



Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 [IFRS]



(Abridged)

April 26, 2024

Listed company:	M3, Inc.	Listing: Tokyo Stock Exchange
Securities code:	2413	URL: https://corporate.m3.com/en/
Representative:	Itaru Tanimura, Representative Director	
Contact:	Hirofumi Oba, Corporate Officer	Tel: +81-3-6229-8900
General Meeting of Shareholders		June 26, 2024
Scheduled date to commence dividend payments:		June 10, 2024
Scheduled date to file securities report:		June 27, 2024
Preparation of supplementary materials on financial results: Yes		
Holding of financial results briefing: Yes (for analysts and institutional investors)		

(Amounts are rounded to the nearest million yen.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

Fiscal Year ended	Net sales		Operating profit		Profit before tax		Net profit		Net profit attributable to owners of the parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2024	238,883	3.5	64,381	(10.6)	68,840	(7.4)	48,549	(6.6)	45,271	(7.7)
March 31, 2023	230,818	10.9	71,983	(24.3)	74,318	(22.7)	51,983	(21.4)	49,028	(23.2)

Fiscal Year ended	Total comprehensive income		Basic earnings per share	Diluted earnings per share	Net profit margin on equity attributable to owners of the parent	Total asset to profit before tax ratio	Operating profit margin
	Millions of yen	%	Yen	Yen	%	%	%
March 31, 2024	64,058	1.9	66.68	66.63	13.8	15.4	27.0
March 31, 2023	62,857	(11.3)	72.22	72.17	17.5	19.9	31.2

(Ref) Share of profit (loss) of investments accounted for using equity method

Fiscal Year ended March 31, 2024: 1,357 million yen Fiscal Year ended March 31, 2023: 1,471 million yen

(2) Consolidated Financial Position

As of	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent to total assets	Equity per share attributable to owners of the parent
	Millions of yen	Millions of yen	Millions of yen	%	Yen
March 31, 2024	490,780	366,701	351,915	71.7	516.49
March 31, 2023	400,645	309,518	302,630	75.5	444.22

(3) Consolidated Cash Flow Position

Fiscal Year ended	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
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2024	58,310	(39,456)	9,432	149,661
March 31, 2023	57,113	(21,933)	(22,837)	118,319

2. Dividends

Fiscal Year ended	Annual dividends per share					Dividend payout (Total)	Dividend payout ratio (Consolidated)	Dividend payout ratio attributable to the owners of the parent (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
March 31, 2023	–	0.00	–	19.00	19.00	12,899	26.3	4.6
March 31, 2024	–	0.00	–	21.00	21.00	14,259	31.5	4.4
Fiscal year ending March 31, 2025 (Forecast)	–	0.00	–	–	–	–	–	–

Notes:

Dividend forecast for the fiscal year ending March 31, 2025 is currently undetermined. It is to be determined after consideration of capital needs and condition of cash flow hereafter.

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Percentages indicate year-on-year changes compared to the same period of the previous fiscal year.)

	Net sales		Operating profit		Profit before tax		Net profit		Net profit attributable to owners of the parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six Months Ending September 30, 2024	127,000	9.7	28,000	(19.0)	28,500	(23.6)	19,500	(22.4)	17,500	(25.2)	25.77
Fiscal Year Ending March 31, 2025	268,000	12.2	67,000	4.1	68,000	(1.2)	47,000	(3.2)	44,000	(2.8)	64.80
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	273,000	14.3	70,000	8.7	71,000	3.1	49,000	0.9	46,000	1.6	67.75

Notes

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in changes in scope of consolidation): None
- (2) Changes in accounting policies and accounting estimates
 - (i) Changes in accounting policies required by IFRS: Yes
 - (ii) Changes in accounting policies other than item (i) above: None
 - (iii) Changes in accounting estimates: None

(3) Number of shares issued (common shares)

(i) Total number of shares issued at the end of the period (including treasury shares)	
As of March 31, 2024	679,063,600 shares
As of March 31, 2023	678,964,100 shares
(ii) Number of treasury shares at the end of the period	
As of March 31, 2024	45,151 shares
As of March 31, 2023	45,151 shares
(iii) Average number of shares outstanding during the period	
Fiscal Year Ended March 31, 2024	678,962,371 shares
Fiscal Year Ended March 31, 2023	678,889,214 shares

- This financial report is not subject to review procedures by certified public accountants or an audit firm.
- Proper use of financial results forecasts and other special matters
 - (1) Disclaimer about forward-looking statements
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) Supplementary materials on financial results
Supplementary materials on financial results will be posted on our website on Friday, April 26, 2024.

4. Qualitative Information on Financial Results

(1) Explanation of Operating Results

In Japan, we provide various services designed for healthcare professionals, centered on our website at m3.com with a membership of more than 330,000 physicians (as of April 26, 2024).

In Medical Platform segment, we offer a wide menu of services on the platform at m3.com, catering to various agendas and purposes of our clients. The services include MR-kun family services, which allow its registered physicians to proactively receive continuous and frequent information, marketing research services using our panel of member healthcare professionals, and QOL-kun marketing support services for non-healthcare companies desiring to advertise their daily life services to physicians. In addition, our group companies engage in the provision of next-generation medical representatives or medical marketers and healthcare advertising agency services.

In Evidence Solution segment, our group companies operate businesses serving as the following organizations: CRO that supports clinical development operations and large-scale clinical research; SMO that supports the overall management and operations of clinical trials at medical institutions conducting clinical trials; and PRO that provides support for recruiting test subjects and carrying out peripheral operations necessary to conduct clinical development, clinical research, etc.

In Career Solution segment, M3 Career, Inc. provides job search and placement support services to physicians and pharmacists.

Site Solution segment provides services that assist medical institutions with their operations.

