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.
### FY2018 Consolidated Results

<table>
<thead>
<tr>
<th>(million yen)</th>
<th>FY2017</th>
<th>FY2018</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>94,471</td>
<td>113,059</td>
<td>+20%</td>
</tr>
<tr>
<td>Operating Profit</td>
<td>27,486</td>
<td>30,800</td>
<td>+12%</td>
</tr>
<tr>
<td>Pre-tax Profit</td>
<td>27,472</td>
<td>30,942</td>
<td>+13%</td>
</tr>
<tr>
<td>Net Profit</td>
<td>19,225</td>
<td>21,346</td>
<td>+11%</td>
</tr>
</tbody>
</table>

*IFRS9*
## FY2018 Consolidated Results by Segment

<table>
<thead>
<tr>
<th>(million yen)</th>
<th>FY2017</th>
<th>FY2018</th>
<th>YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Domestic</strong></td>
<td>FY2017</td>
<td>FY2018</td>
<td>YoY</td>
</tr>
<tr>
<td>Medical Platform</td>
<td>Sales</td>
<td>34,306</td>
<td>41,248</td>
</tr>
<tr>
<td></td>
<td>Profit</td>
<td>15,366</td>
<td>15,391</td>
</tr>
<tr>
<td>Evidence Solution</td>
<td>Sales</td>
<td>22,084</td>
<td>22,633</td>
</tr>
<tr>
<td></td>
<td>Profit</td>
<td>5,532</td>
<td>5,985</td>
</tr>
<tr>
<td>Career Solution</td>
<td>Sales</td>
<td>10,880</td>
<td>13,710</td>
</tr>
<tr>
<td></td>
<td>Profit</td>
<td>2,871</td>
<td>3,847</td>
</tr>
<tr>
<td>Other Emerging Businesses</td>
<td>Sales</td>
<td>6,903</td>
<td>12,692</td>
</tr>
<tr>
<td></td>
<td>Profit</td>
<td>1,697</td>
<td>2,484</td>
</tr>
<tr>
<td>Overseas</td>
<td>Sales</td>
<td>22,425</td>
<td>25,124</td>
</tr>
<tr>
<td></td>
<td>Profit</td>
<td>2,980</td>
<td>3,638</td>
</tr>
</tbody>
</table>

* Newly consolidated subsidiaries contributed more to sales, upfront investment in personnel

Profit grew +22% YoY for Jan-Mar quarter

Both physician and pharmacist placements are healthy

Acceleration phase of future growth drivers

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## FY2018 Q4 Overview

### Medical Platform
- Diversification of marketing support business for pharmaceutical and medical device companies drove sales higher by +20% yoy, with large scale projects contributing to positive profit growth in Q4
- Aggressive upfront investments to continue, forecasting positive profit growth next FY.

### Evidence Solution
- Positive growth in both sales and profit, with margins at 26%
- Orders backlog remains at 26 bn yen

### Career Solution
- Both physician and pharmacist inflow remain robust, with sales at 13.7 bn yen (+26% yoy) and operating profit at 3.8 bn yen (+34% yoy)

### Emerging Businesses
- Multiple new businesses entering rapid growth phase
- Acceleration in initiatives within the field of advanced medicine

### Overseas
- Sales: 25.1 bn yen (+12% yoy), Operating Profit: 3.6 bn yen (+22% yoy), with continued growth for both

### Upfront Investment
- Upfront investments progressing favorably. In addition to organic growth of existing businesses, next FY should see profit uplift (future potential of double digit billions of yen)
All segments are driving growth. MR-kun family growth continues, however is now only 23% of group profit.
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.

### Time Allocation of doctors collecting info
- **Internet**: 39%
- **Sales Reps**: 17%
- **Other** (conferences, publications, etc.): 44%

### Marketing Budget Allocation of drug companies in Japan
- **Internet**: ~40 bn yen
- **Sales Reps**: ~1.5 tril yen
- **Other**: ~100 bn yen

Source: M3 research, percentages are approximate
Medical Platform Growth Potential in Japan

Currently

Main CLIENTS
70 Companies

SALES per CLIENT
(approx.) ¥500 mn

Full Potential

100 Companies

Growth Potential
of 4~5x
current levels

In addition to pharma companies, sales from device companies are growing

Sales from Device Companies grew over 2x YoY

drivers:
- # of products
- # of opt-in MDs
- Added value of contents

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Expanded service line-up to accommodate a wider range of marketing needs, unlimited to just information delivery (original MR-kun), as a one stop shop
Orders backlog remained around 26bn yen, with upfront personnel investing corresponding to increase in orders.

