M3, Inc.
Presentation Material

April 2017

The following presentation contains forecasts, future plans, management targets and other forward-looking projections relating to M3, Inc. and/or its group. These statements are drawn from assumptions of future events based on data currently available to us, and there exist possibilities that such assumptions are objectively incorrect and/or may produce differing actual results from those mentioned in the statements.

Furthermore, information and data other than those concerning the Company and its subsidiaries/affiliates are quoted from public information, and the Company has not verified and will not warrant its accuracy or dependency.

M3, Inc.

FY 2016 Overview

FY2016 Consolidated Results

IFRS basis

(million yen)	Forecast		Actual	YoY
Sales	75,000	<	78,143	+21%
Operating Profit	23,000	<	25,050	+25%
Pre-tax Profit	23,000	<	24,959	+25%
Net Profit	15,300	<	16,938	+26%

■ **FY16-end dividend: 10 yen**

FY2016 Consolidated Results by Segment

IFRS basis

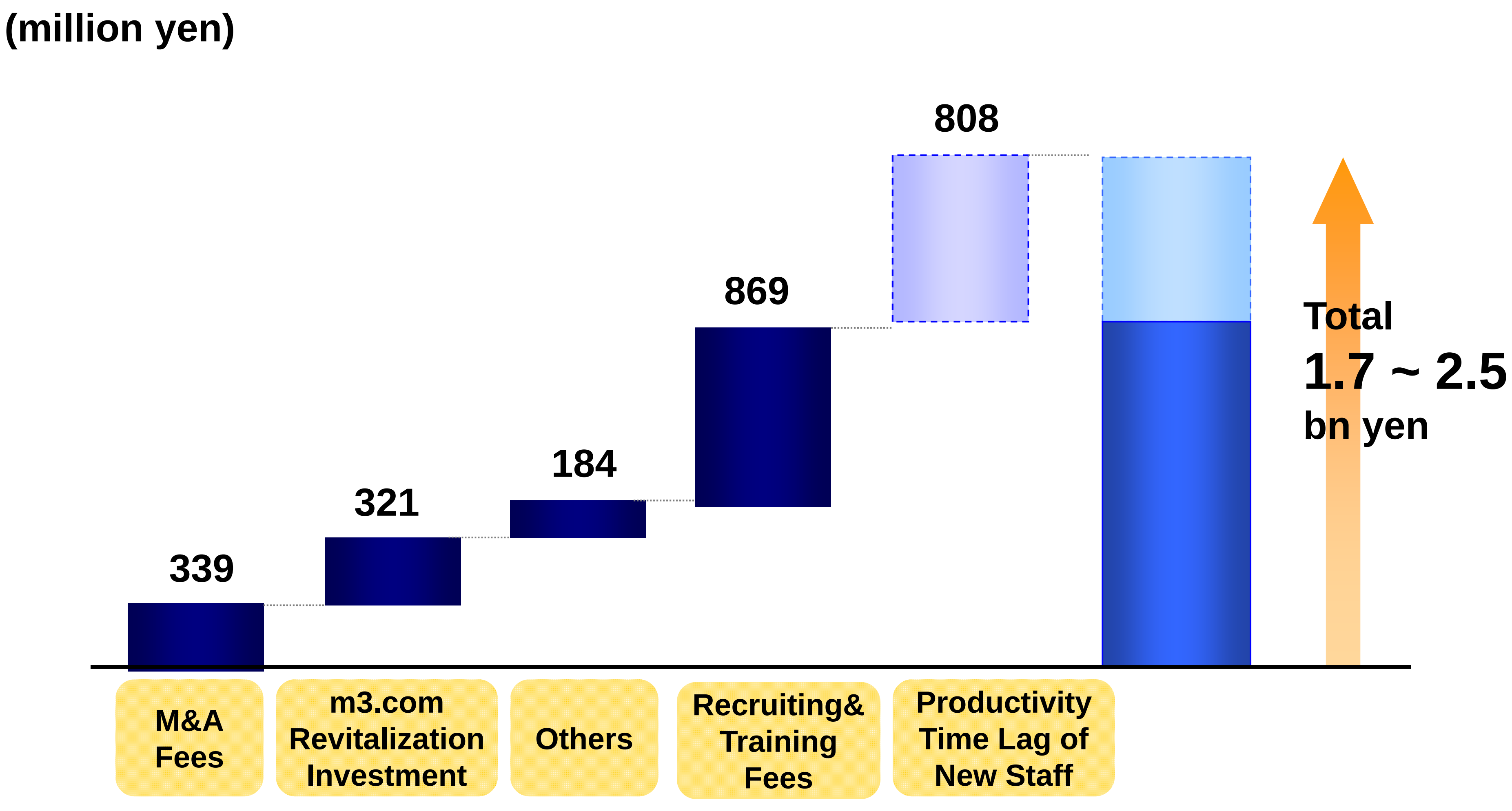
(million yen)		FY2015	FY2016	YoY
Medical Portal	Sales	25,234	30,790	+22%
	Profit	14,844	16,709 *	+13%
Evidence Solution	Sales	19,992	22,313	+12%
	Profit	3,908	5,307	+36%
Overseas	Sales	13,810	16,338	+18% ***
	Profit	1,614	1,582 **	-2% ***
Clinical Platform	Sales	2,902	2,823	- 3%
	Profit	239	216	- 10%
Sales Platform	Sales	1,283	1,466	+14%
	Profit	(5)	105	Turned profitable
Others	Sales	2,574	5,845	+127%
	Profit	532	1,416	+166%

* M&A fees for Anestation totaled 42 million yen

** M&A fees from India and Vidal deals totaled 266 million yen

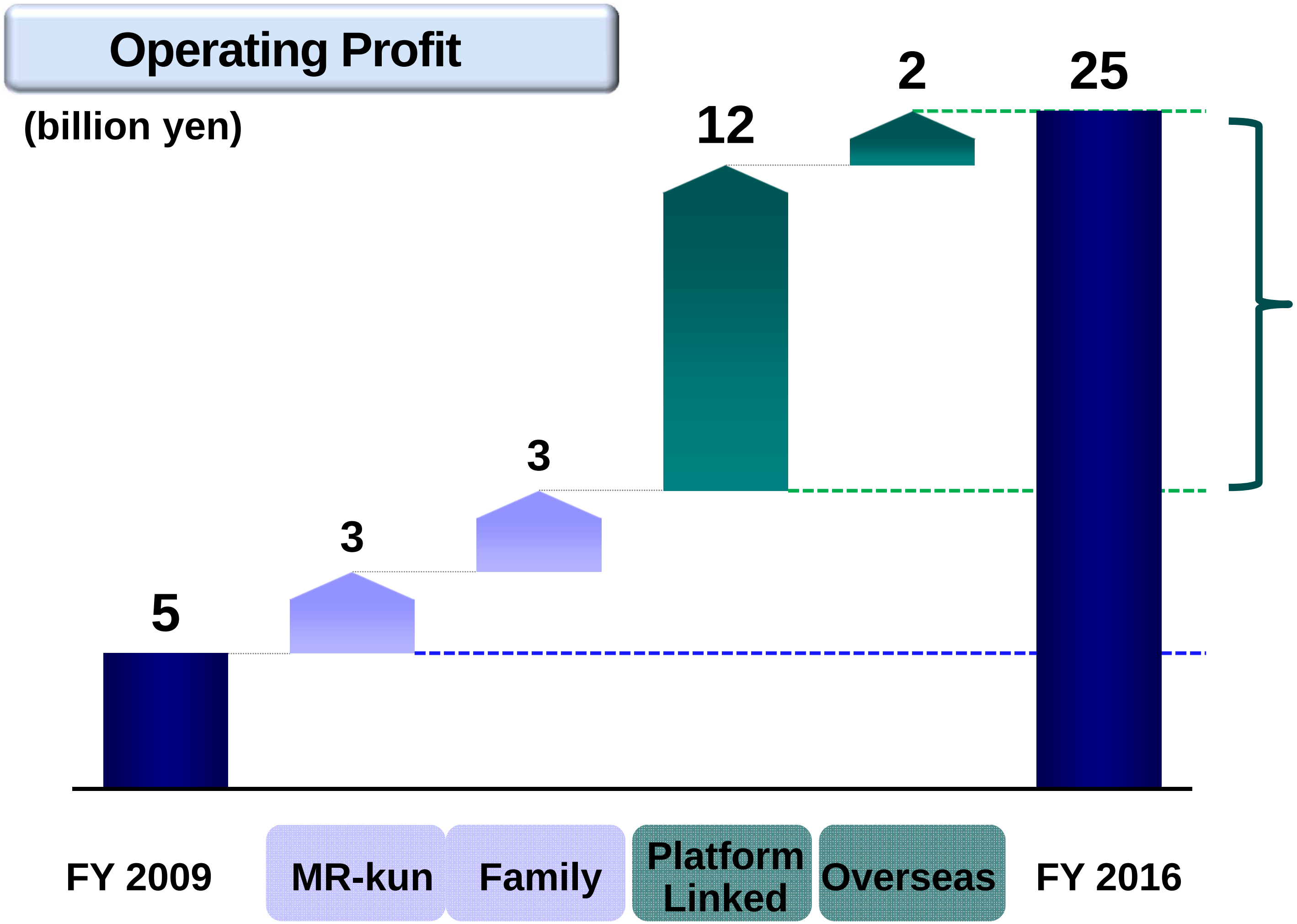
***Overseas segment results in local currency basis: Sales +35% yoy, Profit:+27% yoy

Upfront Investment Costs for Future Growth



Special costs incurred in anticipation of future growth dampened profits by 1.7 ~ 2.5 bn yen.
Aggressive upfront investment to continue.

OP Growth Contributors (FY2009 ➡ FY 2016)



Over 2/3 of incremental OP contributed by businesses aside from MR-kun Family.

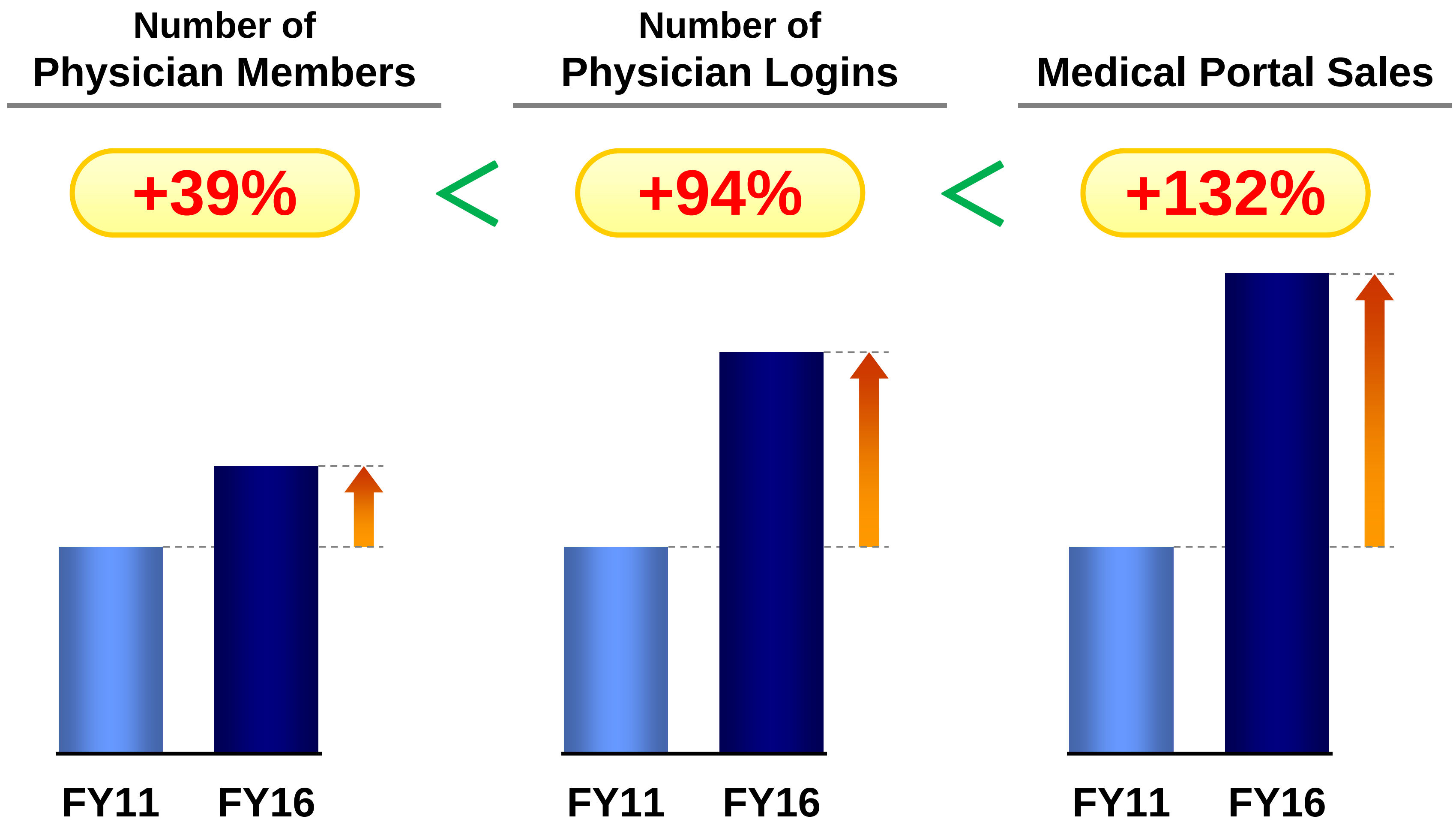
MR-kun family will continue to grow, while profit growth contribution will be exceeded by other businesses

