

# 1<sup>st</sup> Quarter FY2021 Supplementary Materials



**May 13, 2021**  
**Vision Inc.**  
**TSE 1st Section : 9416**

# Company Overview



Code	9416 (1st Section of the Tokyo Stock Exchange)
Incorporated	December 4, 2001 (Founded June 1, 1995)
Management Philosophy	To Contribute to the Global Information and Communications Revolution
Head Office	5F Shinjuku i-Land Tower, 6-5-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo 163-1305
Number of Consolidated Employees (Average temporary employees)	710 (117) Domestic: 643 (115) Global: 67 (2) (As of March 31, 2021)
Affiliated Companies	Domestic: 6 Global: 12 (As of March 31, 2021)
Business	GLOBAL WiFi Information and Communications Service

## Operation Bases and Affiliates

Domestic Affiliated Companies : 6

Domestic Operation Bases : 12

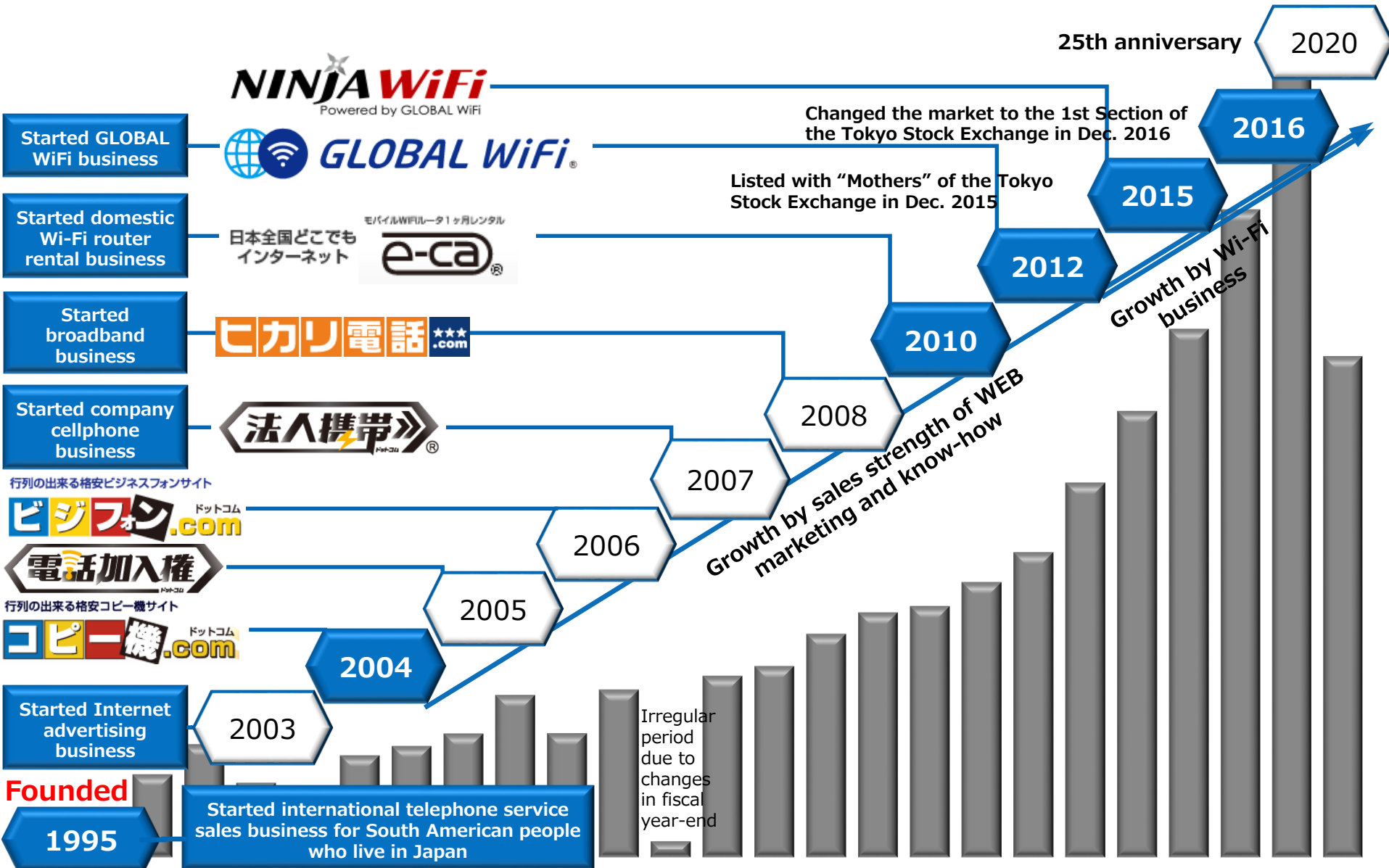
Domestic Airport Counter : 19

Global Affiliated Companies : 12

Korea, USA (Hawaii), Hong Kong, Singapore, Taiwan, UK, Vietnam, China (Shanghai), France, Italy, USA (California), New Caledonia



# History and Sales Change



## Offer just the right value and sustainable growth

### Niche & Focus strategy



**Discover the challenges** born in the niches of the evolution in information and communications, and **develop new markets.** **Focus management resources on carefully selected targets, and refine our services.**

- ✓ Overseas travelers
- ✓ Startup companies
- ✓ Teleworking

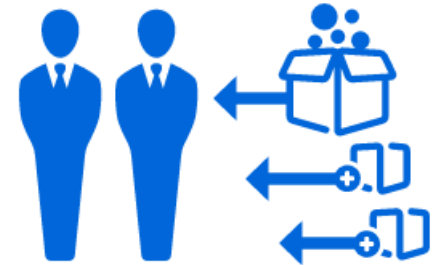
### Price & Quality leadership strategy



**Production efficiency is thoroughly pursued.** **Realized by improving organizational structure and business speed.** While maintaining **high quality of service**, demonstrate **price competitiveness surpassing competitors.**

- ✓ Productivity, price advantage
- ✓ Service quality evaluation

### Up/Cross selling strategy



Pick up new needs for information and communications services and **continuously offer services at reasonable prices at the right time.** Build a **long-term relationship with customers.**

- ✓ Original CRM
- ✓ Stock business

# Business Summary





# Two Business Segments

## “GLOBAL WiFi” Business

Provide anytime, anywhere, safe, secure and comfortable mobile internet environment all over the world.

Wi-Fi router rental service.

Connectable with multiple users and multiple devices (companion, smartphone, laptop, etc.).



## Information and Communications Service Business

Provide the most suitable information and communications-related products and services tailored to the stage and needs of the company since starting business.

Our own sales structure, CRM.

Web marketing × Sales rep × CLT (Customer Loyalty Team)



# "GLOBAL WiFi" Business Business Model/Competitive Advantage



**GLOBAL WiFi®**

**NINJA WiFi**  
Powered by GLOBAL WiFi



## Less Expensive Fixed-rate

Maximum cost benefits -89.9%  
From JPY300/day Japanese cellphone companies' fixed-rate discount comparison

## Areas

Available in over 200 countries and regions worldwide, leading the industry in the number

## Comfortable

High-speed communications in partnership with telecom carriers around the world

## Safe / Secure

Secure; 47 support bases available 24 hours a day, 365 days a year, around the world

## Counter

Number of airport counter is the industry's largest class

## Corporate Sales

Uptake ability of corporate needs

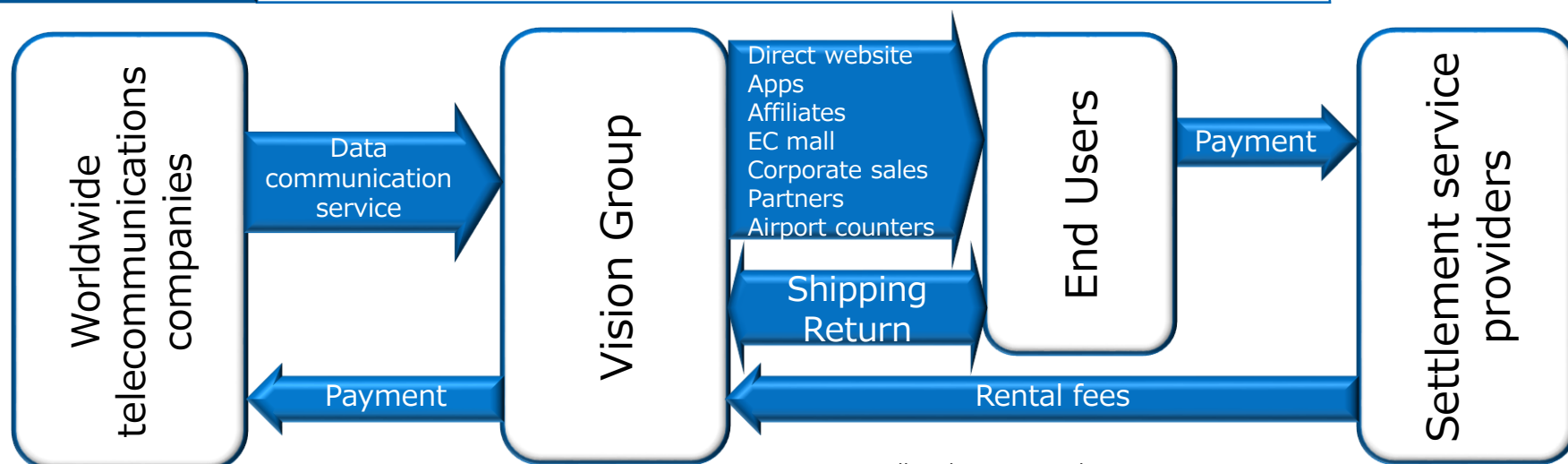
## Customers

Number of users is the largest in the industry



Associate  
Member

Join from Sep. 2019.  
One of the world's largest mobile telecom business associations that links more than 750 mobile telecom carriers and 400 related industrial operators worldwide.







# Compare How to Connect the Internet Abroad ①

**“Global WiFi” “NINJA WiFi” is the best way due to safe, secure, comfortable, and less expensive.**

It's not a big deal to share with a rental Wi-Fi router, although people are reluctant to share their own data-volume with others (Individual travel: tend to share with two or three people).

\* Create by our research and standard

How to Connect	Price	Area	Speed	Management	Security
 	○	○	○	○	○
	Based on the best quality network in each local area. Low price, secure, safe, available to connect anywhere. Easy to set-up, easy to manage.				
Roaming (Telecom carriers' fixed-rate)	×	△	△	○	○
	Problem with price and quality (From JPY980 to JPY2,980/day. It may be charged even more.)				
Prepaid SIM (Purchase overseas)	△	△	○	×	○
	Need knowledge to manage (Set-up, activation, periodical charge, etc.)				
Free Wi-Fi Spot (Hotel, Café, etc.)	○	×	△	○	×
	Problem with coverage (not available in everywhere), speed (depend on data-line of the facility and the number of connected people), security				

# Compare How to Connect the Internet Abroad ②



Wi-Fi router rental	Table	Roaming (Telecom carriers' fixed-rate)	Free Wi-Fi Spot / Hotel Wi-Fi
<p>JPY300-2,170/day * World tour plan JPY2,980/day <b>Apply through the website.</b></p>	Price	<p>JPY980-2,980/day <b>Contract according to the plan</b> <b>Need to check in advance the compatible models and settings.</b> * Depend on your mobile carrier</p>	<p>Free Wi-Fi spot <b>free</b> Hotel Wi-Fi <b>including accommodation fee</b> or <b>JPY500-3,000</b></p>
<p><b>Fixed-rate and high-speed</b> Substantial security and compensation Use without worry due to the fixed-rate. Choose the data-volume according to the situation.</p>	Merit	<p><b>Easy to connect</b> * Tethering is also available.</p>	<p><b>Easy to use</b> Limited use area, but many places are provided for free, and connection is easy.</p>
<p><b>More luggage</b> Need to carry a Wi-Fi router in addition to your smartphone.</p>	Demerit	<p><b>Expensive</b> Price setting is more expensive than Wi-Fi rental. Misconfiguration of data-roaming may result in expensive charges.</p>	<p><b>Be careful about unauthorized access</b> Easy to use, but <b>there is a risk of virus infection and personal information may be stolen by unauthorized access.</b></p>
<p>If you use the internet at a high-speed without worrying about additional charges (Available to use by multiple people, even cheaper by the split) <b>Internet availability anywhere.</b> <b>No worry about busy access and difficulty to connect.</b></p>	Recommend	<p><b>If you want to use the internet easily</b> with <b>your own device</b></p>	<p><b>Want to save money, although the coverage area is limited.</b> <b>If it is enough for you to use the internet abroad within a limited time</b></p>

# "GLOBAL WiFi" Business Profit Structure



Items	Summary
Sales	<p><b>Overseas</b></p> <p><b>Regular rental :</b></p> <p><b>Rental price per day × number of days used</b></p> <p>Average: JPY1,000/day, Average number of days used: 7 days</p> <p>Options such as insurance, mobile battery, etc.</p> <p><b>GLOBAL WiFi for Biz :</b></p> <p>Monthly charge (JPY2,167) + data communication fee (plan) × number of days used</p> <p>Domestic use option (Domestic option for teleworking)</p> <p><b>Domestic</b></p> <p><b>Rental price per month (available for rental from 1 day)</b></p> <p>Average: Approx. JPY5,000/month, Average days used: 1.5 months (45 days)</p>
Cost of sales	<p><b>Data communication (telecom carriers in the world)</b></p> <p><b>Terminal price (mobile Wi-Fi routers)</b></p> <p>Recorded as rental asset (recorded by 2-year depreciation)</p> <p><b>Outsourcing (commission paid to sales agents), etc.</b></p>
SG&A expenses	<p><b>Personnel, advertising, shipping delivery, business consignment, credit card payment, etc.</b></p> <p><b>Operation and rent of shipping centers, airport counters, customer centers, etc.</b></p> <p><b>Other SG&amp;A expenses, etc.</b></p>

# Utilize "CLOUD Wi-Fi Router"

- Maximize Convenience and Cost Efficiency -

## A Wi-Fi router with next-generation communication technology that manages SIM on the cloud.

No need to insert/change SIM physically.

