business**