Current Business Situation and Outlook

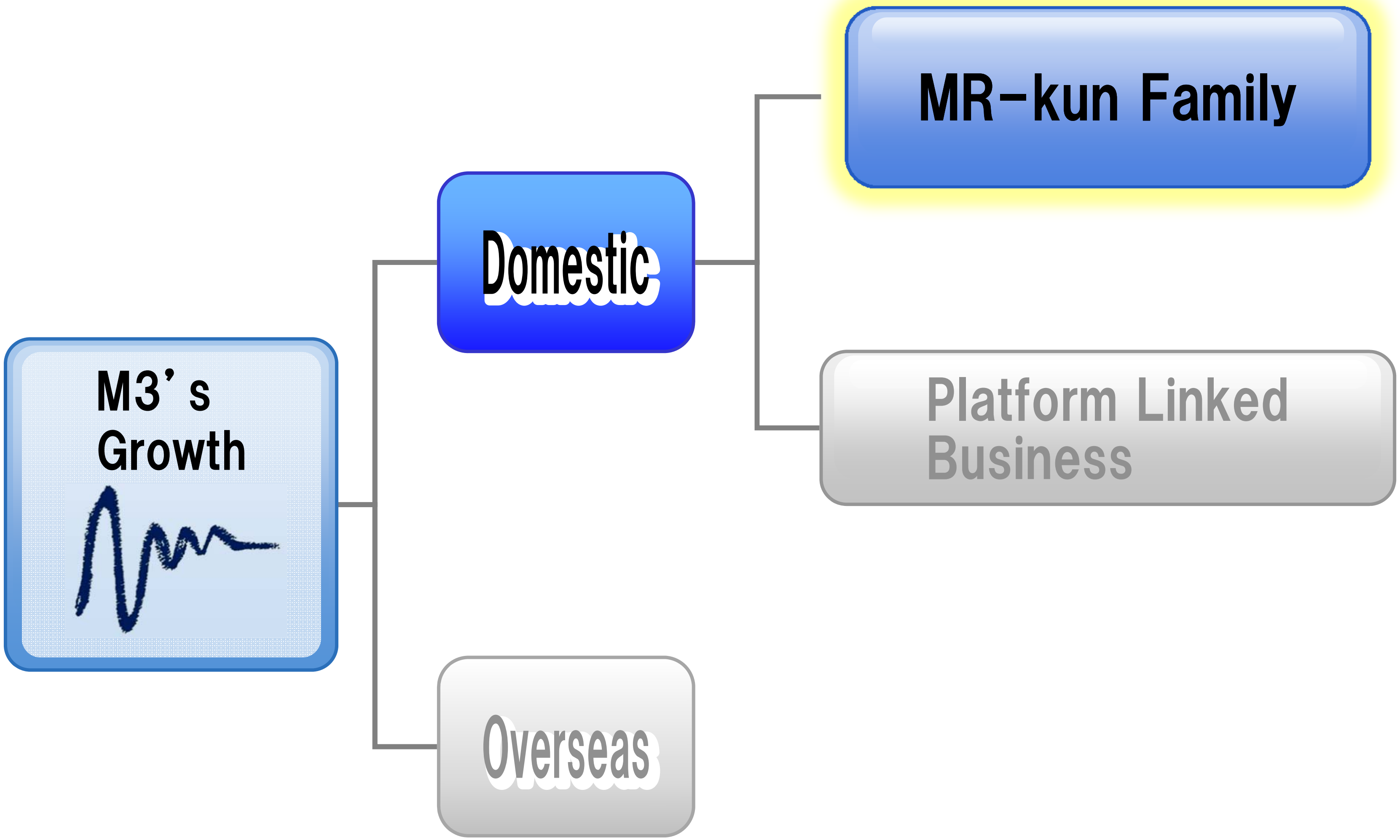
Overview

Platform	■ The m3.com platform continues to expand. Physician access increased +94% (mobile access also increased) from 5 years ago, and platform sales increased +132%
MR-kun Family	■ Full year sales were strong at +19% yoy with further penetration of various services ■ Orders are off to a healthy start for FY17
Career	■ Establishing an invincible No.1 position in the industry for job placement of physicians and pharmacists ■ Sales: 8.6 bn yen, +25% yoy; Op Profit: 2.5 bn yen, +11% yoy
Evidence Solution	■ Strength in orders received, and profitability of Neues acquired last year continues to improve ■ Full year OP grew +36% yoy, OP margins improved to 24%.
Overseas	■ Local ccy basis sales increased 35% yoy, and profits excluding M&A due diligence fees increased +27% yoy. ■ Profit contribution from the completed Vidal acquisition totaled 379 million jpy (4 months worth, after amortization of intangible fixed assets)

Continued Expansion of m3.com



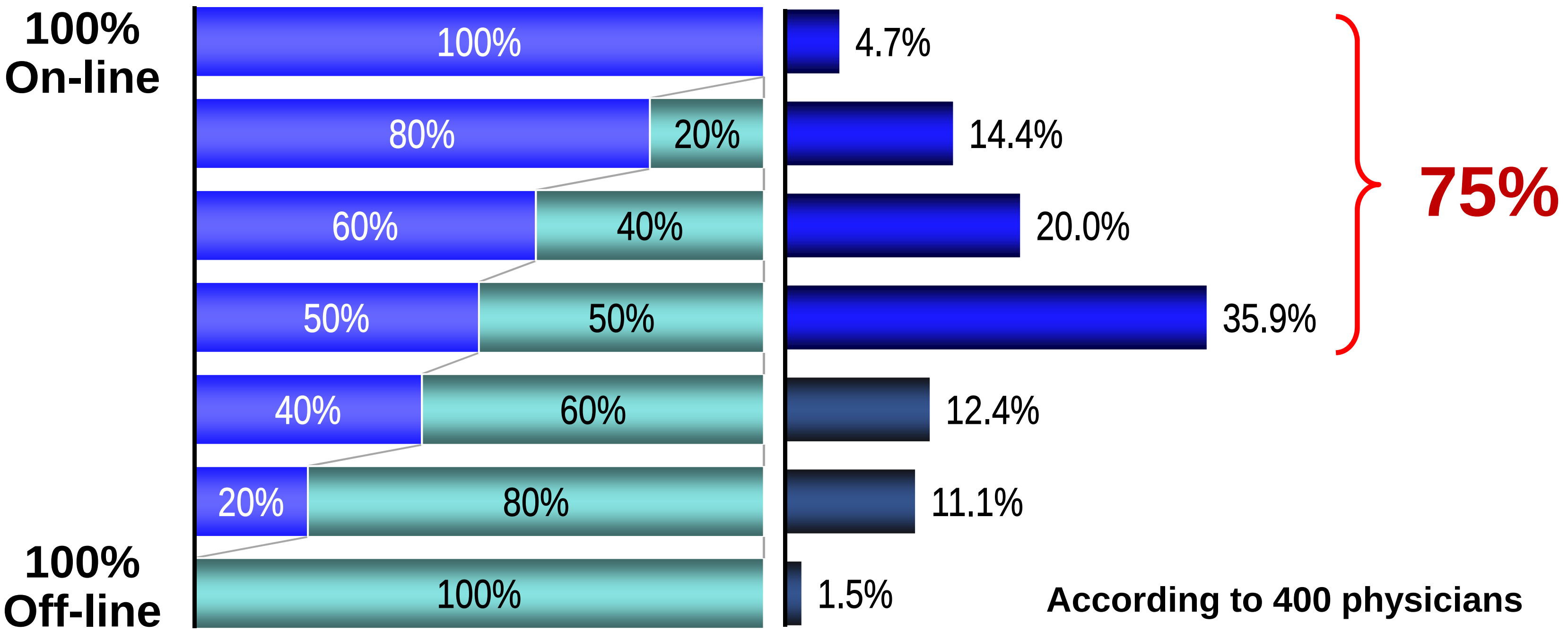
☛ **Platform expansion exceeds membership growth, with diversification of revenue sources**


M3's Growth
Domestic
Overseas
MR-kun Family
Platform Linked Business

Doctor Demand for On-Line Detailing

Q. What is the ideal ratio of online and offline product information ("details") from drug companies?

A.