Communication lines of the world are available with only one device.

The device settings can be adjusted remotely in the case of communication failure.

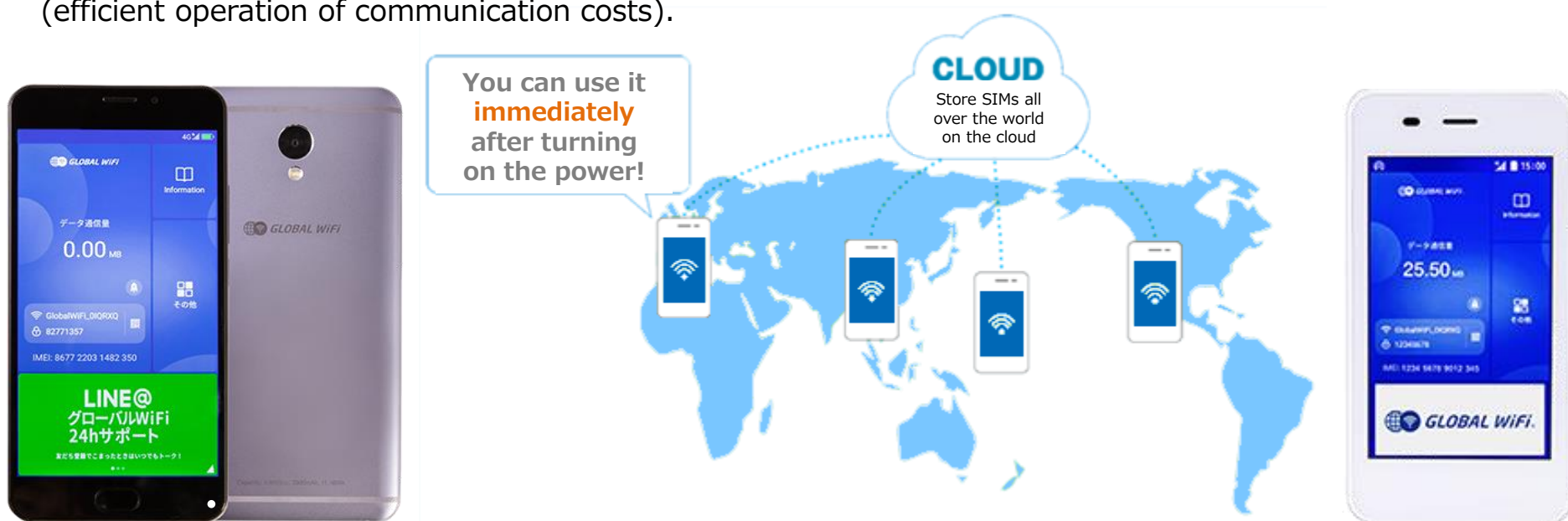
The plan (data capacity) can be changed during the rental term.

## Make the most of the characteristics of the CLOUD Wi-Fi router.

Convert the Cloud Wi-Fi router used for overseas communication service to the domestic Wi-Fi router.

Since a physical SIM card is not inserted in the router, it can be assigned to other routers depending on the communication status.

\* It can be operated even in the case that the number of rentals is more than the number of SIMs (efficient operation of communication costs).



# Expand Service Areas for Unlimited Plan

- Competitive Advantage When Recovering Travel -



**Recently we tend to consume large amounts of data communication capacity, such as diversified smartphone apps, transmission and reception of large-volume images and videos, and SNS posting.**

Popular to share with multiple people such as friends and family members, and to use multiple devices (smartphones, tablets, laptops, etc.) for business.

Expand the service areas and plans, responding to requests for the plan that can be used without worrying about data capacity and long-term use (extended overseas business trip period due to COVID-19).

Increase choice ratio of unlimited plan ⇒ Improve ARPU.



## Changes in the number of service countries

Feb. 2019	4	Mar. 2020	74
Jun. 2019	71	Jun. 2020	91
Sep. 2019	72		
Dec. 2019	73		

**Further expanded the coverage area.**

**Data capacity**

**Start offering an unlimited plan**

**Further expanded the coverage area.**

**Available in 91 countries**

**Limited to travelers over 30 days**

**New**

**Unlimited plan**

**Long-term discount**

**20% OFF**

# Airport Counter and Smart Pickup

**Receive and return at domestic 17 airports, 34 counters, 36 Smart Pickup units, and return BOX.**  
**Installed automatic pick-up lockers at 11 airports.**

**Newly opened counter: 1 counter** \*FY2020 cumulative period

Haneda Airport Terminal 2

**Newly installed Smart Pickup: 5 units** \*FY2020 cumulative period

Komatsu Airport, Narita Airport Terminal 3, Kita-kyushu Airport, Chubu Centrair International Airport Terminal 2, Kagoshima Airport

**The service level is optimized according to customer.**

Eliminate waiting time for customers who do not need explanation such as repeaters (Utilize Smart Pickups).

Airport staffs respond to customers who need explanation (Utilize airport counters).

**The highest number of airport counters in the industry**

**Receive and Return according to customers needs**



At the airport



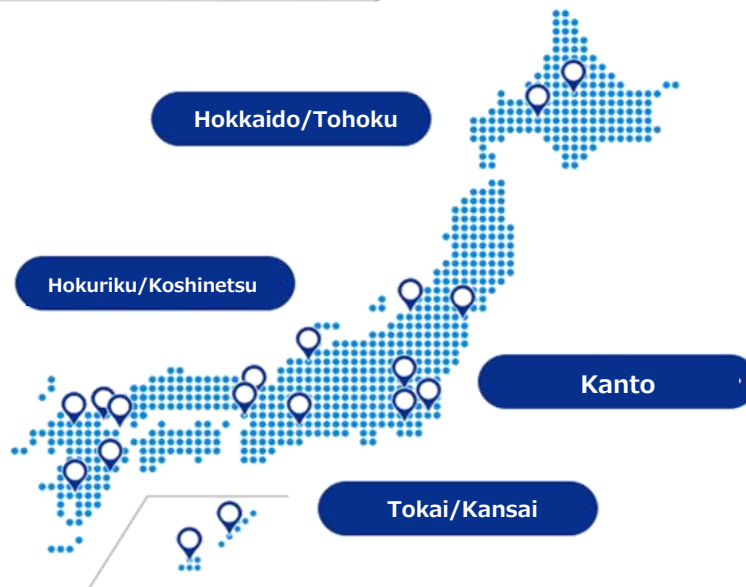
By delivery



At a convenience store



Overseas destination



## Airport and other places to receive/return in Japan

Hokuriku/Koshinetsu	Hokkaido/Tohoku
Niigata Airport	New Chitose Airport★
Komatsu Airport★	Asahikawa Airport
Kyushu/Okinawa	Sendai Airport
Fukuoka Airport★	Kanto
Kita-kyushu Airport★	Narita Airport★
Oita Airport	Haneda Airport★
Miyazaki Airport	SHIBUYA"CHIKAMICHI"
JR Miyazaki Sta.	Tokai/Kansai
Kagoshima Airport★	Kansai Airport★
Naha Airport	Chubu Airport★
Miyako Shimojishima Airport★	Itami Airport★

★Available for automatic pick-up lockers



## Automatic pick-up locker

You can receive in 10 seconds  
without waiting.



**Smart Pickup**  
(Automatic pick-up locker)



**Smart Pickup**

## Self check-in KIOSK terminal (Multi-language available and settlement function)



**Smart Entry**

## Immediate customer identification counter (QR code reception counter)



Reception

Standby



**Smart Check**

Shorten waiting time

No congestion

Improve convenience

Improve CS

Increase sales

**Evolve to more convenient, comfortable, relieved counters that meet each customer's needs,** responding to the increase in the number of rental (delivery) and optional services (compensation service, accessory etc.), for Japanese traveling overseas and foreign visitors to Japan.

# Online Order System just before Departure (Smart Strategy × CLOUD WiFi × Database)



**Acquire departing passengers on the day.**

**⇒ Increase number of users.**

- \* Respond to WEB application in front of the airport counter instantly in collaboration with the database.

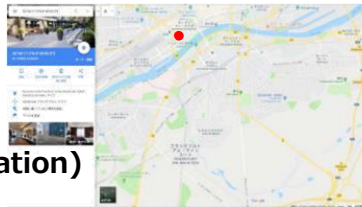
# Expand Tabi-naka Services (Services during Travel)

**Expand Tabi-naka services (including options), responding to customer requests.**

**Support safe, secure, and comfortable travel.**

**Emergency location information service**

Login\_2018-05-29 00:27:09



**Advertising  
(destination information)**



**Transit**



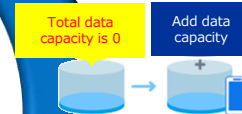
**Translation device  
(pocketalk, ili)**



**Mobile battery**



**Add data capacity  
during travel**



**GoPro HERO8**



**Mini photo  
printer**



**Noise canceling  
earphones**



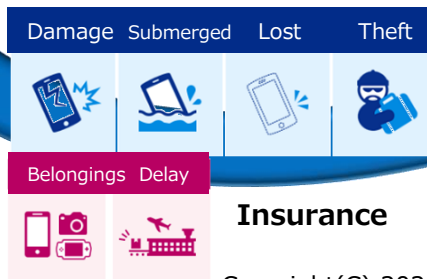
**360° camera**



**Ultralight folding umbrella**



**Insurance**



# Travel Related Service Platform

Use existing customer base and provide useful information/services to solve problems during overseas travel.



