



Consolidated Financial Results
for the Three Months Ended June 30, 2023 [IFRS]
(Abridged)



July 28, 2023

Listed Company: M3, Inc.
 Securities Code: 2413
 Representative: (Title) CEO (Name) Itaru Tanimura
 Contact: (Title) Corporate Officer (Name) Hirofumi Oba TEL: 03-6229-8900
 Submission of quarterly report: August 10, 2023
 Preparation of explanatory materials for quarterly financial result: Yes
 Assembly for briefing of quarterly financial results: Yes (for analysts and institutional investors)

Listed Stock Exchange: Tokyo
 URL: <https://corporate.m3.com/en/>
 Dividend payment commencement date: -

(amounts rounded to the nearest million yen)

1. Consolidated Financial Results for the Three Months Ended June 30, 2023

(From April 1, 2023 to June 30, 2023)

(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	%
Three months ended June 30, 2023	57,396	0.7	18,004	-3.7	19,831	0.4	13,554	0.5
Three months ended June 30, 2022	56,996	22.8	18,695	-24.2	19,748	-20.3	13,487	-20.3

	Profit attributable to owners of the parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
	Million Yen	%	Million Yen	%	Yen	Yen
Three months ended June 30, 2023	12,414	2.4	23,049	-0.9	18.29	18.27
Three months ended June 30, 2022	12,127	-23.1	23,261	36.8	17.86	17.85

(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 June 30, 2023	439,640	328,780	316,817	72.1	465.07
As of March 31, 2023	400,645	309,518	302,630	75.5	444.22

2. Dividends

	Annual Dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	—	0.00	—	19.00	19.00
Fiscal year ending March 31, 2024	—				
Fiscal year ending March 31, 2024 (Forecast)		0.00		—	—

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

2 Dividend forecast for the fiscal year ending March 31, 2024 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, 2024 (from April 1, 2023 to March 31, 2024)

(% figure show year-on-year change for the full year and change in contrast to the corresponding quarter from one year prior for the quarter)

change in contrast to the corresponding quarter from one year prior for the quarter)											
	Net sales		Operating profit		Pre-tax profit		Net profit		Profit attributable to owners of the parent company		Basic earnings per share
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen
2 nd Quarter (cumulative)	120,000	6.6	32,000	-11.8	32,000	-15.9	22,200	-14.5	21,300	-11.5	31.37
Full Year	250,000	8.3	75,000	4.2	75,000	0.9	52,000	0.0	50,000	2.0	73.65

(Note) Amendments to forecasts of financial results recently announced: None

※ 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 June 30, 2023	678,967,200	shares
As of March 31, 2023	678,964,100	shares
(ii) Number of treasury stock at the end of the period		
As of June 30, 2023	45,151	shares
As of March 31, 2023	45,151	shares
(iii) Average number of shares during the period (cumulative)		
As of June 30, 2023	678,920,944	shares
As of June 30, 2022	678,865,159	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

(1) 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.

(2) Explanatory materials for quarterly financial results

Explanatory materials for quarterly financial results will be posted on our website on Friday, July 28, 2023.

4. Qualitative Information on Quarterly Results

(1) Explanation of consolidated operating results

In Japan, various services are provided for the 320,000+ 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 operates businesses such as CRO, which supports clinical development operations and large-scale clinical research, SMO, which supports the overall management and operation of clinical trials at medical institutions conducting clinical trials, and PRO, which provides support for recruiting test subjects and peripheral operations necessary for conducting clinical development and clinical research, etc., through its group companies.

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

Site Solution provides services supporting medical institution operations.

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 M3 Education, Inc.

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, and offering iDoctus, a medical practice mobile app for healthcare professionals through eDoctores Soluciones, S.L., in Spain and Latin America. Business expansion continues in Asia 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 6.5 million physicians, enabling provision of marketing research services that span across a global scale.

Consolidated quarterly results for the First quarter (cumulative) is as below.