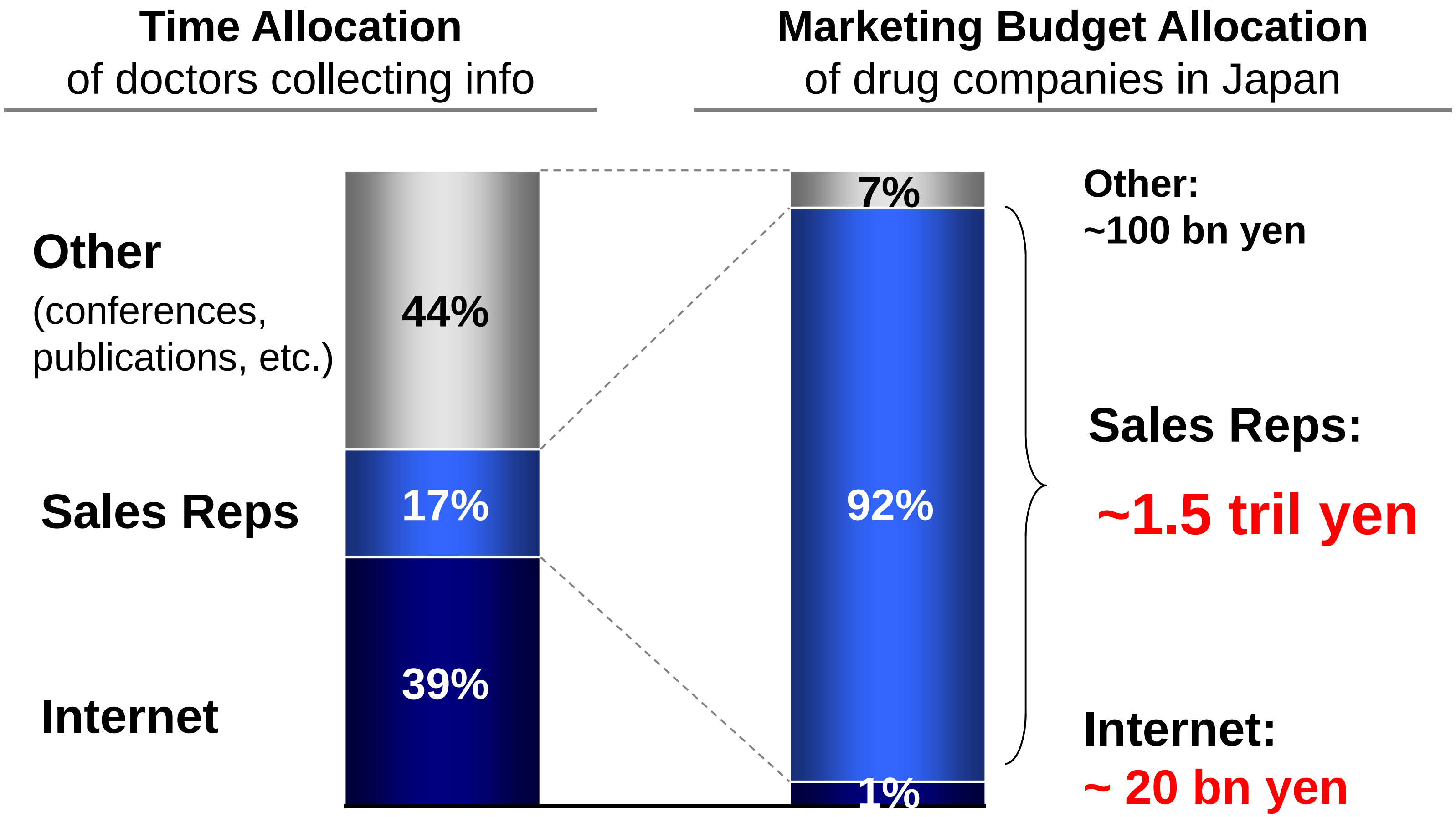


High demand for e-detailing from busy physicians that prefer on-demand and relevant information, without the limitations imposed by offline sales reps.

Source: M3 questionnaire to 400 physicians

Doctor's Time Allocation vs Pharma's Budget Allocation

Doctors spend the most time collecting information via the Internet. However, pharmaceutical firms operating in Japan spend the majority of their marketing budget on off-line sales rep related costs.



Source: M3 research, percentages are approximate

MR-kun Family's Growth Potential in Japan

	Currently	Full Potential
Pharma CLIENTS	(approx.) 30 Companies	30~35 Companies
SALES per CLIENT	(approx.) ¥500 mn	¥1 bn ~ ¥1.5 bn per client drivers: ▸ # of products ▸ # of opt-in MDs ▸ Added value of contents

Growth Potential of 3~4x current levels

Broadening of usage across entire service line-up:

Average revenues from top 20 clients grew at approx. 14% YoY

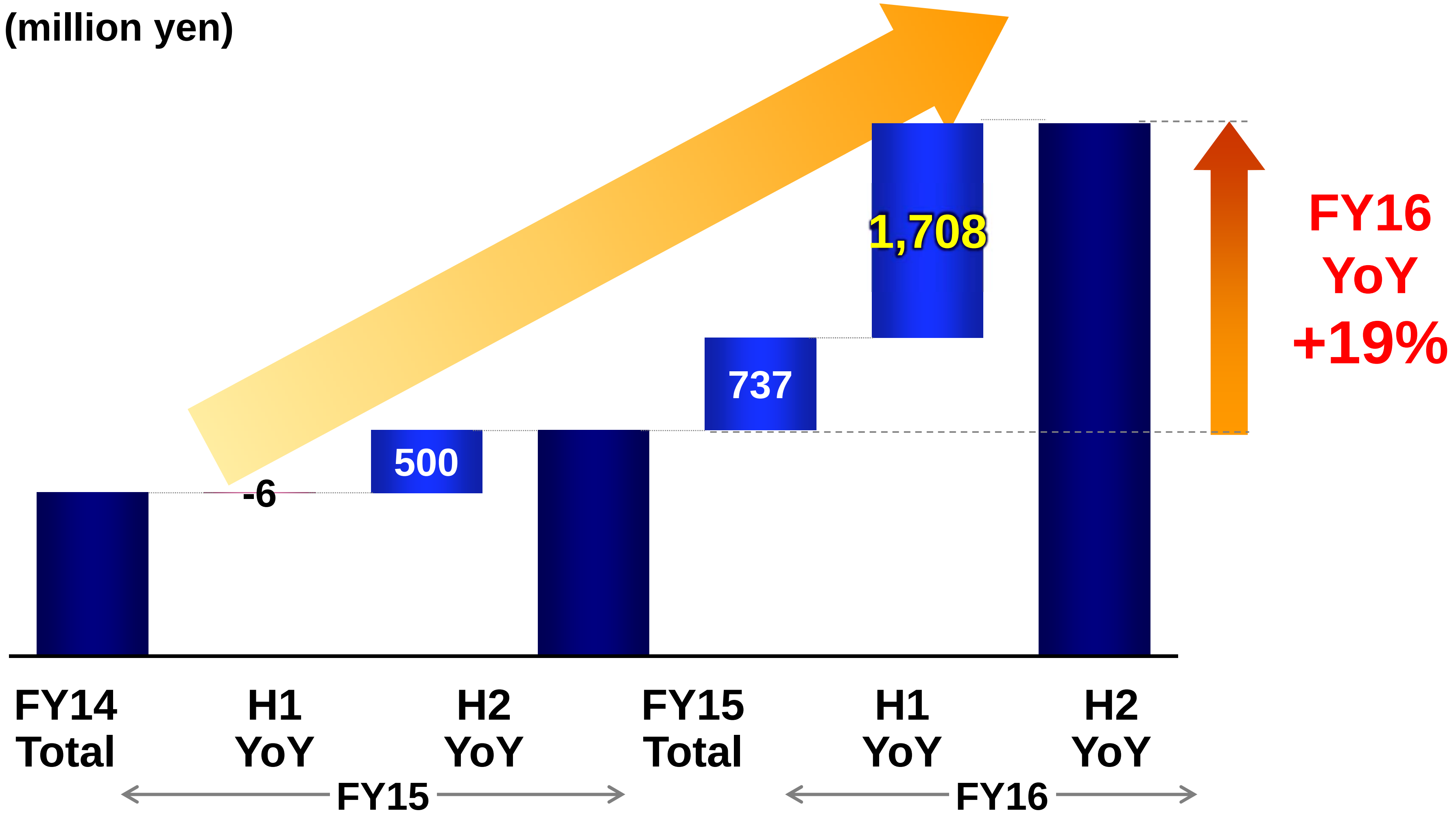
MR-kun Family Fee Structure (annual)

	MR-kun Base & Operation fee	Delivery fee	Contents Production fee	Other MR-kun Family Services
		¥100 per message sent MR-kun, One Point eDetail, Web Symposium	Production of customized detail contents	Others
Entry Level (one product)	¥60 ~ 70 mn	¥20 ~ 40 mn	¥30 ~ mn	¥10 ~ mn
Top 5 Clients (multiple products)	¥60 ~ 70 mn	¥700mn	¥100 mn	¥100 mn

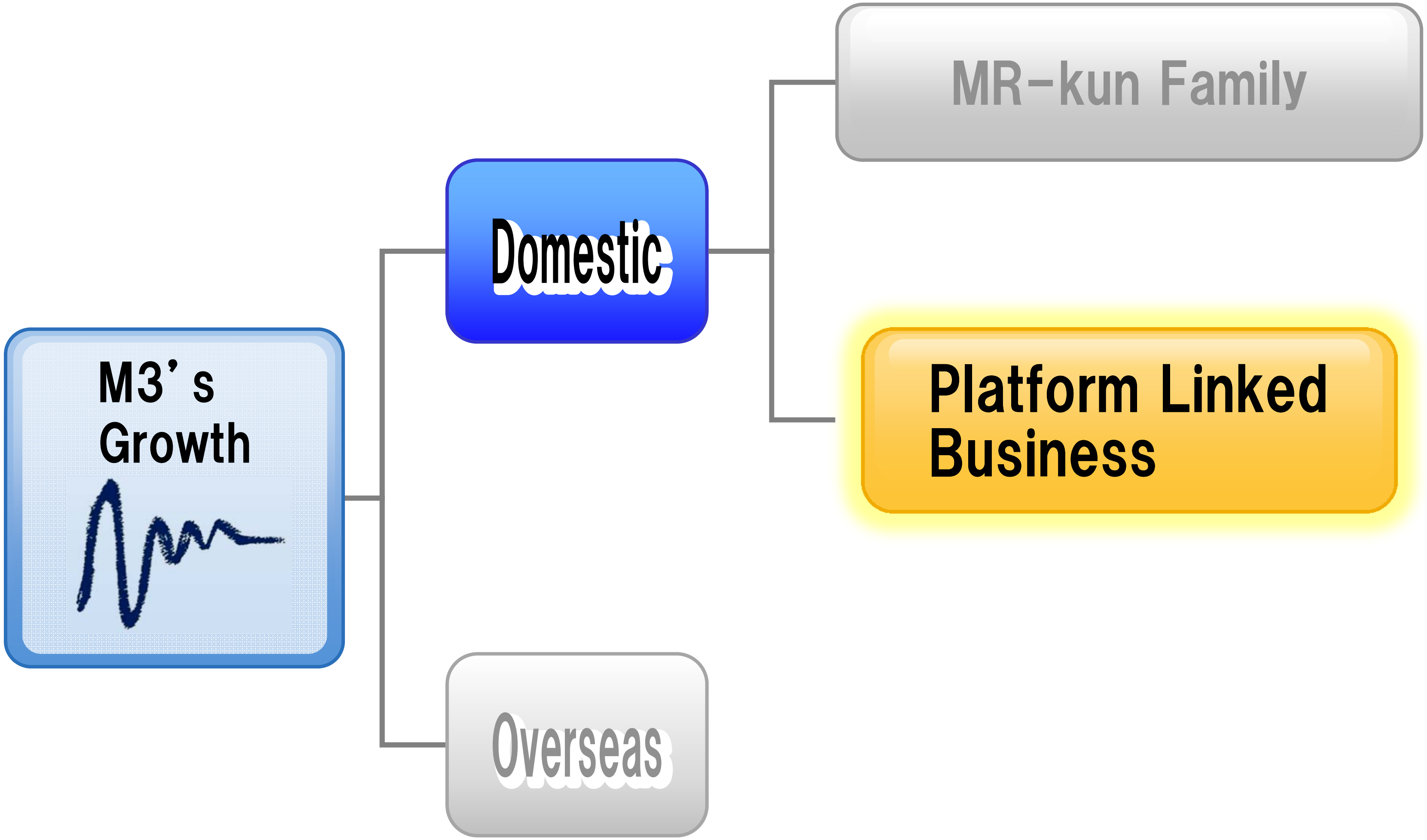
Entry Level: ***around ¥150 mn***

Top 5 Clients: ***The average of top 5 clients: around ¥ 1 billion***

MR-kun Family: YoY Incremental Sales Comparison



FY16 H2 sales growth accelerated (+24% yoy).
Full fiscal year sales grew at +19% yoy.