《Reference》

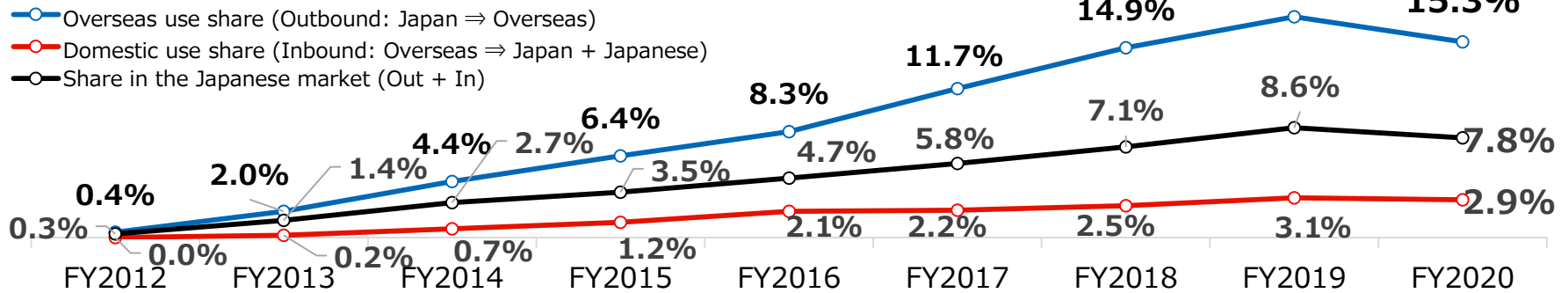
FY2018 results:

- approx. 3.6mn people/25.22mn nights
- Outbound... approx. 2.82mn people /19.76mn nights
- Inbound... approx. 0.78mn people /5.45mn nights



# "GLOBAL WiFi" Business Rental Number Change

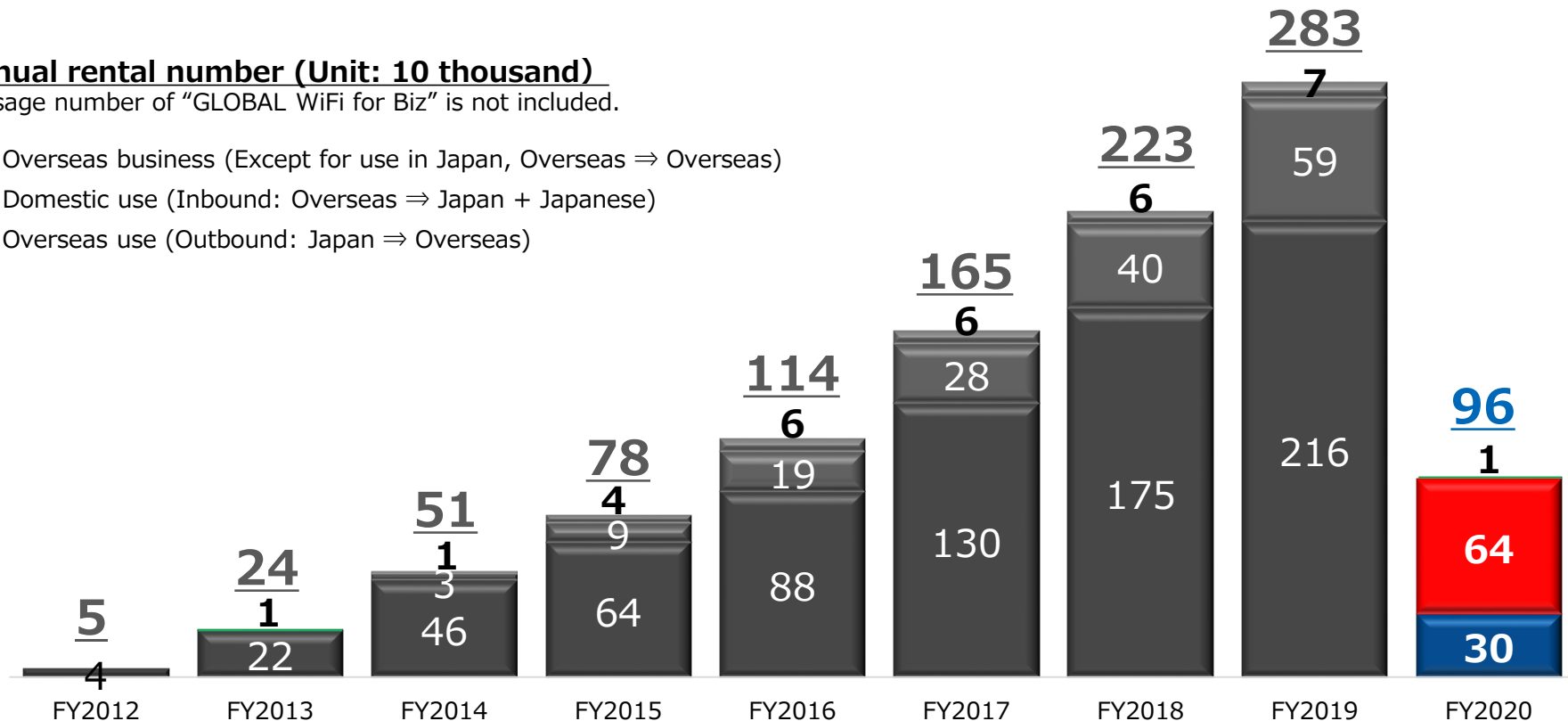
## Our Wi-Fi rental service penetration ratio (Japan) \*



## Annual rental number (Unit: 10 thousand)

\* Usage number of "GLOBAL WiFi for Biz" is not included.

- Overseas business (Except for use in Japan, Overseas ⇒ Overseas)
- Domestic use (Inbound: Overseas ⇒ Japan + Japanese)
- Overseas use (Outbound: Japan ⇒ Overseas)



# "GLOBAL WiFi" Business Market Size

## Inbound (Foreign visitors to Japan)

Approx. 31.88mn people for a year.

\* Results in FY2019

Approx. 4.11mn people for a year.

\* Results in FY2020 (due to COVID-19)

Government's target

60mn people in 2030

## Overseas travelers in the world

(Number of international tourist arrivals)

A huge market of 1.46bn people.

\* Results in FY2019

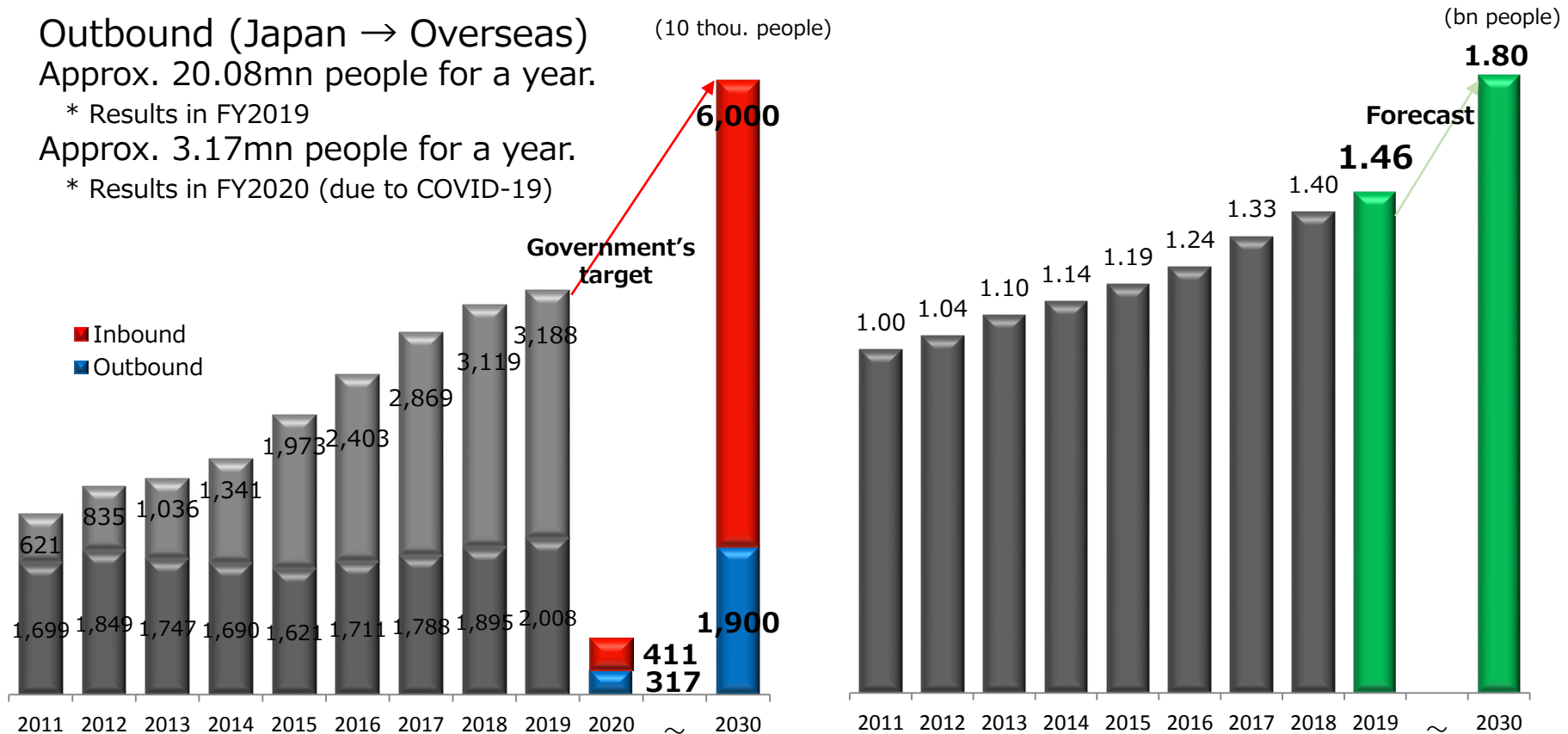
## Outbound (Japan → Overseas)

Approx. 20.08mn people for a year.

\* Results in FY2019

Approx. 3.17mn people for a year.

\* Results in FY2020 (due to COVID-19)





# Information and Communications Service Business Growth Strategy (Competitive Advantage)



行列の出来る格安コピー機サイト



行列の出来る格安ビジネスフォンサイト



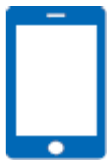
ビジフォンドットコムは株式会社ビジョンの商標登録です



Startup Companies	Have new dealings with <b>one company in ten companies*</b> that are newly established within the year in Japan The number of national corporate registration ... 118,999 (2020) Source: Ministry of Justice
WEB Strategy	Ability to attract customers due to <b>our own WEB marketing</b> (Internet media strategy)
Customer Loyalty	<b>CRM (customer relations/continuous dealings) strategy</b> , our own know-how Maximization of continued revenue = Stock business Additional sales with high productivity (up/cross selling)
Products and services	Products and services that lead to customers' <b>"sales improvement", "cost reduction", "efficiency improvement", "communication activation", and "DX promotion"</b> (Products that are less affected by the economy) We have multiple business segments (each product), and the business structure can be changed according to the situation (economic conditions, trends, etc.) ( <b>a flexible business structure</b> ).



Telephone Line Arrangements



Cellphone Support



Office Automation



Website Support



Security



Electric Power



Cloud App Service (SaaS)

\* Total number of companies established within 6 months (including sole proprietors), starting business with us (our research)  
The number of acquisitions will depend on the fluctuations in handling services and products.

# Information and Communications Service Business Profit Structure



Items	Summary	
	Telephone line arrangements, cellphone, electric power, etc.	Office automation (multifunction printer, business phone), website support, security
Sales	<b>Business brokerage fee (commission)</b> <b>Continuation fee (according to customers' usage situation)</b> Fee from telecom carriers and primary agents	<b>Sales price</b> Fee from leasing company and credit company <b>Maintenance fee</b> Fee from the manufacturers and factoring
	<b>Devices (cellphones)</b> No cost of sales for telephone line arrangements and electric power Payment to telecom carriers and primary agents <b>Outsourcing (commission paid to agents), etc.</b>	<b>Devices (office equipment, security)</b> Payment to the manufacturers <b>Outsourcing (commission paid to agents), etc.</b>
Cost of sales		
SG&A expenses	<b>Personnel expenses</b> <b>Advertising expense (website, etc.)</b> <b>Rent of call center etc.</b> <b>Other SG&amp;A expenses, etc.</b>	