Profits expanded as projects progressed and Neues sales and profits recovered… conversely, the new year will see impact from the ending of large scale PV projects.

Margins steady at 26%
M3 Group: Accelerated Trial Completion

- Mr. Finder finds highly motivated doctors at sites with potential patients
- Trial process management executed in similar fashion to web based marketing (High speed PDCA, conversion management, IT tools utilization)

Global Trial: Endocrinology/ Metabolism

- Shortened by 13 months (39%)
- Completed patient enrollment in 20 months vs. allocated 33 months

Domestic Trial: Endocrinology/Metabolism

- Shortened by 5 months (33%)
- Completed patient enrollment in 10 months vs. allocated 15 months
Sales and Profit Trend of Career Solutions

(million yen)

- **Sales**
- **Segment Profit**

**FY19 FCT**
16 bn yen

- **Business scope expansion from increase in staff and productivity**
- **Fully absorbed hiring impact, resulting in accelerated growth rate**
- **Upfront investment expected to continue in FY19, and may slightly dampen margins**

 FY10 11 12 13 14 15 16 17 18 19

<table>
<thead>
<tr>
<th></th>
<th>IFRS</th>
<th>IFRS</th>
<th>IFRS</th>
<th>IFRS</th>
<th>IFRS</th>
<th>IFRS</th>
<th>IFRS</th>
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<tbody>
<tr>
<td>Sales</td>
<td>1,433</td>
<td>2,191</td>
<td>3,235</td>
<td>4,594</td>
<td>5,712</td>
<td>6,925</td>
<td>8,631</td>
<td>10,880</td>
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<tr>
<td>Profit</td>
<td>177</td>
<td>437</td>
<td>749</td>
<td>1,070</td>
<td>1,757</td>
<td>2,264</td>
<td>2,503</td>
<td>2,871</td>
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</table>
Sales and Profit Trend of Emerging Businesses

(million yen)

- **Sales**
- **Segment Profits**

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales (million yen)</th>
<th>Segment Profits (million yen)</th>
</tr>
</thead>
<tbody>
<tr>
<td>IFRS FY17</td>
<td>6,903</td>
<td>1,697</td>
</tr>
<tr>
<td>IFRS FY18</td>
<td>12,692</td>
<td>2,484</td>
</tr>
<tr>
<td>IFRS FY19</td>
<td>FY19 FCT 16 billion yen</td>
<td></td>
</tr>
</tbody>
</table>

- Acceleration in advanced medicine initiatives
- Each business continues to expand steadily, with development seen in next growth drivers

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Sales and Profit Trend of Overseas Segment Profit

(million yen)

- Dispatched personnel from Japan to share accumulated business expertise
- Pickup in research business from slowdown during GDPR preparations
- Expansion of the Indian platform through acquisition of DailyRounds

<table>
<thead>
<tr>
<th>Year</th>
<th>FY09</th>
<th>FY10</th>
<th>FY11</th>
<th>FY12</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales (bn yen)</td>
<td>1,105</td>
<td>1,585</td>
<td>2,983</td>
<td>4,069</td>
<td>6,661</td>
<td>10,980</td>
<td>13,810</td>
<td>16,338</td>
<td>22,425</td>
<td>25,124</td>
<td>30,000</td>
</tr>
<tr>
<td>Segment Profit (bn yen)</td>
<td>-71</td>
<td>55</td>
<td>138</td>
<td>117</td>
<td>1,043</td>
<td>1,430</td>
<td>1,614</td>
<td>1,582</td>
<td>2,980</td>
<td>3,638</td>
<td></td>
</tr>
</tbody>
</table>
Number of Physician Members and Panelists (Global)

(thousand)

5.0+ million members worldwide

Other Nations
(M3 Global Research, MDLinx, Russia)

Korea (Medigate)

India (m3india.in)

China (Medlive)

France, Germany, Spain
(VidalGroup)

U.K. (Doctors.net.uk)

U.S.A (MDLinx)

Japan (m3.com)

Over 5 million physicians utilize M3’s global platforms

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China: Membership Expansion

Number of Physician Members in China
(thousands)

- Topped 2.65 million physicians members, covering over 2/3 of doctors in China

- Marketing services for drug companies starting with MR-kun, and research services showed steady growth