M3's Growth
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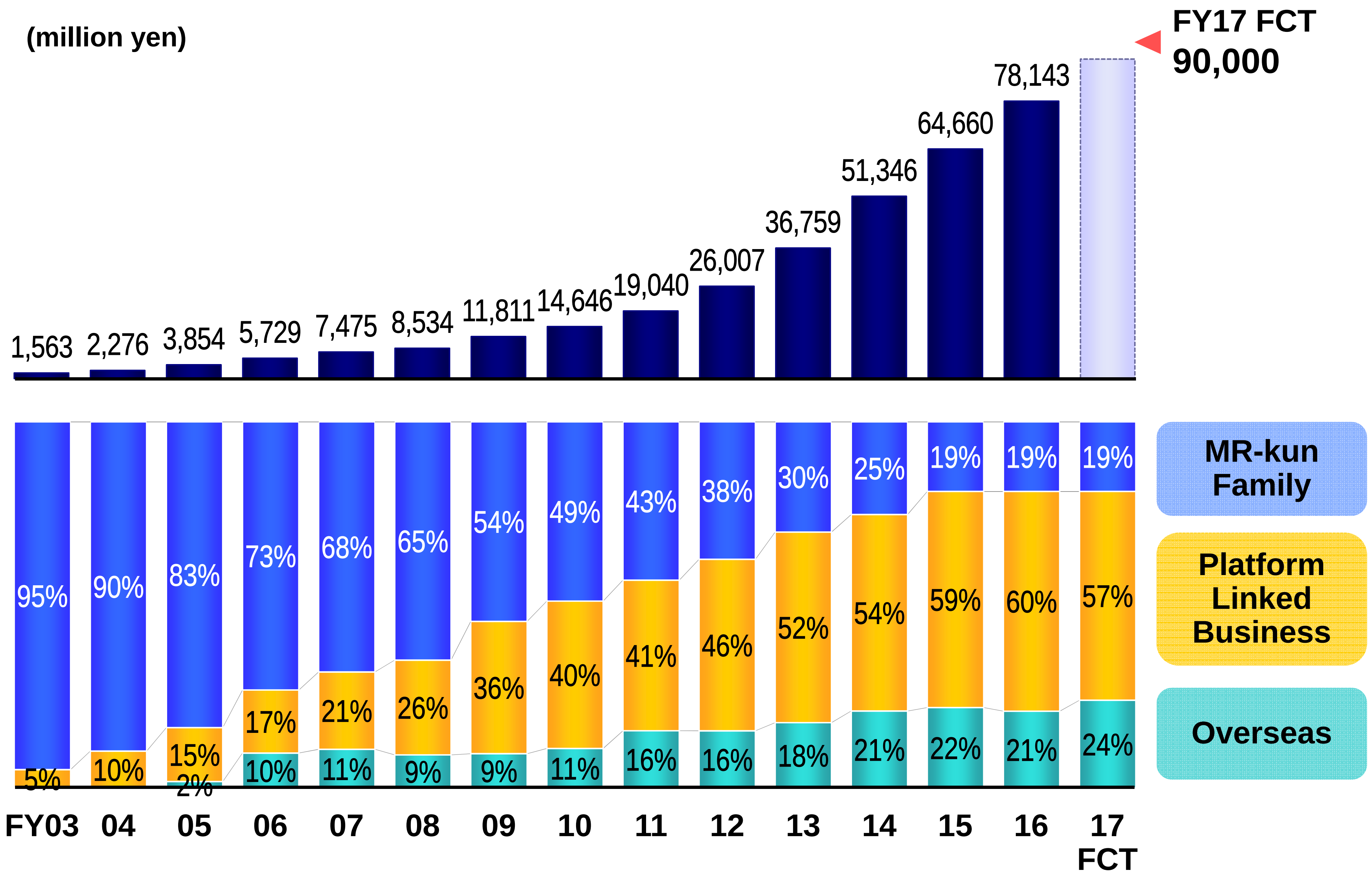
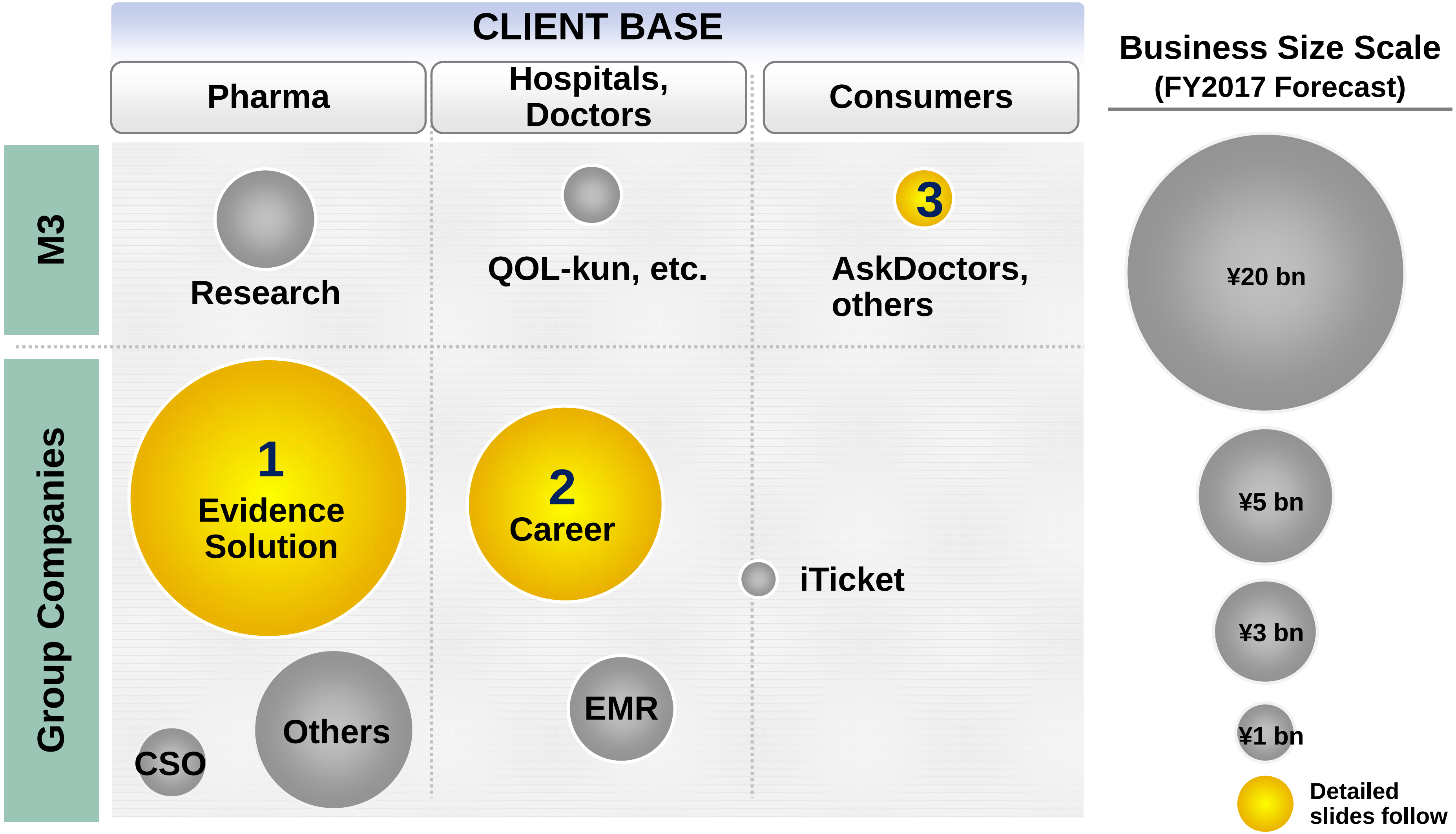
Consolidated Sales Trend



Business Segment Breakdown and Type

Business Segments	Services	FY16 Sales	Business Type
Medical Portal	MR-kun Family	15 bn yen	MR-kun Family
	Career	9 bn yen	Platform Linked Business
	Research	3 bn yen	Platform Linked Business
	Other (Mr. Finder, AskDoctors, others)	3 bn yen	Platform Linked Business
Evidence Solution		22 bn yen	Platform Linked Business
Clinical Platform		3 bn yen	Platform Linked Business
Sales Platform		1 bn yen	Platform Linked Business
Other (iTicket, hospital support, others)		5 bn yen	Platform Linked Business
Overseas		16 bn yen	Overseas

Platform Linked Business Development



☞ **Total revenue of platform-linked businesses in FY2017 is expected to exceed 50 billion yen. New projects pipeline includes 20 to 30 business ideas with plans including overseas development.**

Power of Mr. Finder in Drug Development

1 Evid Sol

"Making use of the Internet to increase, as much as possible, the number of people who can live longer and healthier lives, and to reduce as much as possible, the amount of unnecessary medical costs."

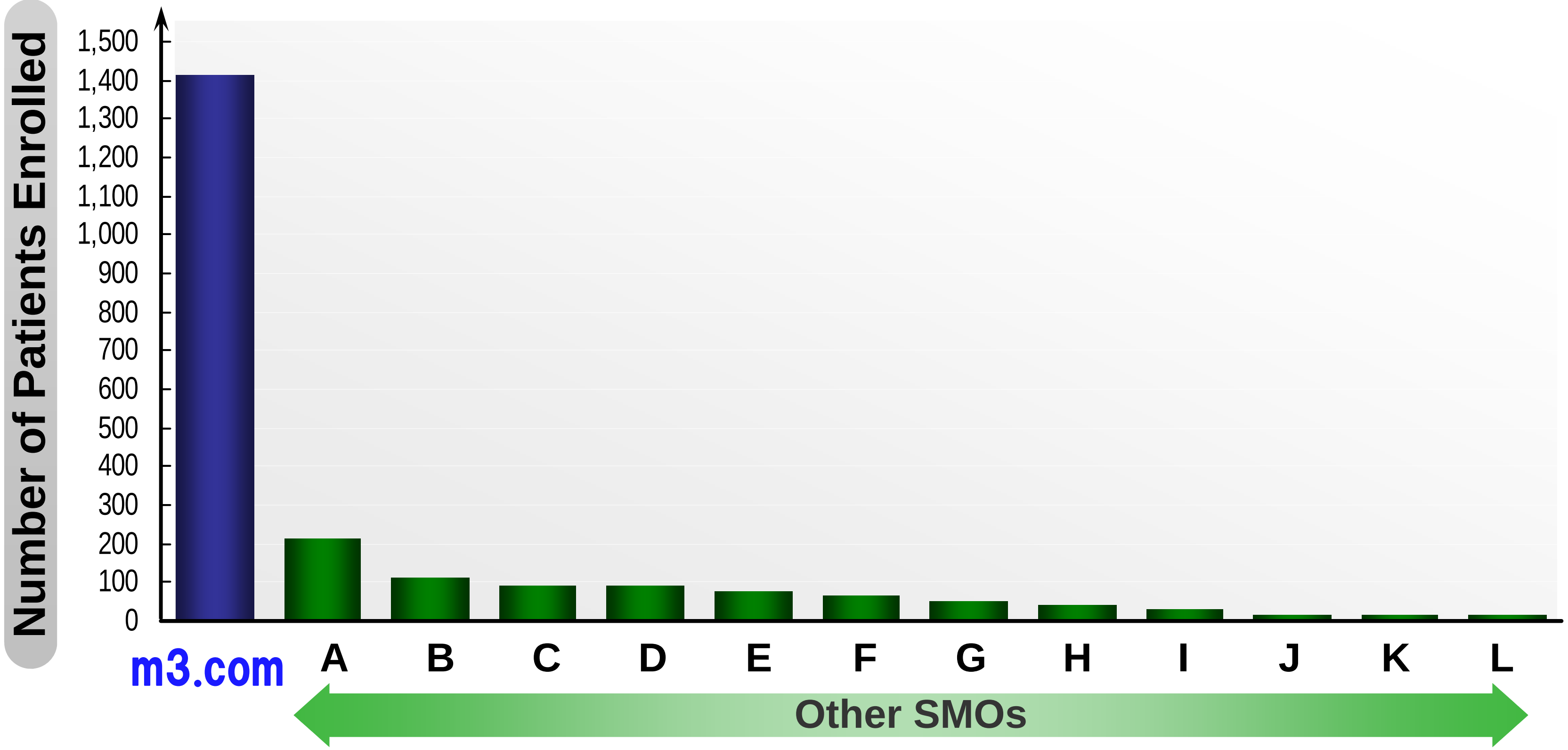
~ 2010	**Evolution via MR-kun for pharmaceutical e-Marketing - *Engine #1***
	Plus
2011 ~	**Evolution via Mr. Finder for pharmaceutical e-R&D - *Engine #2***