# Information and Communications Service Business Market Size

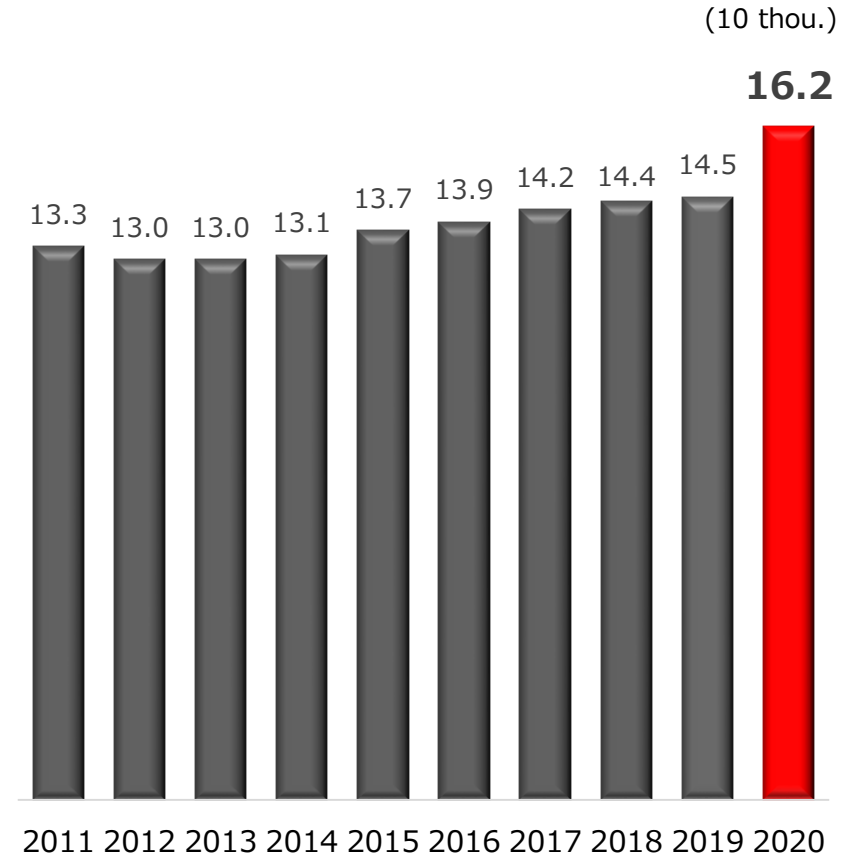
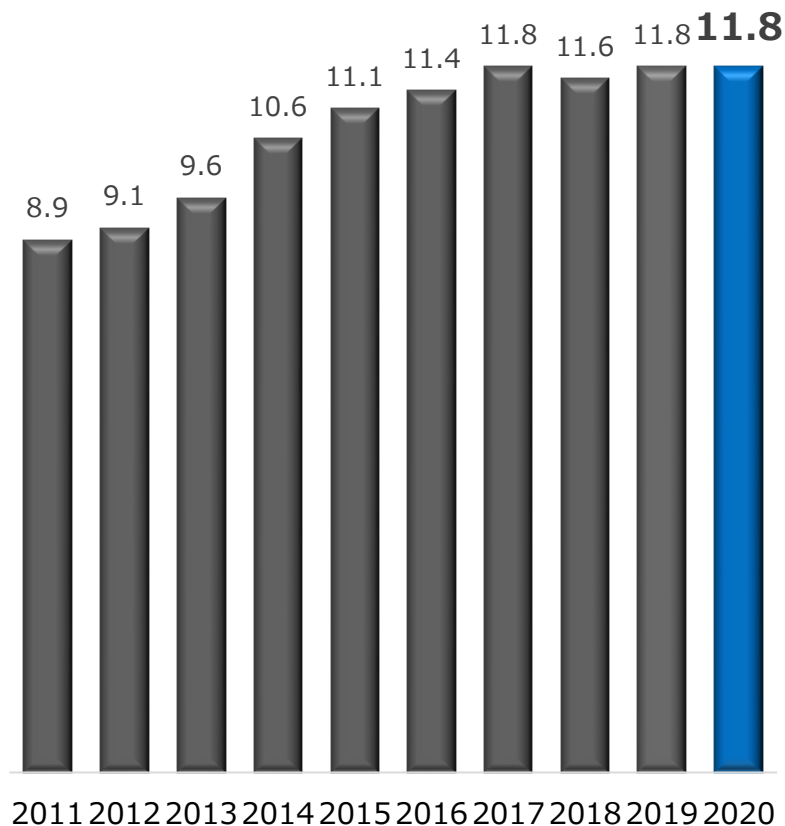


Number of incorporation registrations (total) :  
118,999

Approx. 120 thousand companies annually.  
(Continued increase trend due to aggressive establishment  
and corporate support by the government)  
Attract customers utilizing the know-how of web  
marketing with over 15 years experience.  
Target newly established companies.

Number of registration of transfer of head office  
and branch (total) : 162,475

Approx. 160 thousand companies annually.  
(Excluding the number of offices transferred that are not  
obliged to apply for registration)  
Cover change procedures, etc. on addition and relocation.  
Up/cross selling by advanced operations of Customer  
Loyalty Team (CLT).



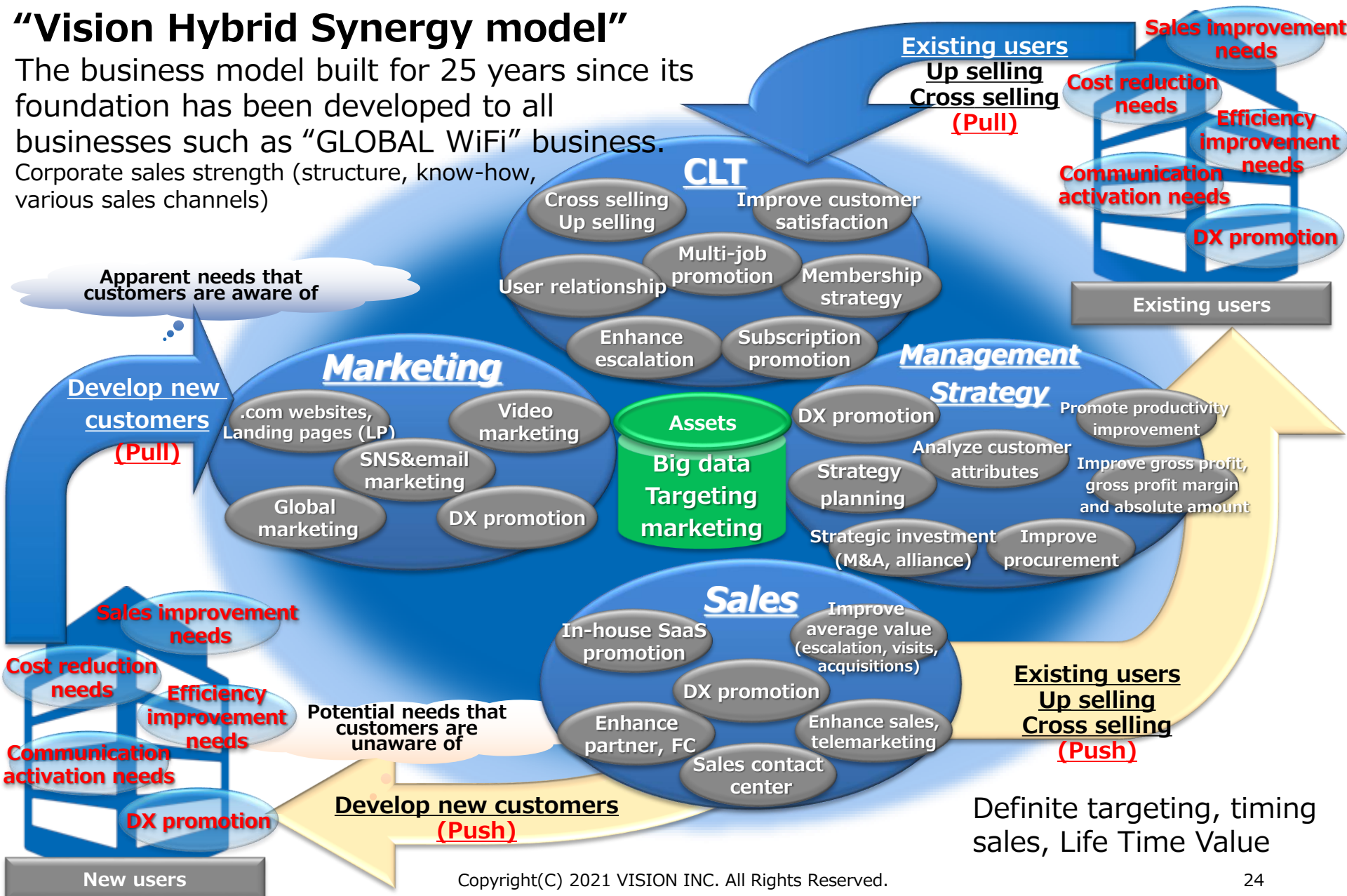
# Information and Communications Service Business Business Model



## “Vision Hybrid Synergy model”

The business model built for 25 years since its foundation has been developed to all businesses such as “GLOBAL WiFi” business.

Corporate sales strength (structure, know-how, various sales channels)

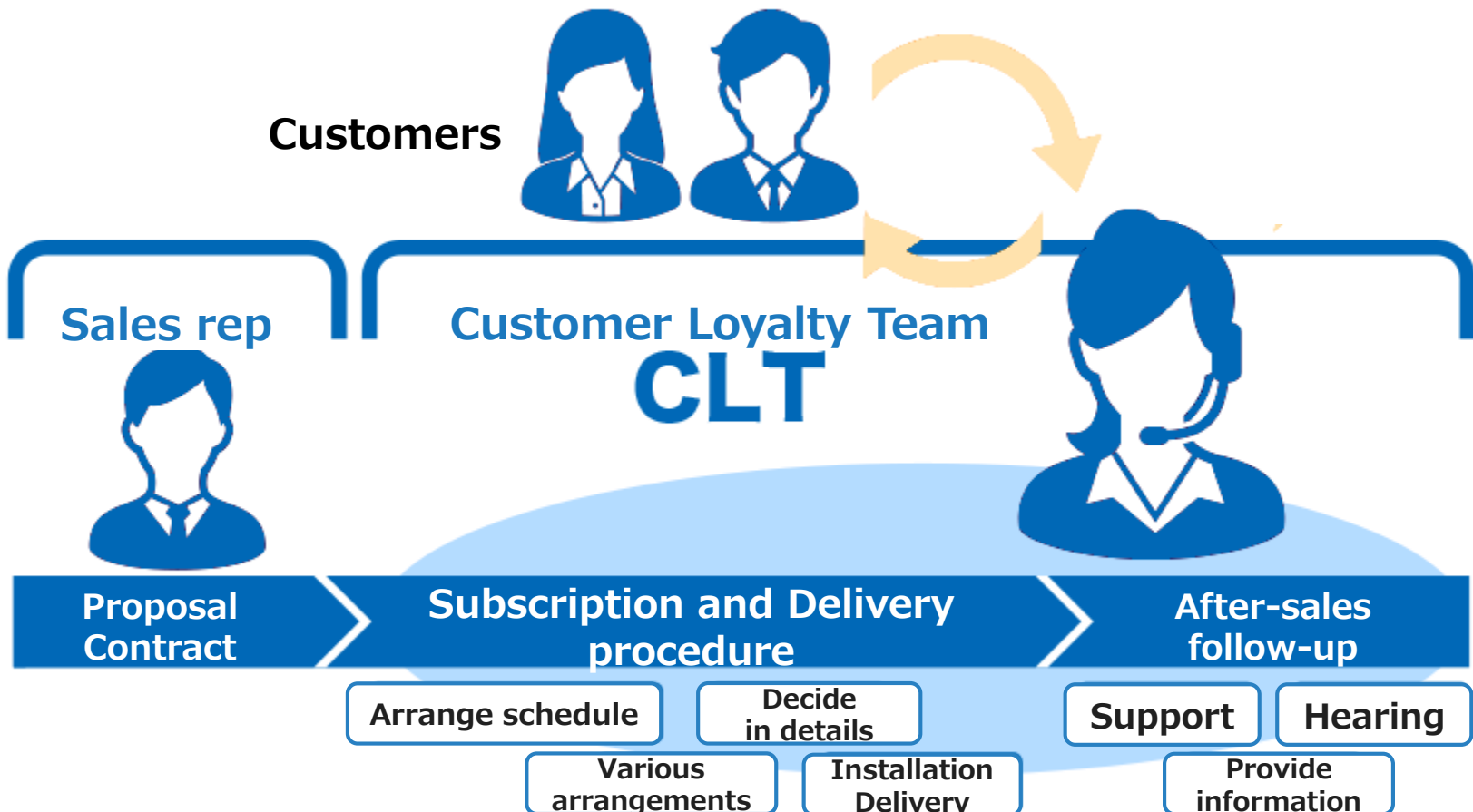


Create values with advanced operations

Customer Loyalty Team (CLT)