- MR-kun is now being utilized by 15 pharma companies across 36 drugs

- Newly approaching local clients, in addition to MNCs

- Launched career services for physicians

<table>
<thead>
<tr>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
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<td>953</td>
<td>1,019</td>
<td>1,096</td>
<td>1,250</td>
<td>1,561</td>
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<td></td>
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<td>1,617</td>
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<td>1,680</td>
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<td>1,753</td>
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<td>1,838</td>
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<td>1,908</td>
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<td>1,985</td>
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<td>2,026</td>
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<td>2,406</td>
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<td>2,561</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2,657</td>
</tr>
</tbody>
</table>
M3 Group’s Business Strategy
Progress of Main Upfront Investments

① **New Service Development**
  - Acceleration of the e-medical record business
  - Consolidation of Ultmarc, Establishment of JV empheal with DOCOMO
  - Initial wave of M3PSP induction at Sony and DOCOMO

② **Pharmaceutical Marketing Team Reinforcement**
  (Personnel investment)
  - Improvement of upstream KPIs in the sales process
  - Q4 orders increase +23% yoy

③ **Upfront Investment in AI Businesses**
  - AI projects increase to 19

④ **JV with LINE / B-to-C Business**
  - Launch of beta version scheduled for Fall
  - Initial service will be remote medical advice
  - Considering cost structures involving pharmaco payers
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   - Considering cost structures involving pharmaco payers

Monetization Timing:
- New Service Development: This FY
- Pharmaceutical Marketing Team Reinforcement: This FY
- Upfront Investment in AI Businesses: This FY~ Next FY
- JV with LINE / B-to-C Business: Next FY
Adoptions increased 2.5x after rebranding. Number of managed medical charts expected to top 12 million, largely ahead of original schedule.

- Rebranded as “M3 DigiKar” from “DigiKar” in November
- Monthly historical high in adoptions in March, now No.1 position in cloud EMR market
- Adoption rated expected to accelerate as medical device offering lineup expands
## Consolidation of Ultmarc

<table>
<thead>
<tr>
<th>Established</th>
<th>March 1962</th>
</tr>
</thead>
<tbody>
<tr>
<td>Representative</td>
<td>Tomohiko Umeda, President and Representative Director</td>
</tr>
<tr>
<td>Shareholder</td>
<td>NTT DOCOMO: 100% (purchased from founder in May 2013)</td>
</tr>
<tr>
<td>Financial Condition</td>
<td>Sales: 3,035 million yen, Operating Profit: 478 million yen</td>
</tr>
<tr>
<td>Employees</td>
<td>187 (as of November 2018)</td>
</tr>
<tr>
<td>Main Business</td>
<td>Pharmaceutical industry information platform business</td>
</tr>
<tr>
<td></td>
<td>- Medical Database (MDB) business</td>
</tr>
<tr>
<td></td>
<td>- Various fundamental master files for management and tracking of pharmaceutical product user base (site file, doctor file, pharmacist file, pharmacy file, etc.)</td>
</tr>
<tr>
<td></td>
<td>- MDB member corporates: 247</td>
</tr>
</tbody>
</table>
Expected Business Development

- Nationwide corporate sales centers
- User engagement through consumer facing services
- Research and development ability using cutting edge technology

- 270,000 doctor members (90% coverage)
- Rich data accumulated on the AskDoctors platform
- Business development knowhow to create unique solutions

empheal

**Expedite Health Management Market Development**
Development led by M3 PSP to address employee health issues

**Create Customer Success for Health Management**
Provide structural and personal performance management services for individual corporate health management issues

**Lead the Health management Market**
Aim to become a health management market platformer
NPS of Industry Leaders

LOW scores

Critic
0~6

Neutral
7~8

Supporter
9~10

HIGH scores

NPS = Total Supporters – Total Critics

12.2 Ritz Carlton (Hotel)
-0.4 Lexus (Automobile)
-3.1 iPhone (Smarephone)
-4.1 Amazon Prime (Video broadcasting)
-9.1 ANA (Airline)
-9.2 ZOZOTOWN (EC site)
-16.1 Hankyu Department Store (Department store)
-21.2 Rakuten Card (Credit card)
-22.3 SBI Securities (Securities firm)
-35.5 Prudential Life (Life insurance)

Ref: https://www.nttcoms.com/service/nps/summary/

M3PSP +87
(96 over the last 6 months)
Consolidation of INDEE Medical

INDEE MEDICAL

- **Name**: INDEE Medical Inc.
- **Established**: 2016
- **Headquarter**: Tokyo, Japan

- Owns sole development and distribution rights for Japan for “RECELL®,” used for treatments such as burns, licensed from Avita Medical Limited (Listed on ASX, OTCQX)

- Approved as a self-regenerative medical technology in 33 countries such as the US, EU, and China, offered at affordable pricing