Patient Enrollment in Large-Scale Trials

1 Evid Sol

Case study

Mr. Finder dramatically outpaced competitors both by number and speed in enrolling cases for a particular Endocrinology trial



Expedited enrollment of motivated physicians and patients compared to other SMOs

Shift to e-Clinical Trials

1 Evid Sol

Group-wide approach to promoting and accelerating internet based drug development

Theme	Operation	M&A Timing
Shift to e-SMO Site Selection Feasibility Study, etc	e-SMO 株式会社イスモ	2011
	CLINICAL PORTER	2009
	NEUES MEDICAL DEVELOPMENT SERVICES	2015/4

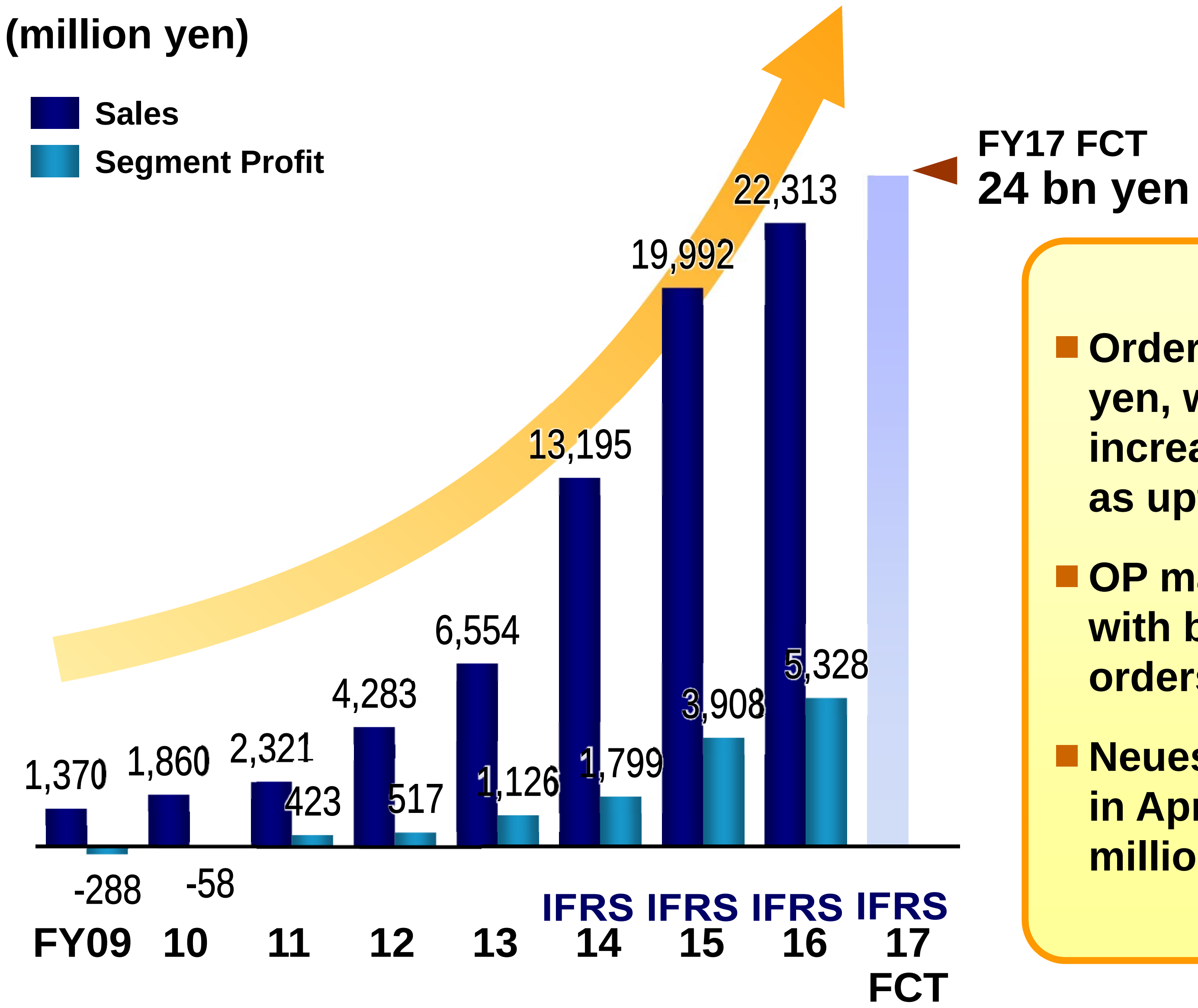
Theme	Operation	M&A Timing
Shift to e-CRO Monitoring EDC, etc	Contract Research Organization 株式会社メディサイエンスプラニング	2014
	Mobix	2009
	MIC MEDICAL	2012

Theme	Operation	M&A Timing
Shift to e-Infrastructure Utilization of electronic medical records, etc	CMS 株式会社シィ・エム・エス	2012

Sales and Profit Trend of Evidence Solution

1 Evid Sol

IFRS basis



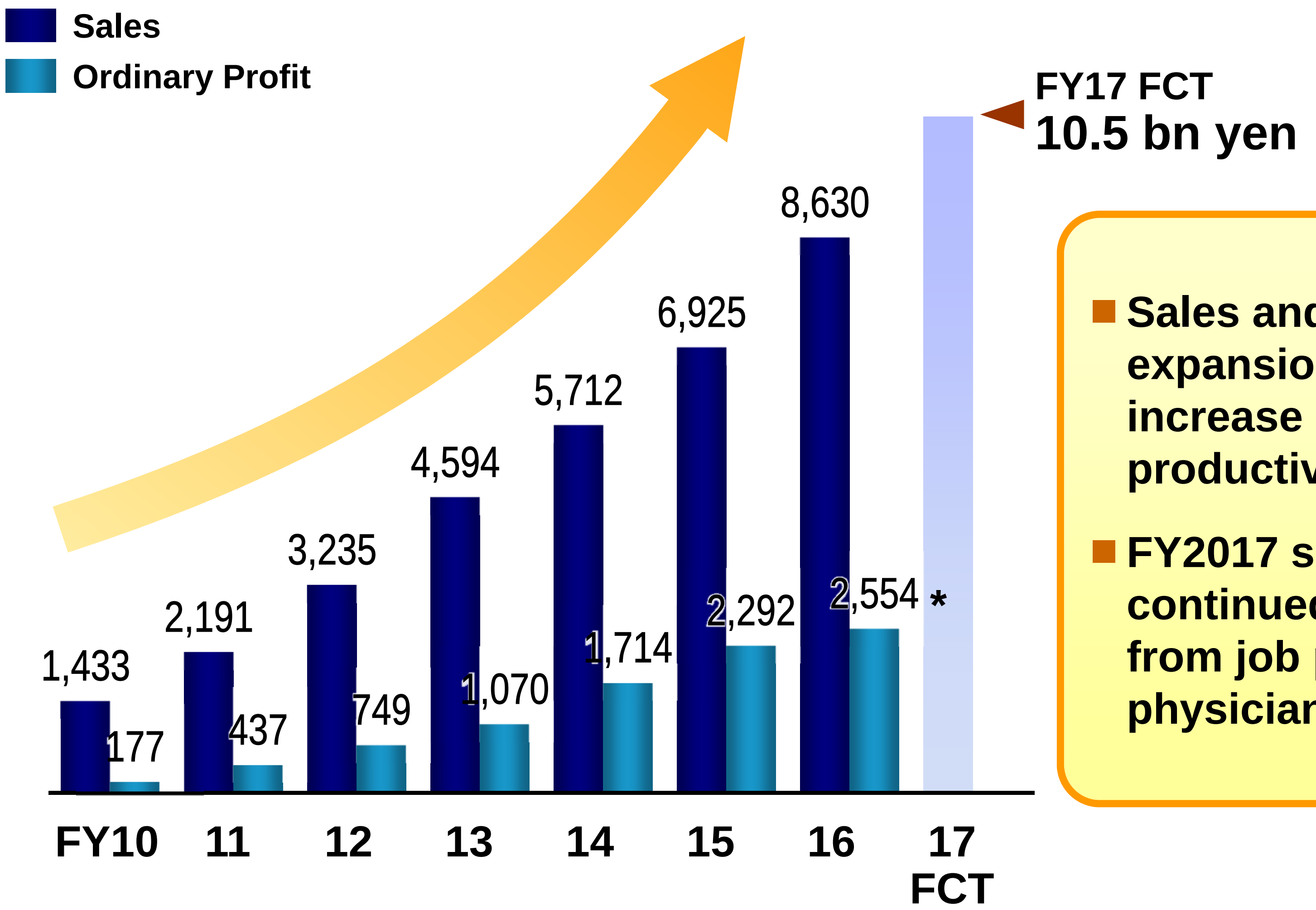
- Orders backlog at 29bn yen, with corresponding increases in headcount as upfront investment
- OP margin rose to 24% with backdrop of healthy orders expansion
- Neues, an SMO acquired in April 2015, posted 600 million yen in profits

Sales and Profit Trend of M3 Career

2 Career

JGAAP basis

(million yen)



- Sales and profit expansion from increase in staff and productivity
- FY2017 should see continued traction from job placement for physicians.

*Excludes Anestation M&A fees

Potential for AskDoctors.com

3 Ask Doctors

- **200,000 paid members**
- **15,000 consultations per month**
- **5.6 doctors respond to each question**
- **99.9% response rate**
- **2,400,000 archived consultation results**
- **Yahoo! Japan affiliation**
- **Already Japan's largest remote medical consultation platform**

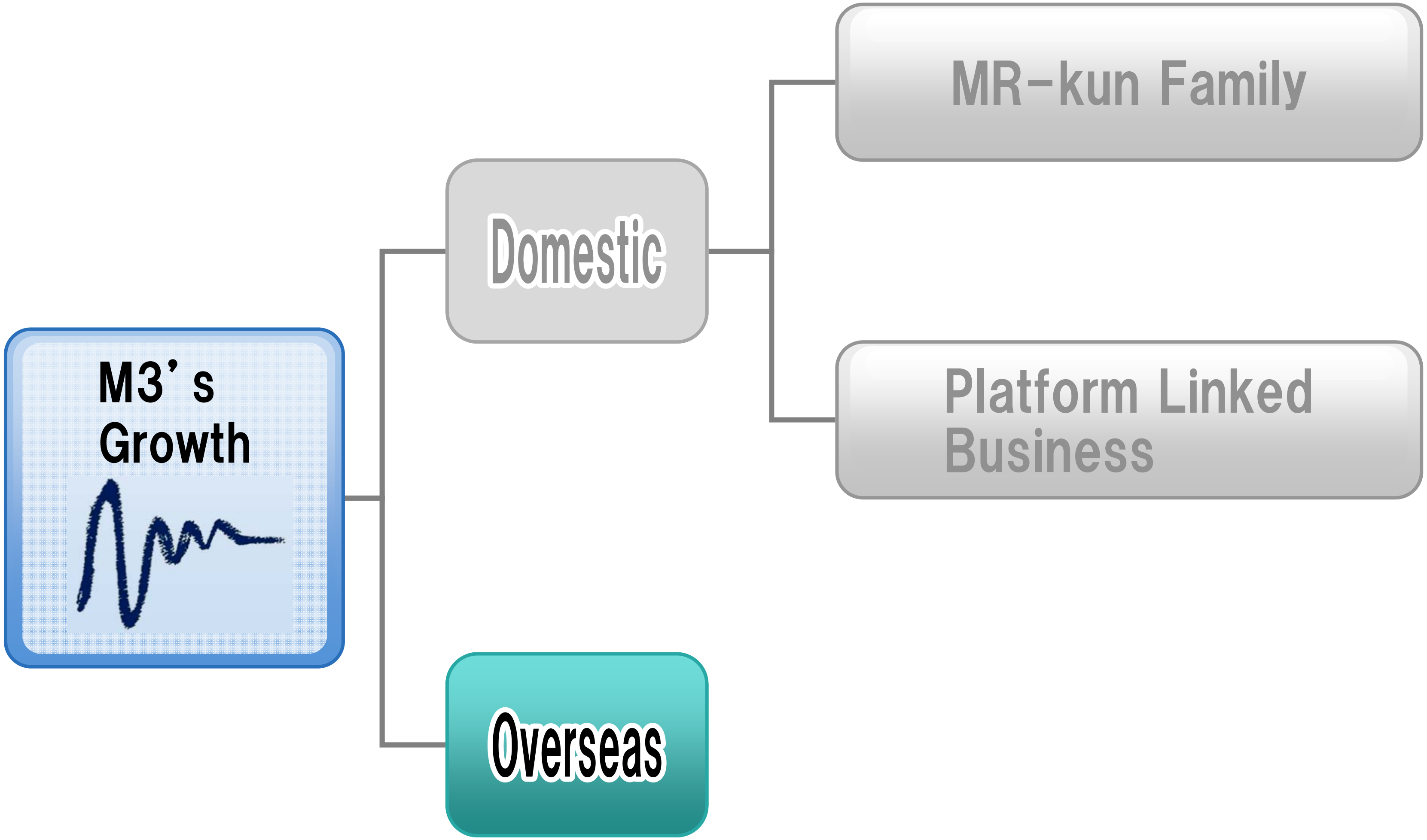
(numbers are approximate)