It also provides consumer-facing services, such as AskDoctors at <<https://www.AskDoctors.jp/>> (available in Japanese only). On this website, the member physicians of m3.com will answer questions from public users about health and diseases. Furthermore, M3 Education, Inc. provides medical and welfare professional education such as preparatory services for national examinations.

In Overseas segment, MDLinx, a U.S. portal website designed for healthcare professionals, continues to expand its member network-based services catering toward pharmaceutical companies. The services available in the U.S. include career support services for physicians and clinical trial support services. In Europe, Doctors.net.uk, a U.K. portal website designed for physicians, offers services to pharmaceutical companies. We also offer pharmaceutical database services in France, Germany, and Spain through the Vidal Group and provide iDoctus, a medical practice mobile app for healthcare professionals, in Spain and Latin America through eDoctores Soluciones, S.L. We steadily expand business in Asia as well.

The M3 Group operates websites for healthcare professionals and has panels of physicians around the world, including Japan, the U.S., Europe, China, and South Korea. The total number of healthcare professionals who have signed up for the websites and participated in the panels is now approximately 6.5 million. Using the panels of physicians, we also provide global marketing research services.

Consolidated financial results for the Fiscal Year Ended March 31, 2024 are as below.

(Millions of yen, unless otherwise stated)

	Fiscal Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)	Fiscal Year ended March 31, 2024 (April 1, 2023 to March 31, 2024)	Year-on-year change	
Net sales	230,818	238,883	+8,065	+3.5%
Operating profit	71,983	64,381	(7,602)	(10.6%)
Profit before tax	74,318	68,840	(5,479)	(7.4%)
Net profit	51,983	48,549	(3,434)	(6.6%)

Consolidated financial results by segment

(Millions of yen, unless otherwise stated)

		Fiscal Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)	Fiscal Year ended March 31, 2024 (April 1, 2023 to March 31, 2024)	Year-on-year change	
Medical Platform	Segment net sales	93,098	93,414	+316	+0.3%
	Segment profit (loss)	41,147	38,626	(2,522)	(6.1%)
Evidence Solution	Segment net sales	27,157	26,700	(457)	(1.7%)
	Segment profit (loss)	7,662	6,698	(964)	(12.6%)
Career Solution	Segment net sales	14,538	16,642	+2,104	+14.5%
	Segment profit (loss)	4,644	4,781	+137	+2.9%
Site Solution	Segment net sales	35,295	33,025	(2,270)	(6.4%)
	Segment profit (loss)	3,745	3,735	(11)	(0.3%)
Overseas	Segment net sales	62,095	69,868	+7,773	+12.5%
	Segment profit (loss)	16,990	11,695	(5,296)	(31.2%)
Other Emerging Businesses	Segment net sales	3,284	2,633	(651)	(19.8%)
	Segment profit (loss)	945	(290)	(1,235)	—
Adjustment	Segment net sales	(4,649)	(3,399)	—	—
	Segment profit (loss)	(3,151)	(863)	—	—
Total	Net sales	230,818	238,883	+8,065	+3.5%
	Operating profit (loss)	71,983	64,381	(7,602)	(10.6%)

1) Medical Platform

Segment net sales amounted to 93,414 million yen, up 0.3% year on year. This is attributable to strong businesses such as digitalization support for medical practices, partially offset by a decline in the pharmaceutical marketing support business as a result of budget cuts by pharmaceutical companies. Segment profit was 38,626 million yen, down 6.1% year on year. This was due to a lower sales contribution year on year from the pharmaceutical marketing support business, which has higher operating margin than other businesses in the segment.

2) Evidence Solution

Segment net sales amounted to 26,700 million yen, down 1.7% year on year, with segment profit of 6,698 million yen, down 12.6% year on year. This is because COVID-related clinical trial projects, etc. made lower contributions to net sales compared to the previous fiscal year, although ordinary businesses such as CRO remained solid.

3) Career Solution

Segment net sales amounted to 16,642 million yen, up 14.5% year on year, with segment profit of 4,781 million yen, up 2.9% year on year. This is attributable to a recovery trend in net sales from job search and placement support services for pharmacists that had been affected by the pandemic, despite the impact of lower contributions from COVID vaccination support projects compared to the previous fiscal year.

4) Site Solution

Segment net sales amounted to 33,025 million yen, down 6.4% year on year, with segment profit of 3,735 million yen, down 0.3% year on year. This is mainly attributable to the impact of lower contributions from COVID vaccination support projects and clinical trial projects compared to the previous fiscal year, despite robust ordinary businesses.

5) Overseas

Segment net sales amounted to 69,868 million yen, up 12.5% year on year. This is attributable to solid performance mainly in Europe and APAC regions. Despite the increase in net sales, segment profit amounted to 11,695 million yen, down 31.2% year on year. This is attributable to lower contributions from COVID-related clinical trial projects, which are mainly conducted in North America region, compared to the previous fiscal year, as well as the recognition of an

impairment loss in the clinical trial business in this region.

6) Other Emerging Businesses

Segment net sales amounted to 2,633 million yen, down 19.8% year on year, and segment loss was 290 million yen, with profit of 945 million yen in the previous fiscal year. This segment loss is attributable to an impairment loss for M3 Education, Inc., which provides medical and welfare professional education such as preparation services for national examinations, due to a shrinking market for its business related to preparing students for the National Dental Practitioner's examination.

Combining all of the above, net sales of the M3 Group for the Fiscal Year Ended March 31, 2024 amounted to 238,883 million yen, up 3.5% year on year, with operating profit of 64,381 million yen, down 10.6% year on year, profit before tax of 68,840 million yen, down 7.4% year on year, and net profit of 48,549 million yen, down 6.6% year on year.

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