From delivery procedure to after-sales follow-up

Covers a wide range of operations



# "High Efficiency" Marketing

**"High efficiency" marketing with combined three factors:  
web marketing × sales rep × CLT**





# Escalation

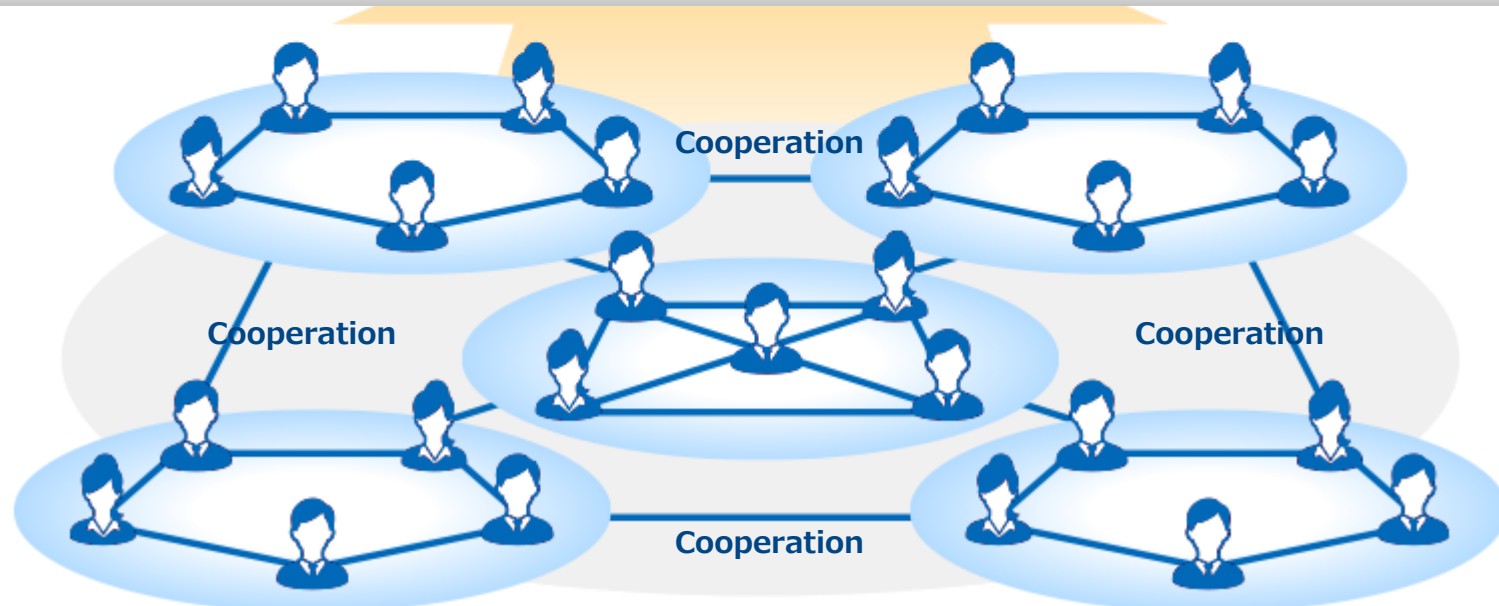
(Cooperation among Divisions, Customer Referral)

**Organization culture that creates continuous evolution**

**High productivity generated by escalation system (cooperation among divisions and customer referral)**



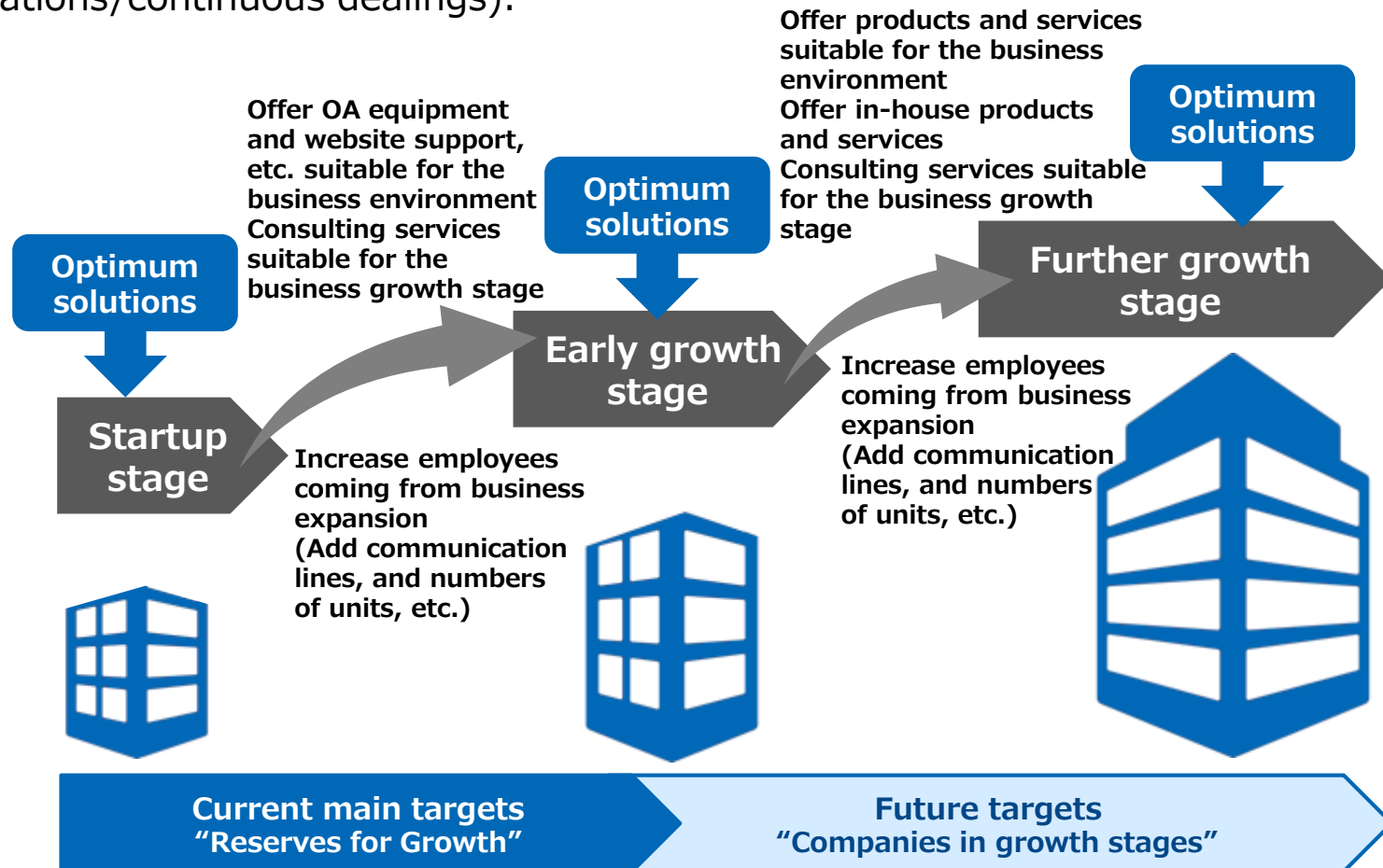
**Improve productivity through flat and open culture,  
and the “escalation system” promoting cooperation among divisions**



## Subscription-based Business Model

Provide optimum solutions according to the growth stage, continuing to stay close to the growth of customer companies.

Structure that accumulates profits by our original know-how CRM (customer relations/continuous dealings).