Rapid AskDoctors based business development opportunities exist on the stroke of advancement in legislation surrounding remote medicine

Established "M3 AI Labo"

Development Stages	M3 Value Addition
Accumulation of Medical Big Data	• Medical data accumulation from the 250 thousand local and 4+ million global physician members
Clinical Study, Application Approval	• Clinical study execution via group CROs, SMOs • Rapid patient recruitment utilizing Mr. Finder • Regulatory strategy consulting
Marketing	• MR-kun family marketing support services
Financing	• Financing support based on venture capital expertise

Medical device and service development utilizing artificial intelligence and M3 group's aggregate support services.


M3's Growth
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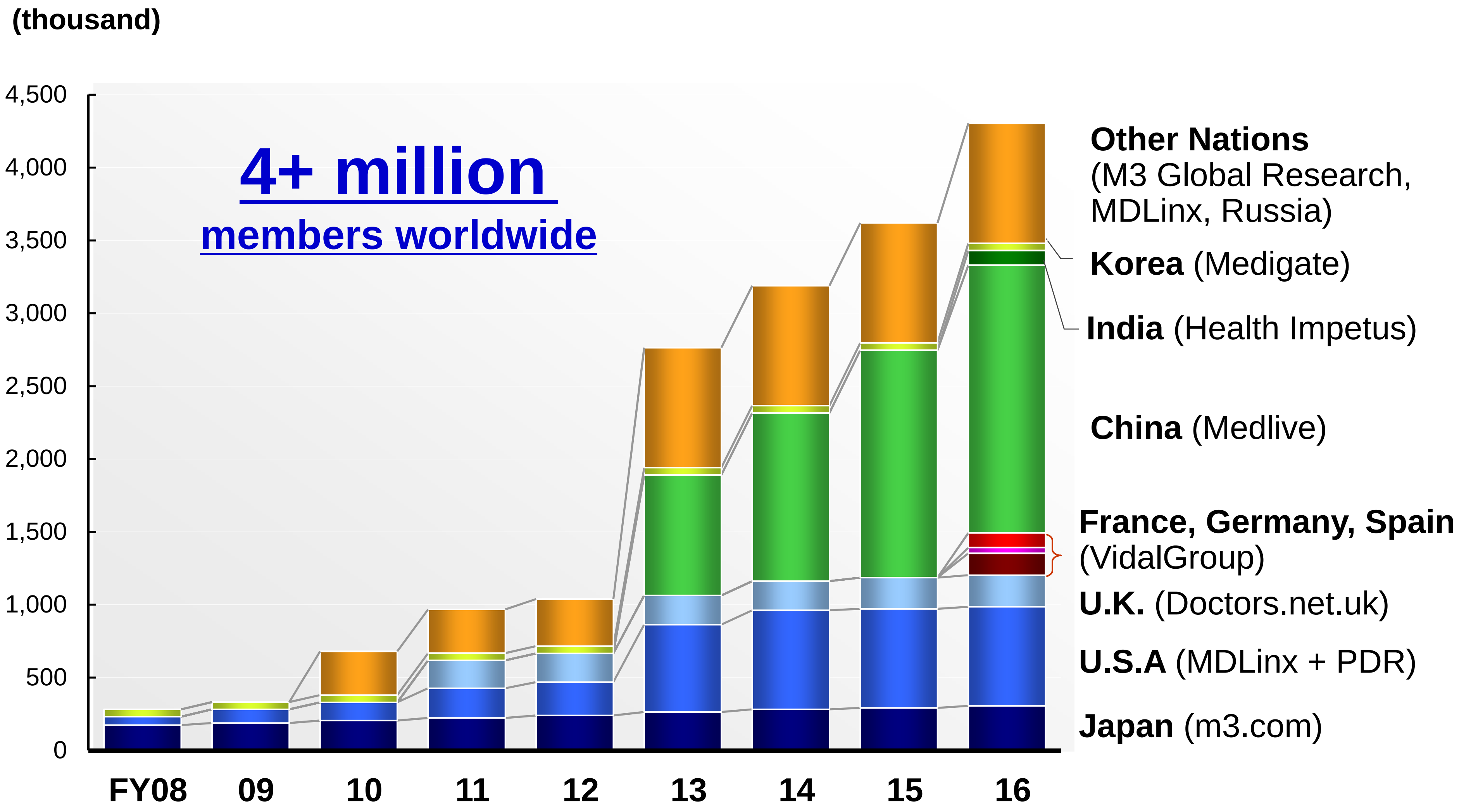
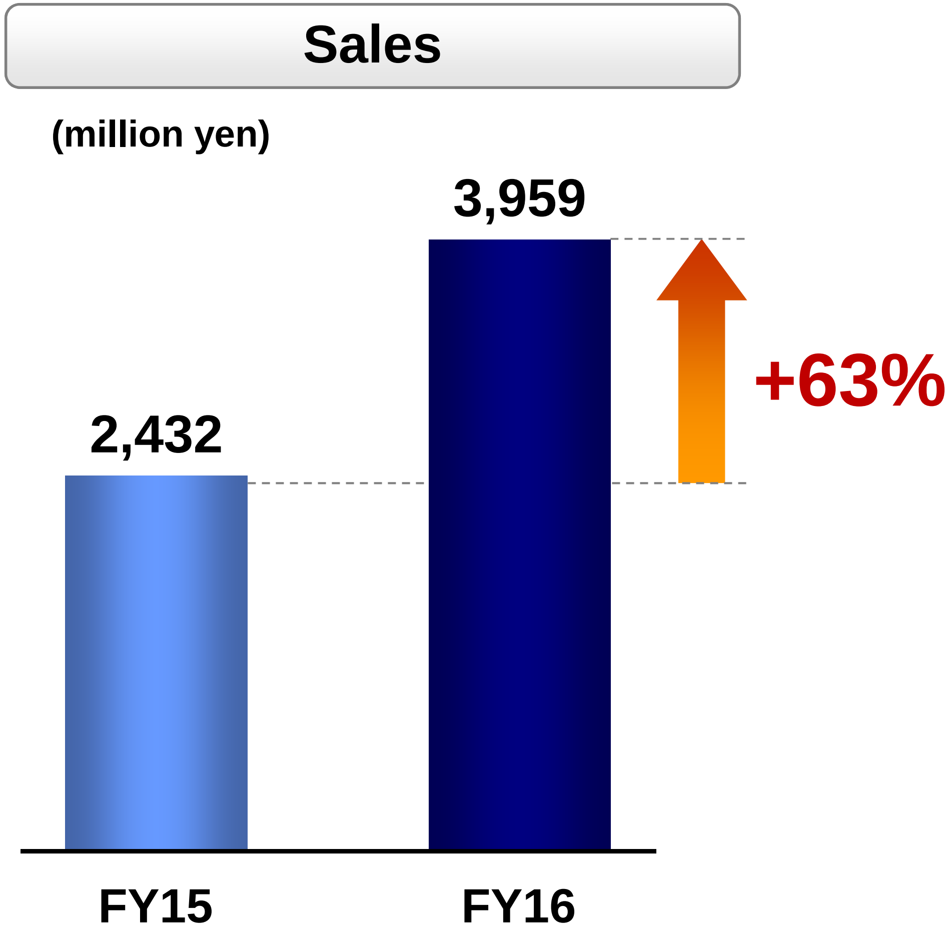
Platform Linked Business
Overseas

Number of Physician Members and Panelists (Global)



Over 4 million physicians utilize M3's global platforms

Expansion of U.S. Career Services

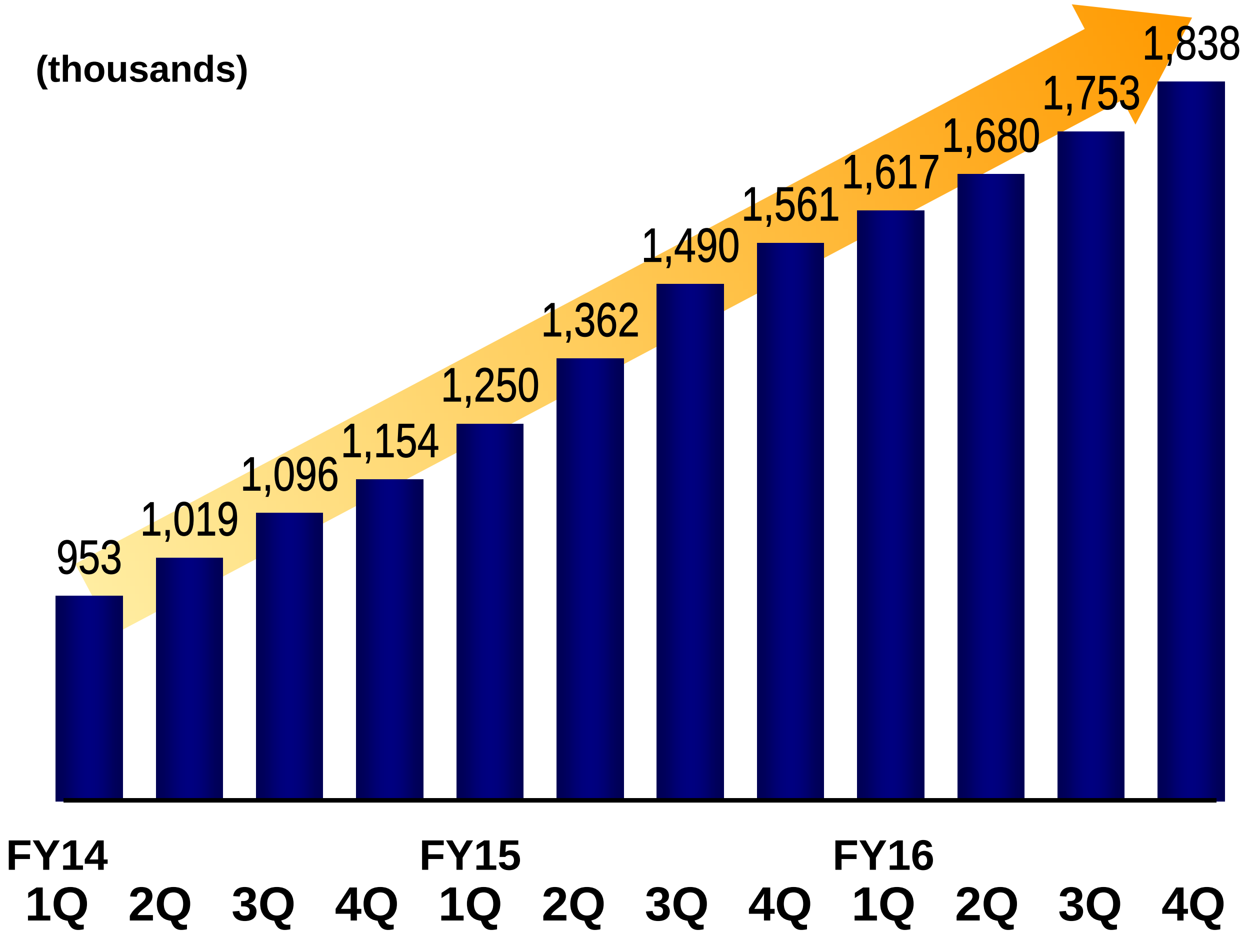


- Operation size grew +63% yoy due to expansion of existing businesses as well as contribution from M&As
- Synergies with MDLinx, the U.S. web portal designed for physicians, is expected to improve sales and profitability
- Steady growth for FY17 is expected

A new US driver with a faster initial growth rate than M3 Career in Japan, and a much larger addressable jobs market overall.

