



Summary of Consolidated Financial Results
for the Fiscal Year Ended March 31, 2021 [IFRS]

Apr 23, 2021

Listed Company: M3, Inc. Listed Stock Exchange: Tokyo
 Securities Code: 2413 URL: <https://corporate.m3.com/>
 Representative: (Title) CEO (Name) Itaru Tanimura TEL: 03-6229-8900
 Contact: (Title) Director (Name) Eiji Tsuchiya
 General Meeting of Shareholders: June 25, 2021
 Dividend payment commencement date: June 10, 2021
 Submission of securities report: June 28, 2021
 Preparation of explanatory materials for quarterly financial result: Yes
 Assembly for briefing of financial results: Yes (For Analysts)

(Amounts of less than one million yen are rounded)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2021

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

(1) Consolidated Operating Results (Cumulative)

(% figure show year-on-year change)

	Net sales		Operating profit		Pre-tax profit		Net profit		Profit attributable to owners of the parent company		Total comprehensive profit	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
Fiscal Year ended March 31, 2021	169,198	29.2	57,972	68.8	58,264	68.3	41,198	70.6	37,822	74.8	43,766	96.0
Fiscal Year ended March 31, 2020	130,973	15.8	34,337	11.5	34,610	11.9	24,153	13.1	21,635	10.5	22,331	4.3

	Basic earnings per share	Diluted earnings per share	Net profit margin on equity attributable to owners of the parent company	Total asset to pre-tax profit ratio	Operating profit margin
	Yen	Yen	%	%	%
Fiscal Year ended March 31, 2021	55.73	55.68	20.7	23.5	34.3
Fiscal Year ended March 31, 2020	31.89	31.88	16.3	19.3	26.2

(Ref) Equity in earnings of affiliated companies for the fiscal year ended March 31, 2021: -28 million yen
 Equity in earnings of affiliated companies for the fiscal year ended March 31, 2020: -110 million yen

(2) Consolidated Financial Position

	Total assets	Net equity	Equity attributable to owners of the parent company	Ratio of equity attributable to owners of the parent company	Equity per share attributable to owners of the parent company
	Million Yen	Million Yen	Million Yen	%	Yen
As of March 31, 2021	273,123	207,260	199,813	73.2	293.64
As of March 31, 2020	221,839	171,601	166,111	74.9	244.24

(3) Consolidated Cash Flow Position

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at the end of the period
	Million Yen	Million Yen	Million Yen	Million Yen
Fiscal year ended March 31, 2021	46,627	3,592	-11,615	89,144
Fiscal year ended March 31, 2020	26,789	-49,883	43,400	47,948

2. Dividends

	Annual dividends per share					Dividend payout (Total)	Dividend payout ratio (Consolidated)	Dividend payout ratio attributable to the owners of the parent company (Consolidated)
	First quarter -end	Second quarter -end	Third quarter -end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million Yen	%	%
Fiscal year ended March 31, 2020	—	0.00	—	8.50	8.50	5,768	26.7	4.3
Fiscal year ended March 31, 2021	—	0.00	—	12.00	12.00	8,145	21.5	4.5
Fiscal year ending March 31, 2022 (Forecast)	—	0.00	—	—	—		—	

(Note) Dividend forecast for the fiscal year ending March 31, 2022 is currently undetermined. It is to be determined after consideration of capital needs and condition of cash flow hereafter.

3. Forecast for the Consolidated Fiscal Year Ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

Forecasts for the fiscal year ending March 31, 2022 are undisclosed due to inability to reasonably estimate domestic and overseas business impact from the global COVID-19 pandemic. Forecasts will be promptly released as soon as conditions allow for reasonable 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 stock)		
As of March 31, 2021	678,785,600	shares
As of March 31, 2020	678,645,600	shares
(ii) Number of treasury stock at the end of the period		
As of March 31, 2021	45,067	shares
As of March 31, 2020	65,002	shares
(iii) Average number of shares during the period (cumulative)		
As of March 31, 2021	678,664,147	shares
As of March 31, 2020	678,454,248	shares

※ This summary of financial reports 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 financial results)

Explanatory materials for financial results will be posted on our website on Friday, April 23, 2021.