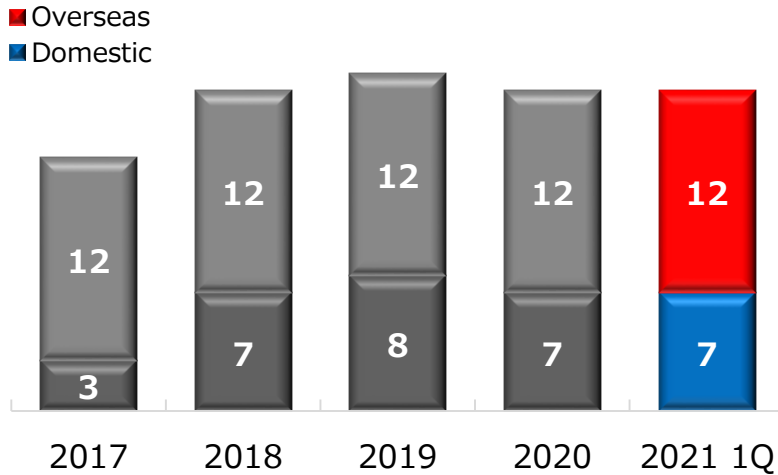


# APPENDIX

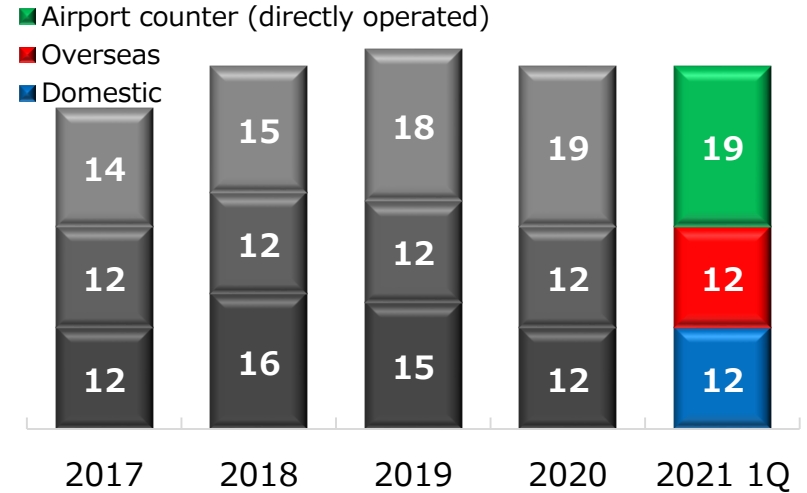


# Group Structure

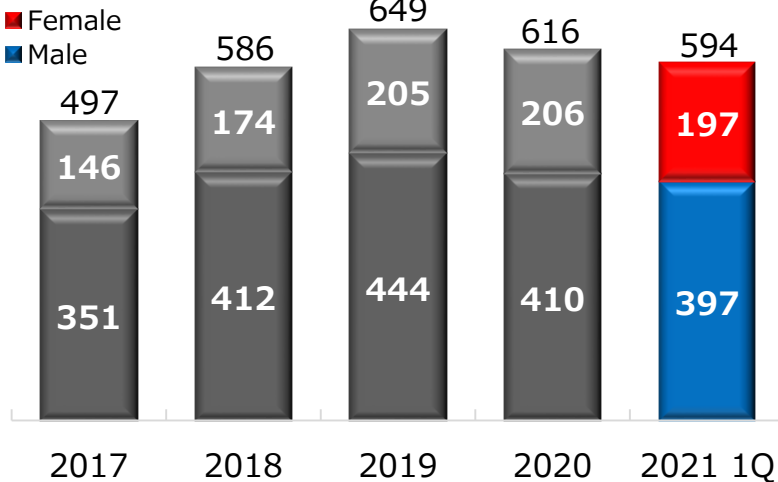
## Number of affiliated companies



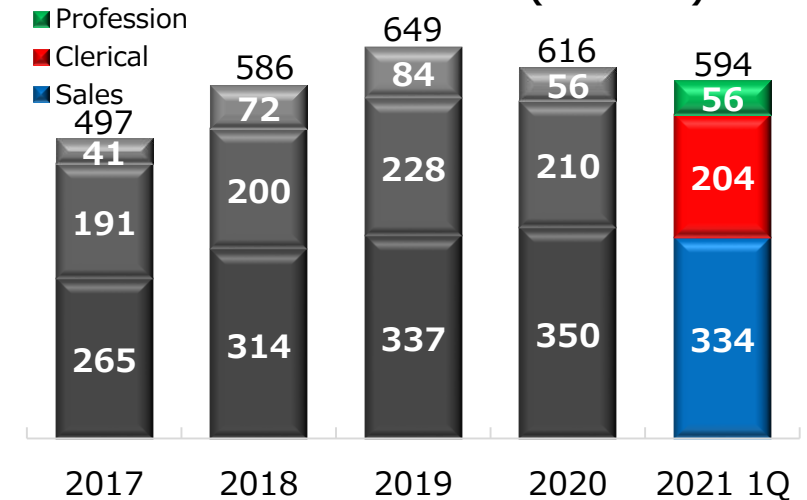
## Number of operation bases



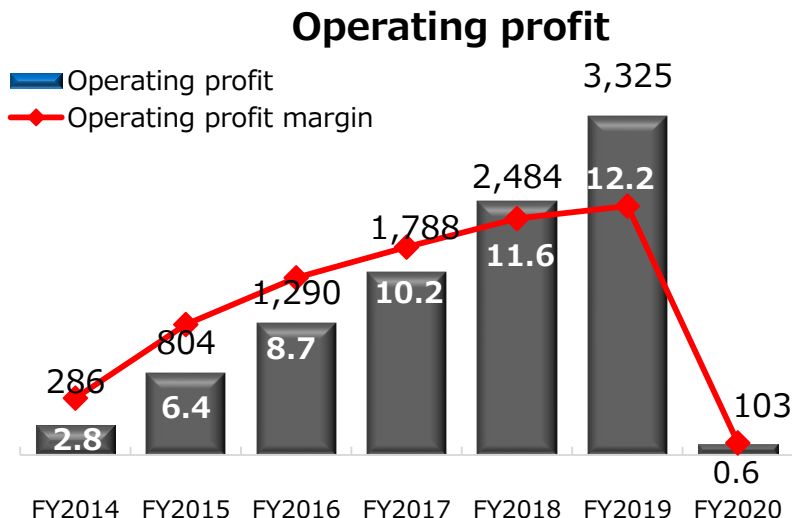
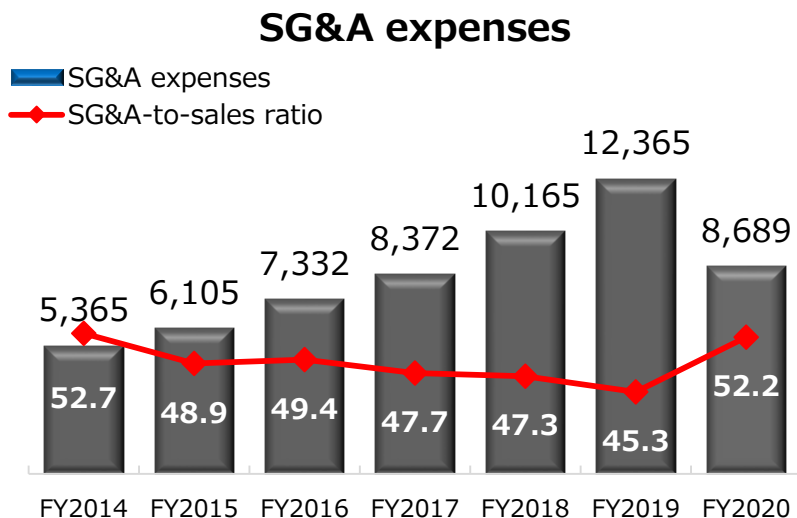
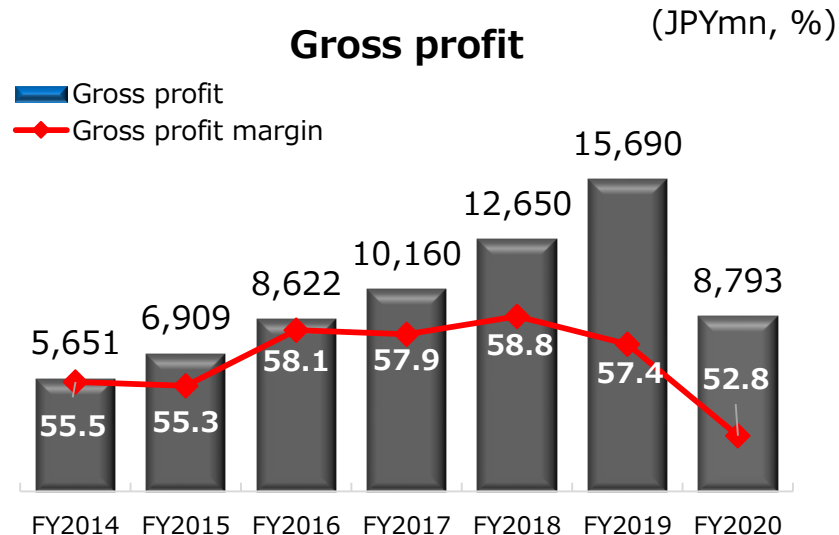
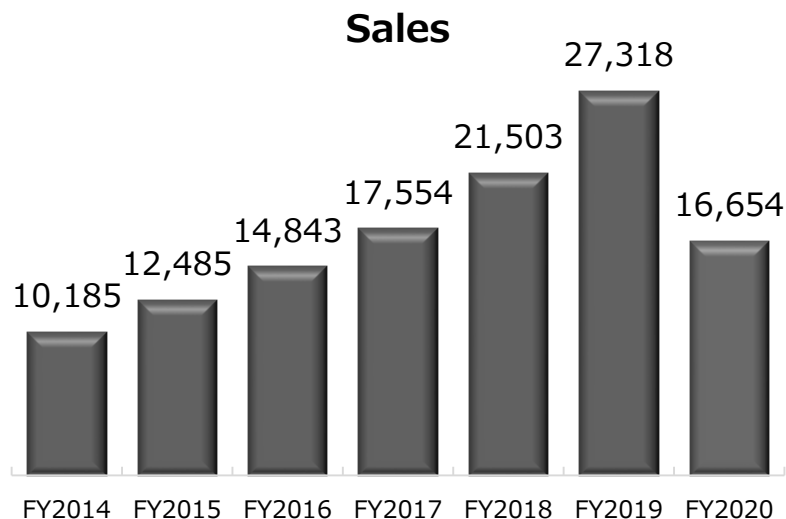
## Number of employees (full-time)



## Personnel classification (full-time)



# Performance Data



# Customer Attributes (Corporate/Individual)

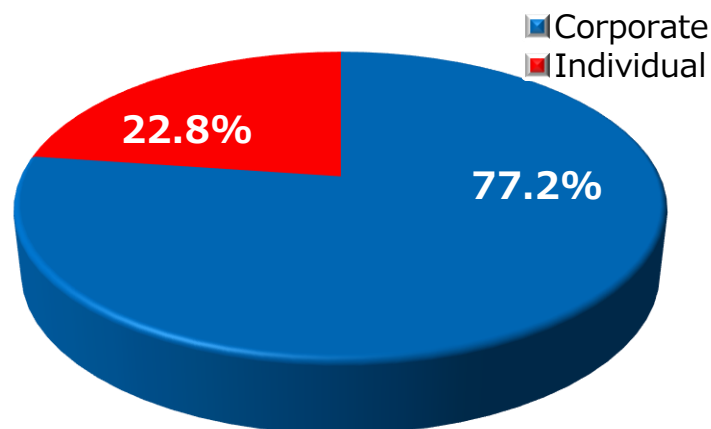
"GLOBAL WiFi" Business Overseas Use (Outbound)



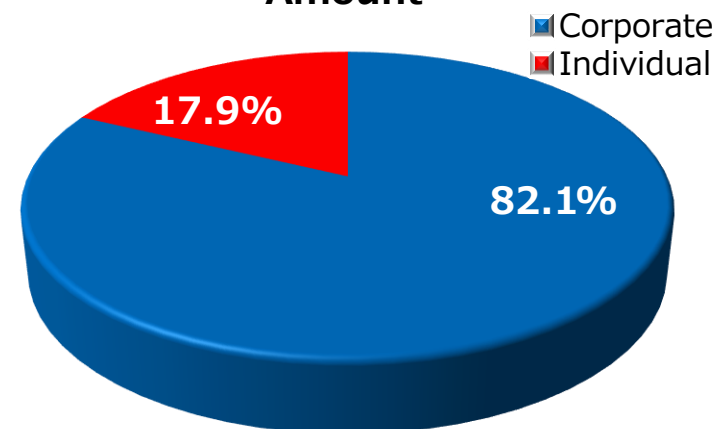
1Q FY2021

(Jan.-Mar.) Result

**Rental number**



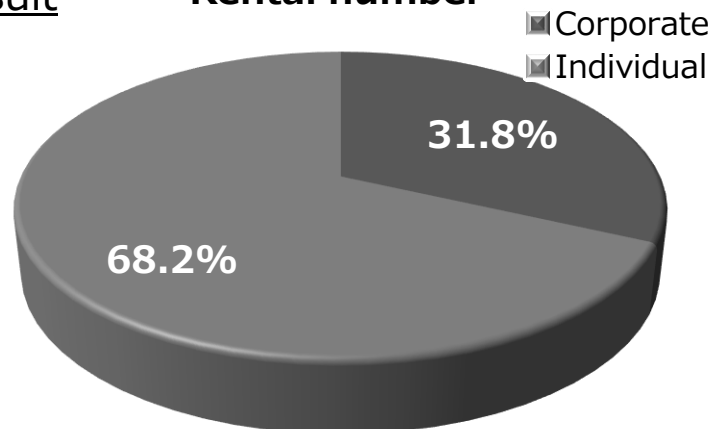
**Amount**



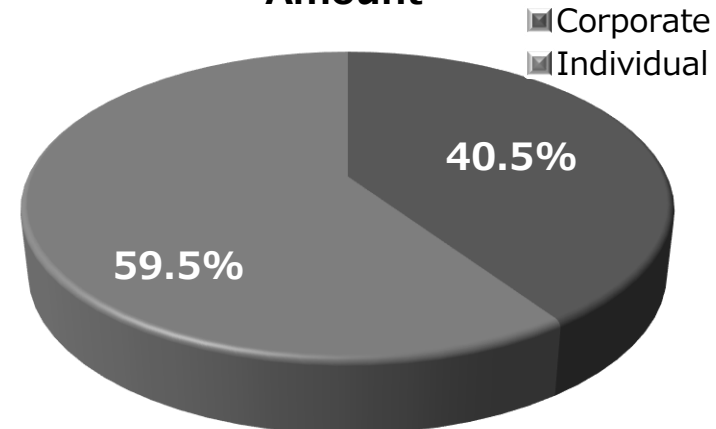
1Q FY2020

(Jan.-Mar.) Result

**Rental number**



**Amount**





# Customer Attributes (New/Repeat)

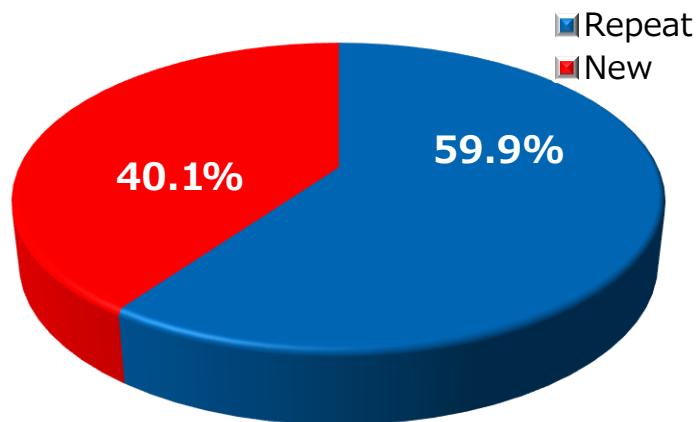
"GLOBAL WiFi" Business Overseas Use (Outbound)