China: Membership Expansion

Number of Physician Members in China



- Marketing services for drug companies starting with MR-kun, and marketing research services showed steady growth
- MR-kun is now being utilized for 30 drugs across 10 pharmaceutical companies

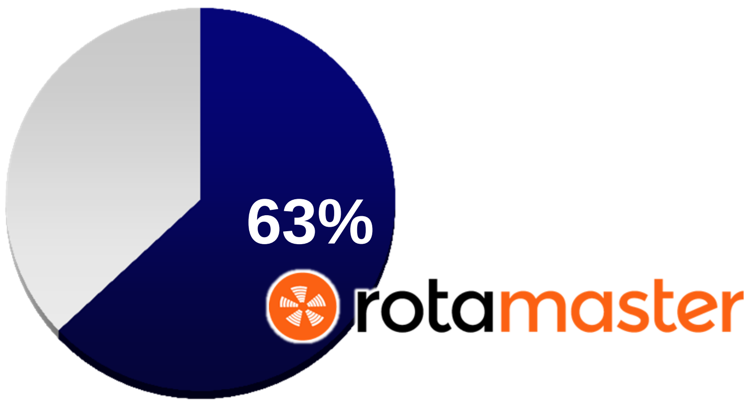
On the brink of 2 million physicians members, covering the majority of doctors in China

RotaMaster

Overview

Corporate Name：IQUS Limited
Established: 2000
Location: West Yorkshire, U.K.
Employees: approx. 20
Trademark:

<Market Share >
across institutions operating outside of normal hours



Synergies

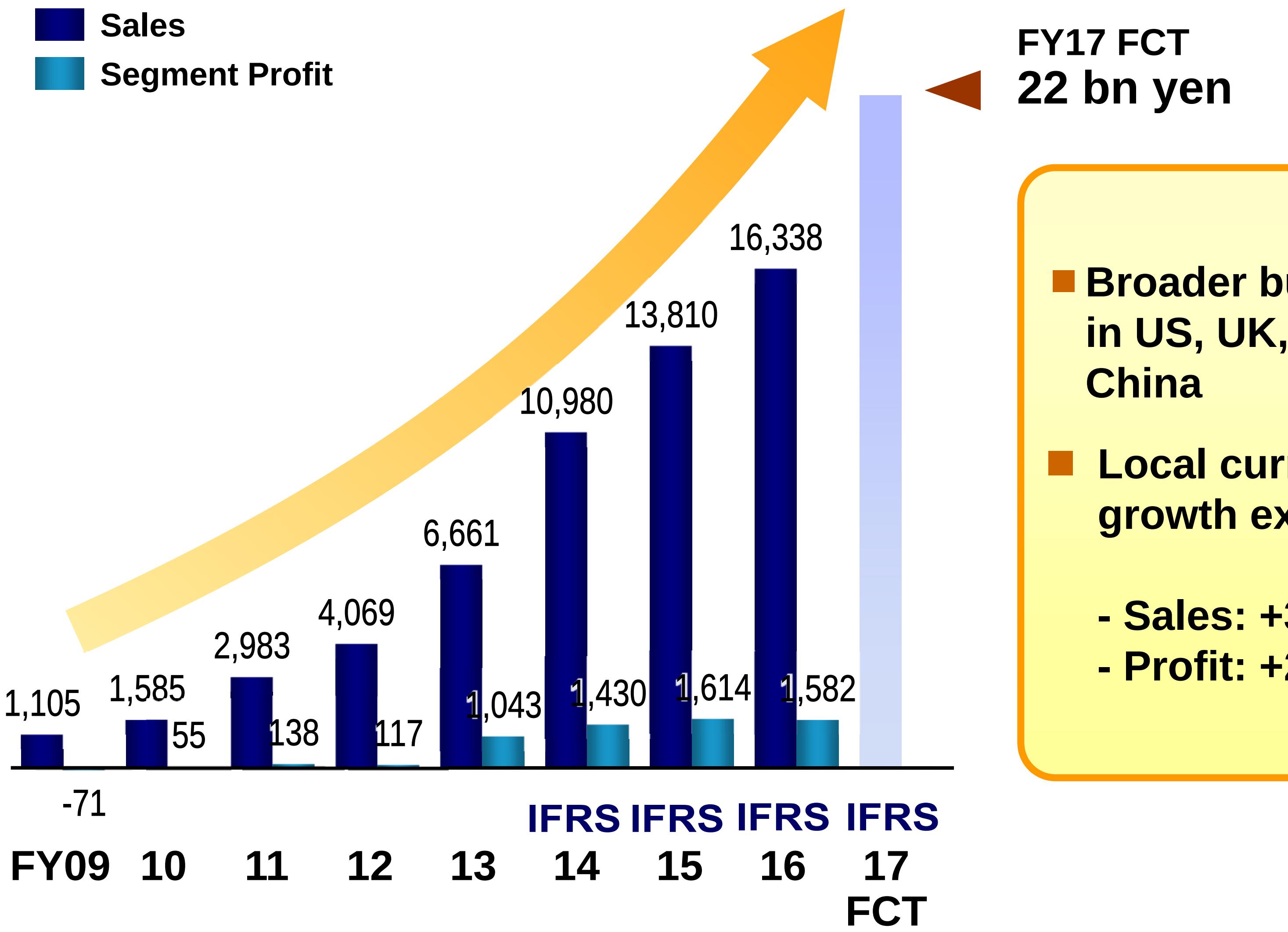
- Developed and sells the RotaMaster software designed for workforce management at healthcare institutions
- Utilized at 75 medical institutions, and holds 63% market share across institutions operating outside of normal hours
- Transparency of open shifts provided by RotaMaster allows maximization of temporary staff placements
- Unscheduled healthcare provider market (locum) is sized at roughly 60 billion yen. Considering expansion into this market by matching of DNUK members with open shifts found via RotaMaster

Official entry into the UK career business with RotaMaster

Sales and Profit Trend of Overseas

(million yen)

IFRS basis



- Broader business scope in US, UK, France, and China
- Local currency basis yoy growth ex M&A fees:

  - Sales: +35%
  - Profit: +27%

M3 Group's Business Strategy

Strategy Change in Business Development

	New Service Development in the Medical Internet Sector (2000~2010)		Internet-Powered PE Style Business Expansion in Healthcare Industry (2011~)
Approach	Internet	→	Internet + Real Operations
Service Coverage	Web-based eTools	→	Entire Value-Chain
Potential Business Domains	~10	→	30 ~ 50 (~ 200 including overseas)
Profitability	High profitability (Mid absolute profit)	→	High absolute profit (Mid profitability)
M&A	Small	→	Medium ~ Large

M3 is uniquely positioned to transform the health care industry via its
1) Platform 2) Industry Expertise and
3) Human Resources (management and engineering)

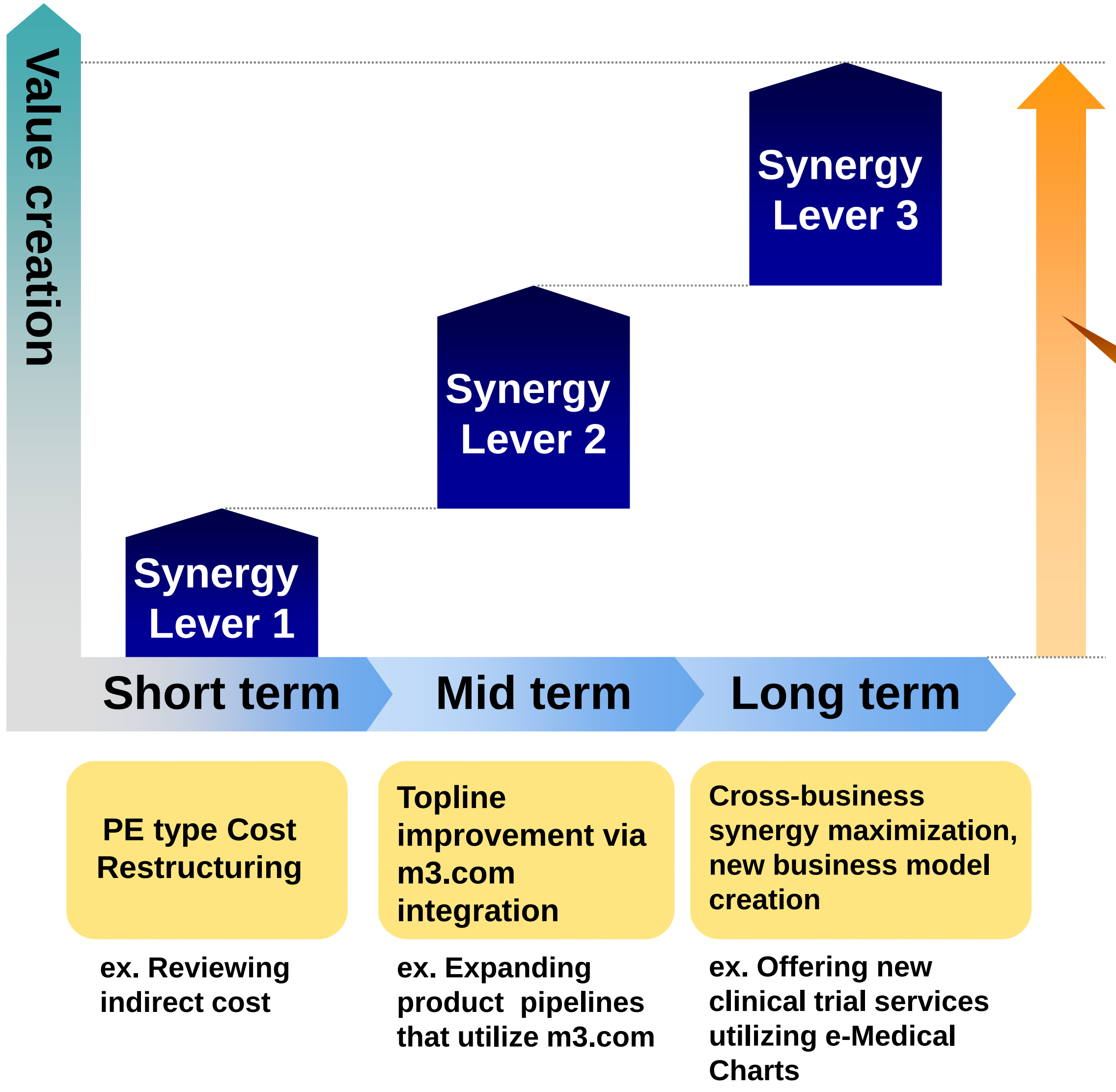
M3's Investment Spectrum

	Minority	Over 50%	100%
Listed	Domestic: 2 companies Human Metabolome Technologies Honyaku Center		Domestic: 3 companies Mebix MIC Medical Mediscience Planning
Unlisted	Ventures: 20 companies Mid-sized medical institution: 1 company	Domestic: 1 company M3 Career Overseas: 2 companies Kingyee (China) HIPL (India)	Domestic: 16 companies Overseas: 10 companies

M3 Investment Share

Consolidation remains the core strategy, along with a wide spectrum of investment styles in all high potential companies.