(Unit: Million Yen)

	Three months ended June 30, 2022 (April 1, 2022 to June 30, 2022, cumulative)	Three months ended June 30, 2023 (April 1, 2023 to June 30, 2023, cumulative)	Third quarter comparison		(Reference) Previous consolidated fiscal year (April 1, 2022 to March 31, 2023)
Net sales	56,996	57,396	+400	+0.7%	230,818
Operating Profit	18,695	18,004	-691	-3.7%	71,983
Pre-Tax Profit	19,748	19,831	+84	+0.4%	74,318
Net Profit	13,487	13,554	+67	+0.5%	51,983

(Segment results)

(Unit: Million Yen)

		Three months ended June 30, 2022 (April 1, 2022 to June 30, 2022, cumulative)	Three months ended June 30, 2023 (April 1, 2023 to June 30, 2023, cumulative)	Third quarter comparison	
Medical Platform	Segment Net Sales	20,223	21,947	+1,723	+8.5%
	Segment Profit	8,786	8,904	+118	+1.3%
Evidence Solution	Segment Net Sales	7,174	6,965	-209	-2.9%
	Segment Profit	2,235	1,885	-349	-15.6%
Career Solution	Segment Net Sales	5,464	5,588	+124	+2.3%
	Segment Profit	2,830	2,663	-167	-5.9%
Site Solution	Segment Net Sales	10,220	7,663	-2,557	-25.0%
	Segment Profit	1,448	831	-617	-42.6%
Overseas	Segment Net Sales	14,921	15,715	+794	+5.3%
	Segment Profit	4,040	3,679	-361	-8.9%
Other Emerging Businesses	Segment Net Sales	702	552	-150	-21.3%
	Segment Profit	-173	-126	+47	—
Adjustment	Segment Net Sales	-1,709	-1,033	—	—
	Segment Profit	-471	167	—	—
Total	Net Sales	56,996	57,396	+400	+0.7%
	Operating Profit	18,695	18,004	-691	-3.7%

1) Medical Platform

Segment net sales increased 8.5% to 21,947 million yen and segment profit increased 1.3% to 8,904 million yen, year-over-year, respectively, as a result of solid performance in business areas such as pharmaceutical marketing support and digitalization support-related services for medical sites.

2) Evidence Solution

Despite solid performance in CRO and other regular businesses, segment net sales decreased 2.9% year on year to 6,965 million yen and segment profit decreased 15.6% year on year to 1,885 million yen due to lower contributions from clinical trial projects related to COVID infection.

3) Career Solution

Segment net sales increased 2.3% year on year to 5,588 million yen as a result of a recovery trend in job search support services for pharmacists, which more than offset the impact of a year-on-year decline in contributions from the COVID vaccination support project. Segment profit was 2,663 million yen, down 5.9% from the previous year, mainly due to a change in sales mix caused by the decline in the COVID Vaccination Support Project, which had a relatively high margin.

4) Site Solution

Despite solid performance in the regular businesses, segment net sales decreased 25.0% year on year to 7,663 million yen and segment profit decreased 42.6% year on year to 831 million yen, mainly due to the impact of lower contributions from vaccine support projects and clinical trial projects for COVID infection.

5) Overseas

Segment net sales was 15,715 million yen, higher by 5.3% versus previous year, mainly due to solid performance in Europe and APAC regions. Despite the increase in net sales, segment profit was 3,679 million yen, lower by 8.9% versus previous year, mainly due to lower contributions from clinical trial projects related to COVID infection in the U.S., as well as the impact of budget compression by global pharmaceutical companies.

6) Other Emerging Businesses

Segment net sales was 552 million yen, lower by 21.3% versus previous year, and segment loss was 126 million yen, compared with a segment loss of 173 million yen in the previous year.

Combining all of the above, results for the entire group for the Three Months Ended June 30, 2023, amounted to sales of 57,396 million yen, higher by 0.7% versus previous year, and operating profit of 18,004 million yen, lower by 3.7% versus previous year. Pre-tax profit was 19,831 million yen, higher by 0.4% versus previous year, and net profit was 13,554 million yen, higher by 0.5% versus previous year.

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