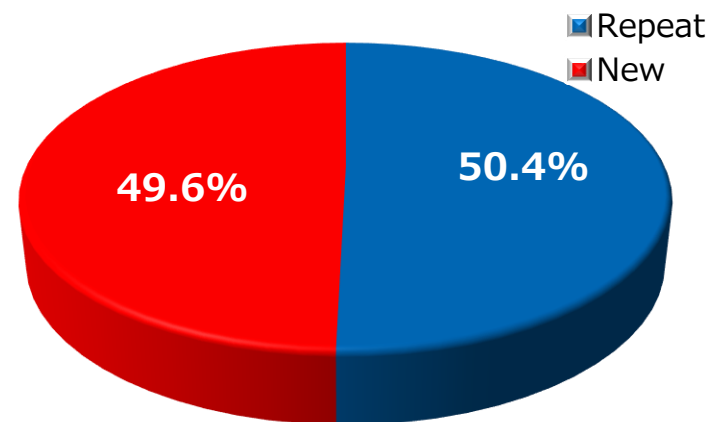
1Q FY2021

(Jan.-Mar.) Result

**Rental number**



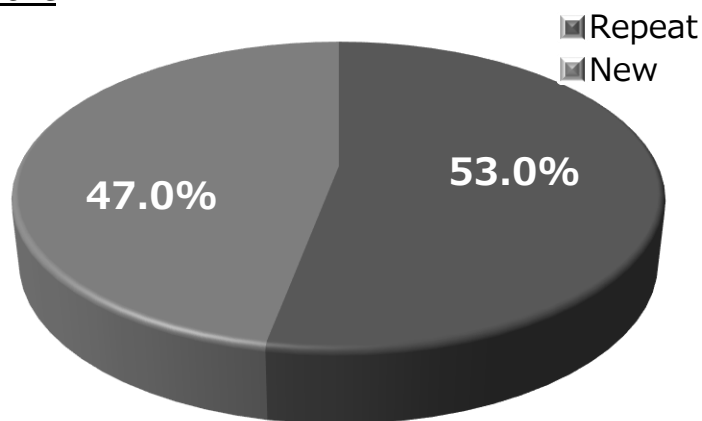
**Amount**



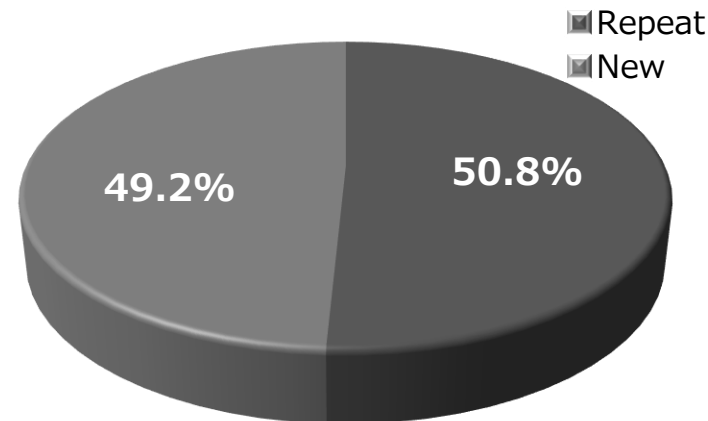
1Q FY2020

(Jan.-Mar.) Result

**Rental number**



**Amount**

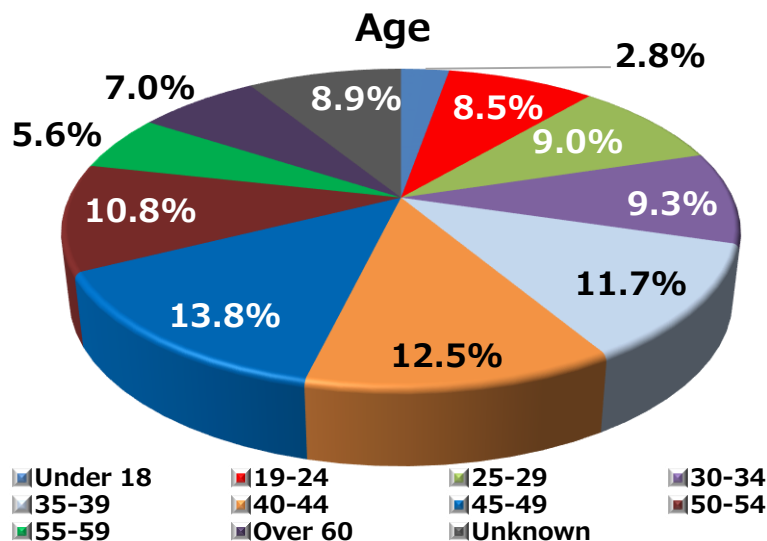


# Customer Attributes (Age/Gender, Corporate or Individual)

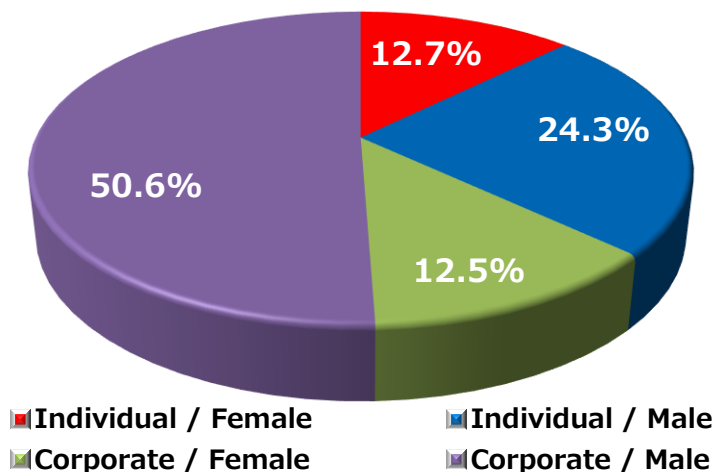
"GLOBAL WiFi" Business Overseas Use (Outbound)



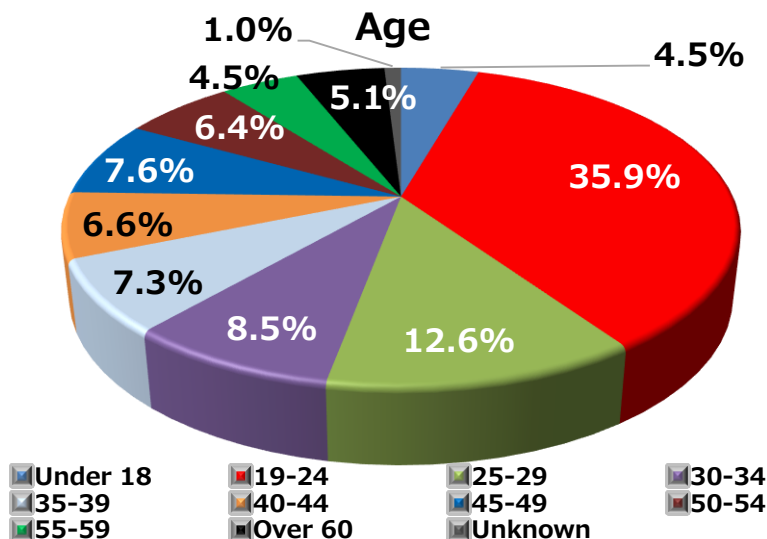
## 1Q FY2021 (Jan.-Mar.) Result



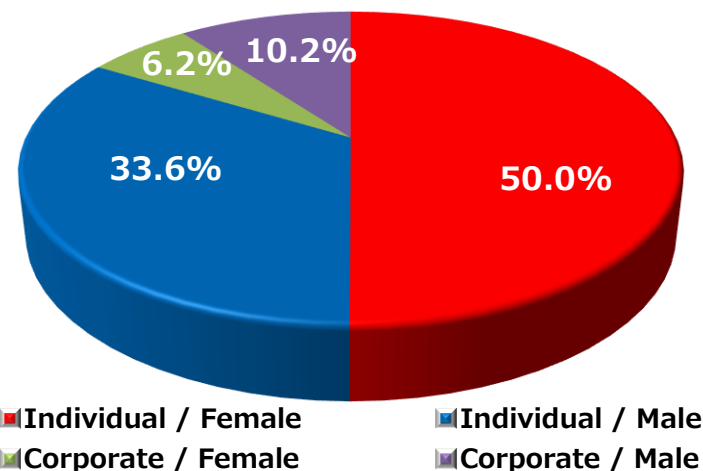
## Gender, Corporate or individual



## 1Q FY2020 (Jan.-Mar.) Result



## Gender, Corporate or individual



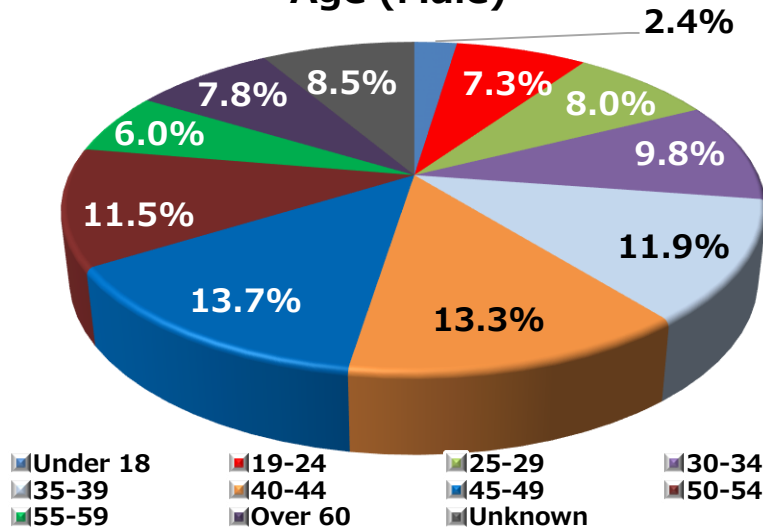
# Customer Attributes (Age/Gender)

"GLOBAL WiFi" Business Overseas Use (Outbound)