4. Qualitative Information on Results

(1) Explanation of consolidated operating results

In Japan, various services are provided for the 300,000+ physician members (as of April 23, 2021) 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. Health business expansion continues in China and India as well.

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

Consolidated results for the fiscal year (cumulative)

(Unit: Million Yen)

	Fiscal year ended March 31, 2020 (April 1, 2019 to Mar 31, 2020, cumulative)	Fiscal year ended March 31, 2021 (April 1, 2020 to Mar 31, 2021, cumulative)	Fiscal year comparison	
Net sales	130,973	169,198	+38,225	+29.2%
Operating Profit	34,337	57,972	+23,635	+68.8%
Pre-Tax Profit	34,610	58,264	+23,655	+68.3%
Net Profit	24,153	41,198	+17,045	+70.6%

(Segment results)

(Unit: Million yen)

		Fiscal year ended March 31, 2020 (April 1, 2019 to Mar 31, 2020, cumulative)	Fiscal year ended Mar 31, 2021 (April 1, 2020 to Mar 31, 2021, cumulative)	Fiscal year comparison	
Medical Platform	Segment Net Sales	51,270	77,076	+25,806	+50.3%
	Segment Profit	19,253	37,903	+18,650	+96.9%
Evidence Solution	Segment Net Sales	21,365	19,473	-1,892	-8.9%
	Segment Profit	4,699	3,618	-1,081	-23.0%
Career Solution	Segment Net Sales	15,393	13,537	-1,857	-12.1%
	Segment Profit	4,151	3,753	-398	-9.6%
Site Solution	Segment Net Sales	12,223	16,555	+4,332	+35.4%
	Segment Profit	944	1,537	+594	+62.9%
Overseas	Segment Net Sales	29,961	42,147	+12,186	+40.7%
	Segment Profit	5,722	12,599	+6,877	+120.2%
Other Emerging Businesses	Segment Net Sales	3,286	3,328	+41	+1.3%
	Segment Profit	513	950	+436	+85.0%
Adjustment	Segment Net Sales	(2,526)	(2,919)	—	—
	Segment Profit	(945)	(2,387)	—	—
Total	Net Sales	130,973	169,198	+38,225	+29.2%
	Operating Profit	34,337	57,972	+23,635	+68.8%

1) Medical Platform

Due to a rapid increase in demand from pharmaceutical companies in response to the COVID-19 pandemic, Medical Platform segment sales reached 77,076 million yen, higher by 50.3% versus previous year. Upfront investments aimed for future growth have raised SG&A mainly around personnel costs, however, Medical Platform segment produced profits of 37,903 million yen, higher by 96.9% versus previous year.

2) Evidence Solution

Temporary halt in projects due to the COVID-19 pandemic produced total sales of 19,473 million yen, lower by 8.9% versus previous year. Segment profit was 3,618 million yen, lower by 23.0% versus previous year.

3) Career Solution

Dampened activity mainly from pharmacists due to COVID-19 impact resulted in sales of 13,537 million yen, lower by 12.1% versus previous year, and profit of 3,753 million yen, lower by 9.6% versus previous year.

4) Site Solution

An increase in affiliate medical institution brought segment sales to 16,555 million yen, higher by 35.4% versus previous year, and profit of 1,537 million yen, higher by 62.9% 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 42,147 million yen, higher by 40.7% versus previous year, and profit amounted to 12,599 million yen, higher by 120.2% versus previous year.

6) Other Emerging Businesses

Although investment in new businesses such as telemedicine has increased, recovery trend from negative impact of COVID-19 has brought segment sales to 3,328 million yen, higher by 1.3% versus previous year, and profits were 950 million yen, higher by 85.0% versus previous year.

Combining all of the above, results for the entire group for the twelve months ended March 31, 2021, amounted to sales of 169,198 million yen, higher by 29.2% versus previous year, and operating profit of 57,972 million yen, higher by 68.8% versus previous year. Pre-tax profit was 58,264 million yen, higher by 68.3% versus previous year, and net profit was 41,198 million yen, higher by 70.6% versus previous year.

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