**Regulatory Support**

- Entry into dermatology/plastic/emergency therapeutic areas

- Application filed with PMDA, with Cosmotec as the manufacturing distributor

- Approval expected in FY2019

- Planned utilization of m3.com and Cosmotec to promote distribution
Progress of Main Upfront Investments

① New Service Development
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## Service Scope Evolution

<table>
<thead>
<tr>
<th>Until now…</th>
<th>Recent Trends</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Theme</strong></td>
<td></td>
</tr>
<tr>
<td>Efficient promotion</td>
<td>Firm-wide fundamental productivity improvement</td>
</tr>
<tr>
<td><strong>Client</strong></td>
<td></td>
</tr>
<tr>
<td>Product manager</td>
<td>Top management, Business department heads</td>
</tr>
<tr>
<td><strong>Service Coverage</strong></td>
<td></td>
</tr>
<tr>
<td>Marketing per individual drug</td>
<td>Optimization of entire portfolio, New launch pipelines, etc.</td>
</tr>
<tr>
<td><strong>Contract Format</strong></td>
<td></td>
</tr>
<tr>
<td>Contracts per product</td>
<td>Comprehensive strategic partnerships, revenue share models</td>
</tr>
<tr>
<td><strong>Contract Size</strong></td>
<td></td>
</tr>
<tr>
<td>Up to 100 million yen</td>
<td>100 million ~ several billion yen</td>
</tr>
<tr>
<td>Annual contracts</td>
<td>Multi-year contracts</td>
</tr>
</tbody>
</table>

Becoming a “corporate partner” as project scope, duration, and revenue share models increase. Upside continues to expand.
Medical Platform Quarterly Profit Growth YoY

Profit Growth YoY

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>▲ 8%</td>
</tr>
<tr>
<td>Q2</td>
<td>▲ 4%</td>
</tr>
<tr>
<td>Q3</td>
<td>▲ 8%</td>
</tr>
<tr>
<td>Q4</td>
<td>22%</td>
</tr>
</tbody>
</table>

- Sales staff increase leading to resource reinforcement, with recovery seen in orders
- Profit contribution from value increase in Ayumi Pharma through utilization of MR-kun
Recovery in MR-kun Family Orders

- Sales resource reinforcement on track. FTE increased by 1.7x compared to pre-reinforcement (Dec 2017)
- New staff development and orders both accelerating in tandem
- Double digit sales growth expected in FY19

MR-kun Family Orders (yen)

<table>
<thead>
<tr>
<th>FY17 Q4</th>
<th>FY18 Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>+23%</td>
</tr>
</tbody>
</table>
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4. **JV with LINE / B-to-C Business**
   - Launch of beta version scheduled for Fall
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Monetization Timing

- This FY
- This FY
- This FY~ Next FY
- Next FY
# Rapid Increase in AI Project Pipeline

## Project List

<table>
<thead>
<tr>
<th>Corporate</th>
<th>Therapy Area</th>
<th>Medical Data Collection</th>
<th>Algorithm Development</th>
<th>Regulatory Consult</th>
<th>Clinical Study &amp; Trial</th>
<th>Marketing Support</th>
<th>Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>M3</td>
<td>Respiratory</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
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<td>Al Venture</td>
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<td>Device Maker</td>
<td>PACS Link</td>
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<td>Al Venture</td>
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<td>Al Venture</td>
<td>Coronary Artery</td>
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<tr>
<td>Al Venture</td>
<td>Coronary Artery</td>
<td>✓</td>
<td></td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Al Venture</td>
<td>Chest Xray</td>
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### 3rd Party Lead

<table>
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<tr>
<th>Domestic</th>
<th>Overseas</th>
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</thead>
<tbody>
<tr>
<td></td>
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</tr>
</tbody>
</table>

- **M3 Lead**
- **Domestic**
- **3rd Party Lead**
- **Overseas**

**19 AI development support projects currently in play. Rapid increase expected to continue.**
Progress of Main Upfront Investments

① New Service Development
- Acceleration of the e-medical record business
- Consolidation of Ultmarc, Establishment of JV empheal with DOCOMO
- Initial wave of M3PSP induction at Sony and DOCOMO

② Pharmaceutical Marketing Team Reinforcement (Personnel investment)
- Improvement of upstream KPIs in the sales process
- Q4 orders increase +23% yoy

③ Upfront Investment in AI Businesses
- AI projects increase to 19

④ JV with LINE / B-to-C Business
- Launch of beta version scheduled for Fall
- Initial service will be remote medical advice
- Considering cost structures involving pharmaco payers