Value Creation via M&A



- We aim to create value across 3 successive terms after execution of M&A.
- Execution of 10+ M&As in the past 3 years have created more synergistic effects than expected and has provided accumulation of turn-around expertise
- PE-style investment will be applied to create value overseas as well going forward.

Powerful Execution Team

- Specialized team of approx. 10 experts with IBD backgrounds from top banks such as JPMorgan, UBS, Mizuho Securities, as well as KPMG, Innovation Network Corporation of Japan, and VC firms
- Internalized capabilities from sourcing to execution, leading post merger integrations to back up levers 1, 2, and 3
- Members from firms such as GS and MS situated in other business units are assigned to projects on an interim basis… multi-skill development

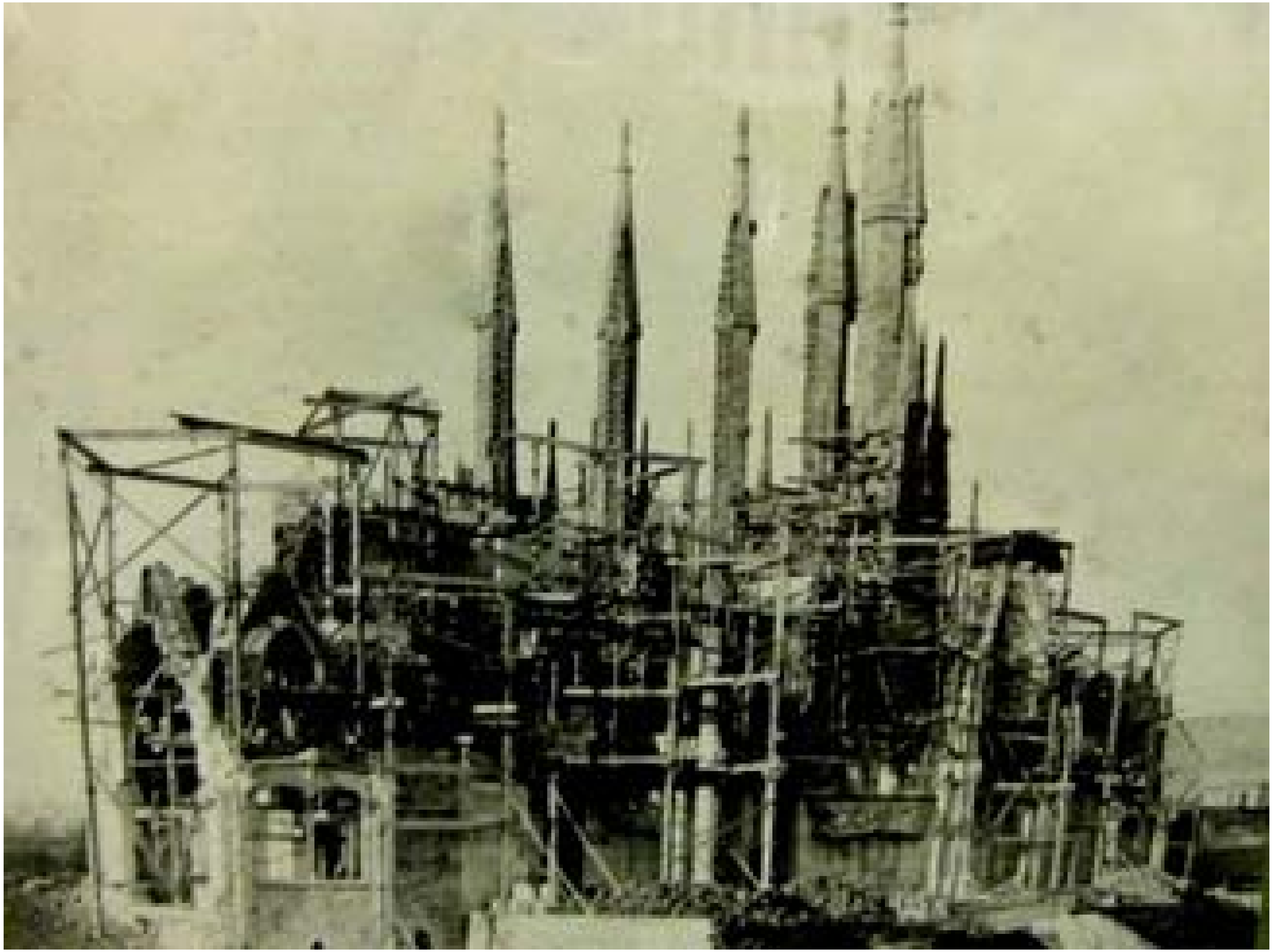
10 years since team formation, with zero retirees -- Voices from the Team:

" It's an environment where you can work towards a unified objective, with colleagues of expertise in all areas. The satisfaction and sense of accomplishment were newly felt rewards, separate from monetary merit."

"End-to-end involvement in projects allowed me to gain various expertise regarding management, operations, and best practices."

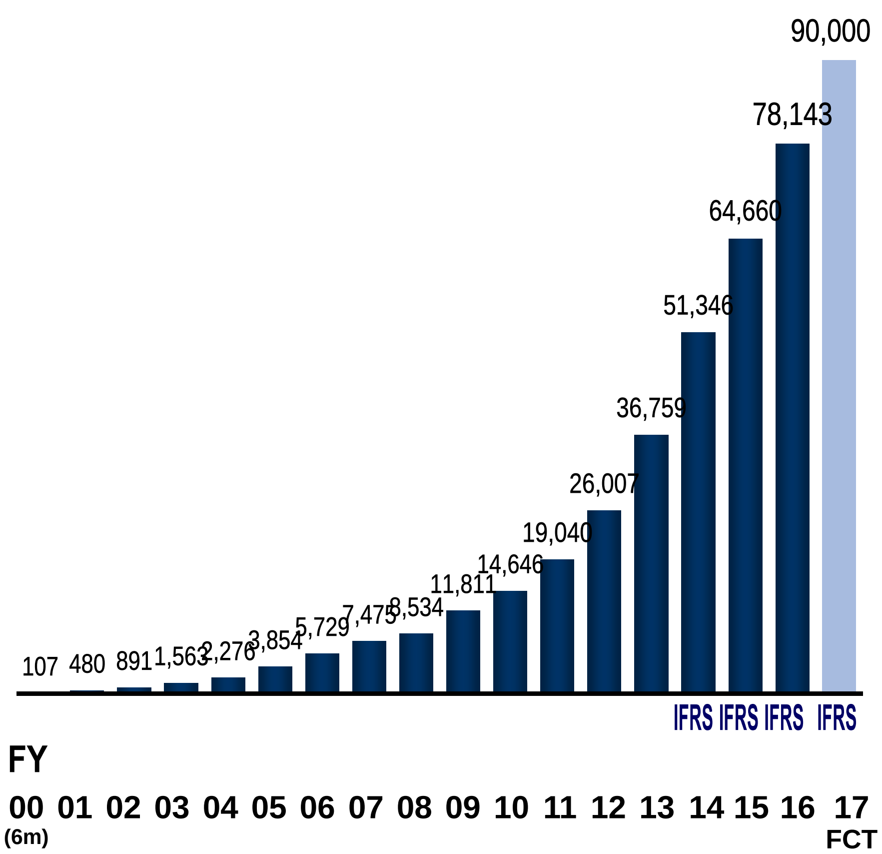
"My work is exciting!"

M3 is Just Getting Started

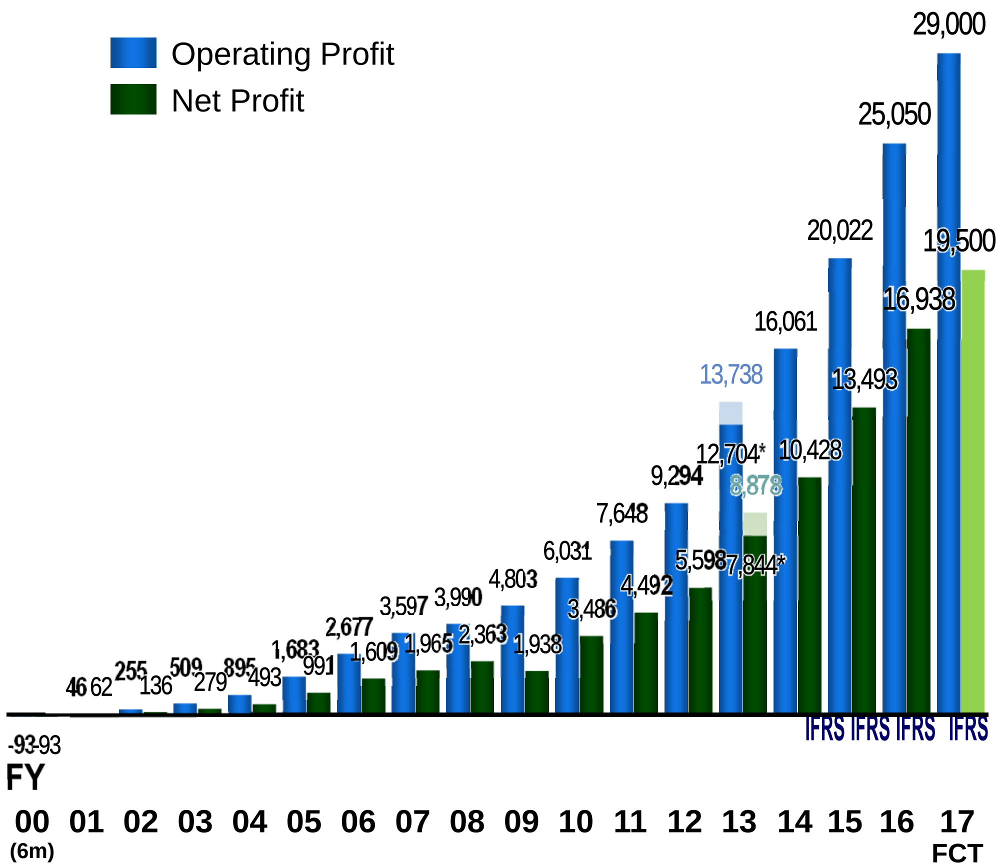


Annual Results & Forecast for FY2017

Sales



Operating Profit & Net Profit



* Extraordinary profit from acquisition of MPI: 1,034 mn yen

FY2017 Budget Guideline

Topline

- Opportunities are partially and conservatively incorporated
- Pending new businesses and M&As are excluded

Cost

- Continued aggressive hiring, planning increase of 400 headcounts over the fiscal year:
  - Medical Portal 150
  - CRO, SMO: 150
  - Others: 100
- Allocation for M&A related costs such as advisory fees: 400 million jpy

FY 2017 Budget Guidance (By business)

MR-kun Family	■ Double digit growth from increase in number of products using MR-kun family services
Career	■ Healthy growth led by job placement for physicians.
Evidence Solution	■ Continued growth form strong orders and projects progress
Overseas	■ US: Continued growth surrounding the career business ■ UK: Full consolidation of Vidal. Healthy growth including the UK. ■ China: Healthy growth led by MR-kun
Others	■ Steady growth from Clinical Platform and Sales Platform ■ Various businesses in the other segments to expand in both scope and content

Creating New Value in Healthcare

M3

Medicine
Media
Metamorphosis

Healthcare sector is enormous…

- **Japanese national spending on medical services is approximately ¥33tn** (¥50tn including peripheral businesses)
- **Equivalent to 10% of Japanese GDP**
- **Sector controlled by only 290,000 physicians** (0.2% of the national population)

Aim to create new value

- **Provide solutions within the healthcare sector**
- **Provide new and unique business models**
- **Specialize in niches areas that provide opportunity for high value creation and high profits in order to boost enterprise value**