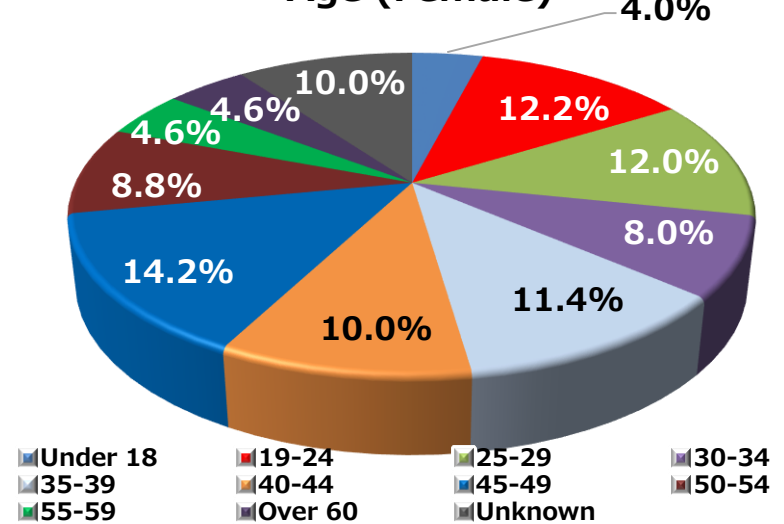


## 1Q FY2021 (Jan.-Mar.) Result

### Age (Male)

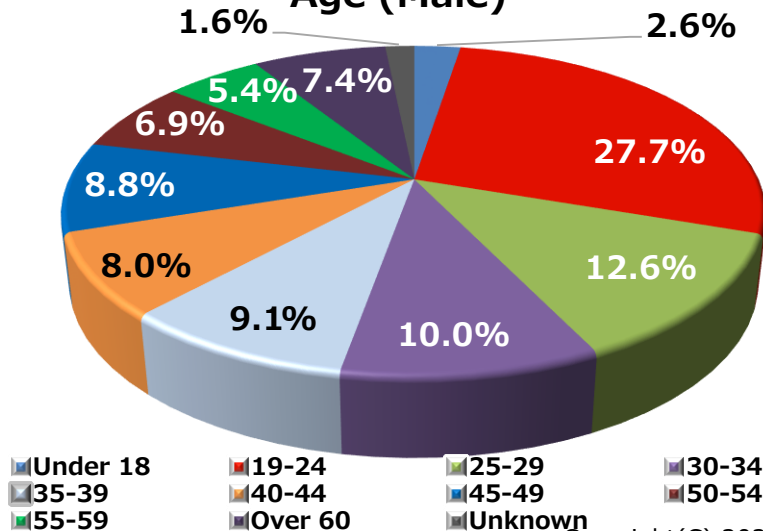


### Age (Female)

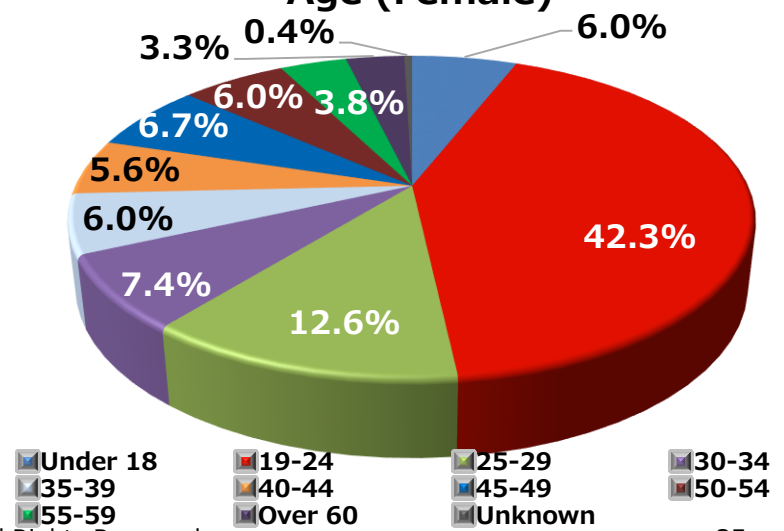


## 1Q FY2020 (Jan.-Mar.) Result

### Age (Male)



### Age (Female)



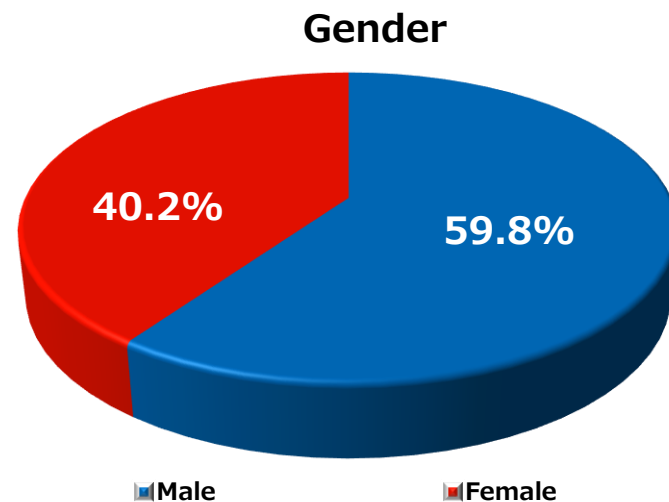
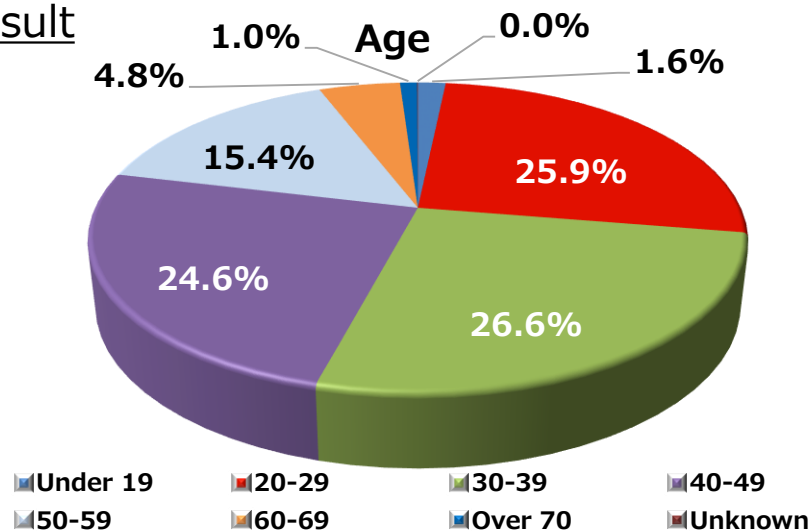
# Customer Attributes (Age/Gender)

"GLOBAL WiFi" Business Domestic Use (Except for teleworking, etc.)



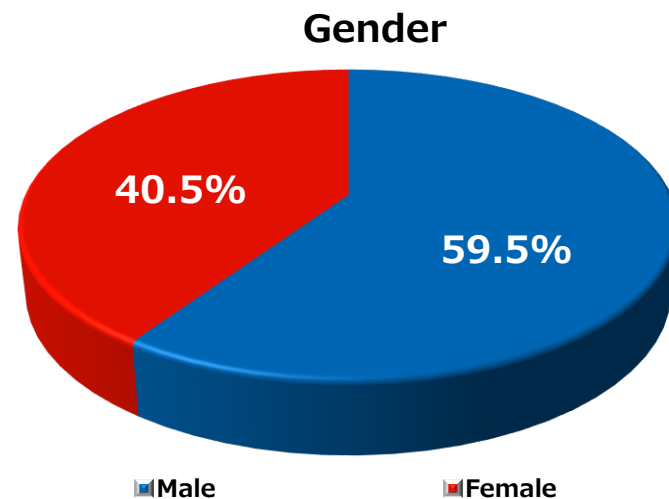
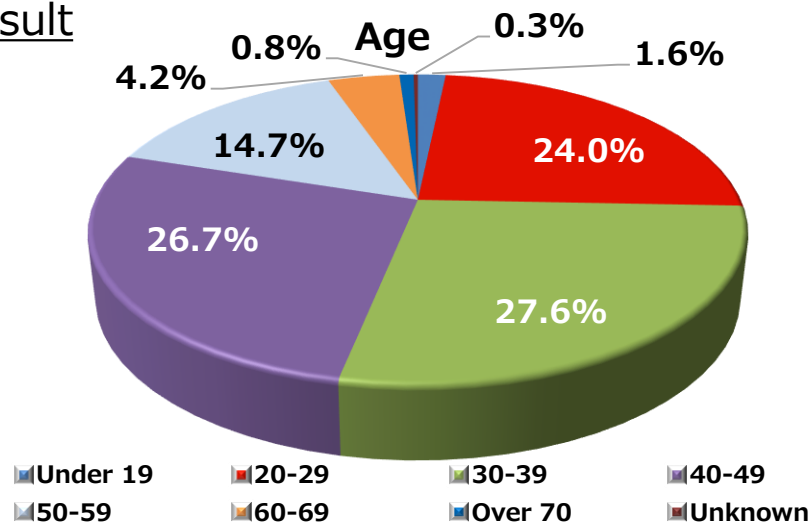
1Q FY2021

(Jan.-Mar.) Result



1Q FY2020

(Jan.-Mar.) Result



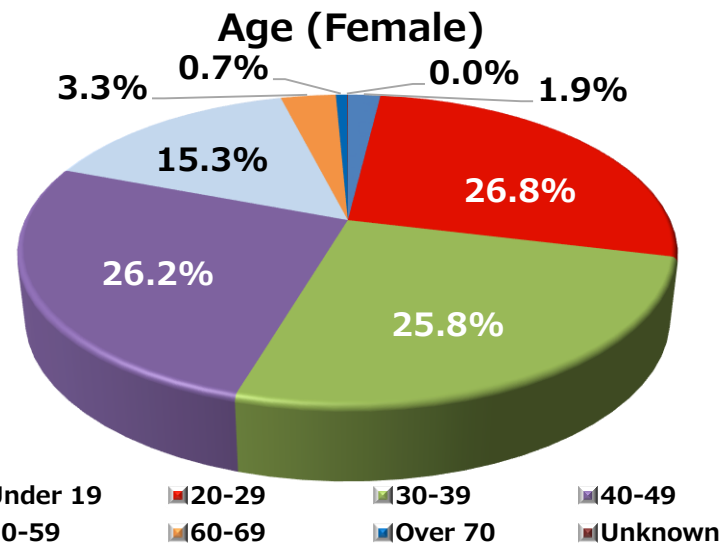
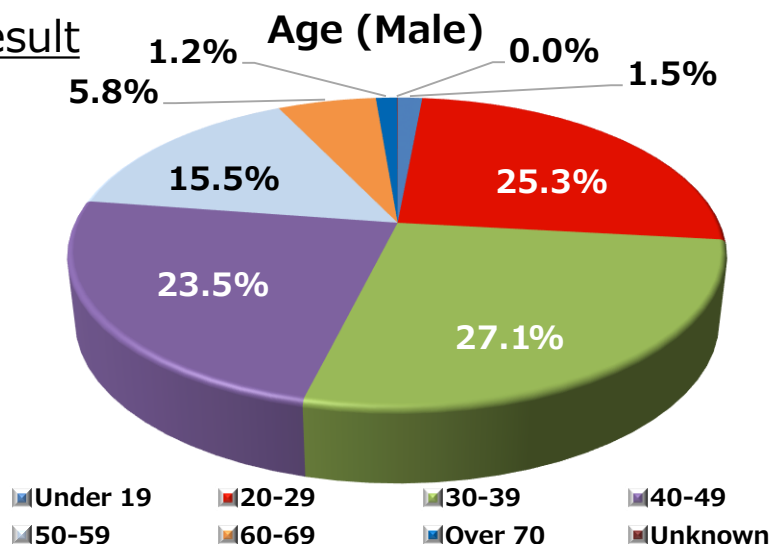
# Customer Attributes (Age/Gender)

"GLOBAL WiFi" Business Domestic Use (Except for teleworking, etc.)



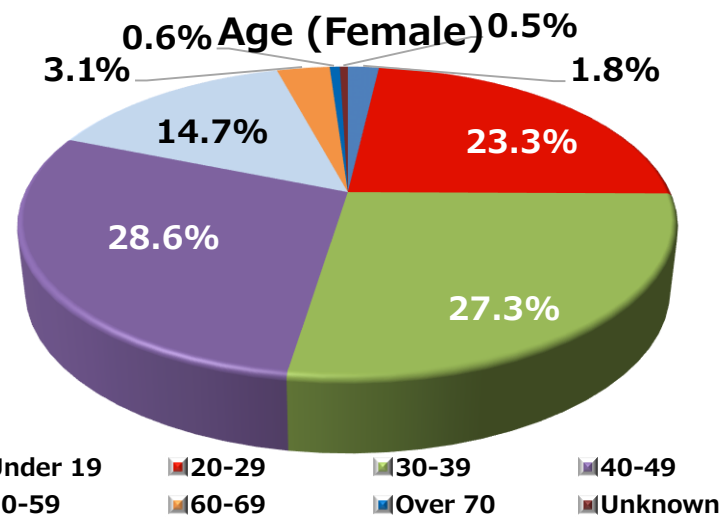
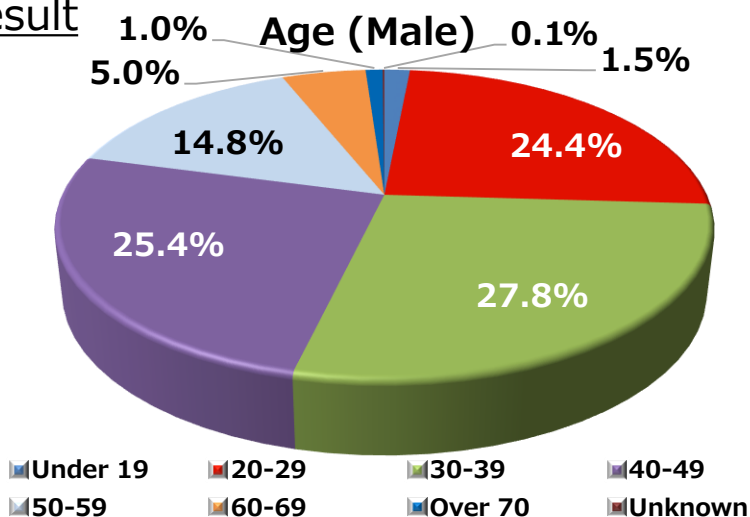
1Q FY2021

(Jan.-Mar.) Result



1Q FY2020

(Jan.-Mar.) Result



# Overview of Stock Options with Charge Issuance

(Resolved by the Board of Directors' Meeting on November 13, 2017)



\* Excerpt from "Determination of Details of Issuance of Stock Acquisition Rights" on Nov. 30, 2017

Items	Details
Name	Vision Inc. Third Series Stock Acquisition Rights
Number of issues	13,560 units (100 shares per stock acquisition right, 1,356,000 shares of common stock)
Issue price	JPY1,600 per stock acquisition right
Total issue price	JPY3,510,684,000
Target	Directors (excluding outside directors), employees, and employees of the subsidiaries: 163 people, 13,560 units

Conditions for exercising stock acquisition rights  
※ See the table below

If the operating profit for any fiscal year from FY2018 to FY2021 falls below JPY1.6bn, the subsequent stock acquisition rights cannot be exercised, except for these rights that have been already exercisable.

Operating profit in any fiscal year from FY2018 to FY2021 exceeds JPY3.6bn	➡ Exercisable ratio : 100%
Operating profit in FY2020 exceeds JPY3.1bn	➡ Exercisable ratio : 30%
Operating profit in FY2018 exceeds JPY2.1bn and operating profit in FY2019 exceeds JPY2.6bn ⇒ Achieved	➡ Exercisable ratio : 30%





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Materials and information provided in this announcement include so-called “forward-looking statements.”

They are estimated at the present and are based on the assumption that involves forecasts and risks, and substantially they include uncertainties which could cause different results from these statements.

These risks and uncertainties include general industry and market conditions, and general domestic and international economic conditions, such as interest rates and currency exchange fluctuations.

In the future, even if there is new information or future events etc., we shall not be obligated to update and revise the “forward-looking statements” included in this announcement.

Vision Inc.

Contact : Investor Relations Dept.  
ir@vision-net.co.jp