Monetization Timing

- This FY
- This FY
- This FY~Next FY
- Next FY
Business Potential for LINE JV

**Short Term**
- Consumer reach and activity: 78 million users (65% national coverage)
- Possesses infrastructure for service provision (ie. Broadcasting, settlements, audio calls, EC, logistics)

**Med-Long Term**
- Medical professional members: 270,000 doctors (90+% coverage) 160,000 pharmacists (50+% coverage)
- AskDoctors, Qlife Hospital Search operational expertise, various data
- Business channel targeting pharmaceutical companies
- Abundant medical solutions for consumers

**LINE Healthcare**

**Medical Consultation for LINE Users**
- Prevalent remote medical consultation platform Q&A
  - 1on1 physician consult
  - Others

**Online Medical Platform**
- Personalized comprehensive medical care based on accumulated big data
  - Remote consultations, Rx instructions
  - Hospital appointments, Rx records
  - Daily care

**Platform Linked Businesses**
-DtoC advertising
- Genome
- Others

B-to-C business expansion using platforms such as LINE Healthcare
Initial Service: Remote Medical Advice

Launch scheduled for this Year!

In addition to disease awareness promotion, health management products will be co-developed with pharma companies.
M3 Growth Strategy
edanz Overview and Expected Synergies

Name: Edanz Group Japan Inc.
Established: 1995
Location: Fukuoka, Japan

- Research paper writing and editing support through cloud sourcing of medical professionals
- Large presence in Japan and China (supports 10~20% of all published medical papers)

Global Medical Papers (unit: # of papers)

- Accelerate quality improvement and product expansion using group CROs
- Launch clinical research business using brand strength and planning ability in China
- Expand the medical professional freelance platform by linking with the 5 million+ doctor panel
- Establish a medical professional cloud sourcing business
MA activity and pipeline continue rapid acceleration in line with business expansion. Number of deal closings and size also increase, utilizing the recent allotment of 50 bio yen.
## Business Scope Expansion and Growth Potential

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2014</th>
<th>2018</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Country</strong></td>
<td>3</td>
<td>5 (1.5x)</td>
<td>10 (3x)</td>
<td></td>
</tr>
<tr>
<td><strong>Business Types</strong></td>
<td>6</td>
<td>10 (1.5x)</td>
<td>26 (4x)</td>
<td></td>
</tr>
<tr>
<td><strong>Business Units (Type x Country)</strong></td>
<td>10</td>
<td>18 (2x)</td>
<td>41 (4x)</td>
<td></td>
</tr>
<tr>
<td><strong>Sales (bln)</strong></td>
<td>140</td>
<td>370 (2.5x)</td>
<td>945 (7x)</td>
<td></td>
</tr>
</tbody>
</table>

Similar pace of growth expected over the next 4 years...

- Aggressive M&A to ensue in reaching growth potentials exceeding 10~20x current levels…
Earnings Forecast
### FY 2019 Guidance Assumptions

<table>
<thead>
<tr>
<th>Medical Platform</th>
<th>Re-acceleration in sales from pharma companies, double digit sales growth</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Aggressive hiring to support sales resource fortification and platform expansion expected to continue</td>
</tr>
<tr>
<td>Evidence Solution</td>
<td>Steady orders supporting CRO and SMO growth</td>
</tr>
<tr>
<td></td>
<td>Large scale pharmacovigilance projects ended</td>
</tr>
<tr>
<td>Career Solutions</td>
<td>Healthy growth led by job placement for physicians.</td>
</tr>
<tr>
<td>Overseas</td>
<td>US: Healthy growth led by the clinical trial business</td>
</tr>
<tr>
<td></td>
<td>EU: UK and France both expanding healthily</td>
</tr>
<tr>
<td></td>
<td>Asia: Growth led by MR-kun in China, India business also on the rise</td>
</tr>
<tr>
<td>Other Emerging Businesses</td>
<td>Various businesses in the other segments to expand in both scope and content</td>
</tr>
</tbody>
</table>
2019 Budget Guideline (Consolidated)

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 Platform: 100
  - Evidence Solution: 100
  - Career Solution: 100
  - Others: 100

- Allocation for M&A related costs such as advisory fees: 200 million jpy
Annual Results & Forecast for FY2018

Sales

Operating Profit & Net Profit

(mn yen)

* FY17 results retroactively restated according to IFRS9 (Financial Instruments)
M3

Medicine
Media
Metamorphosis

Healthcare sector is enormous…

- Japanese national spending on medical services is approximately ¥42tn (¥70tn including peripheral businesses)
- Equivalent to 10% of Japanese GDP
- Sector controlled by only 300,000 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