

2nd Quarter FY2018 Financial Results

August 9, 2018
Vision Inc.

(1st Section of the Tokyo Stock Exchange, code : 9416)

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 - Overview of Stock Options with Charge Issuance

2Q FY2018 Overview of Financial Results

2Q FY2018 Overview of Financial Results (Cons.)

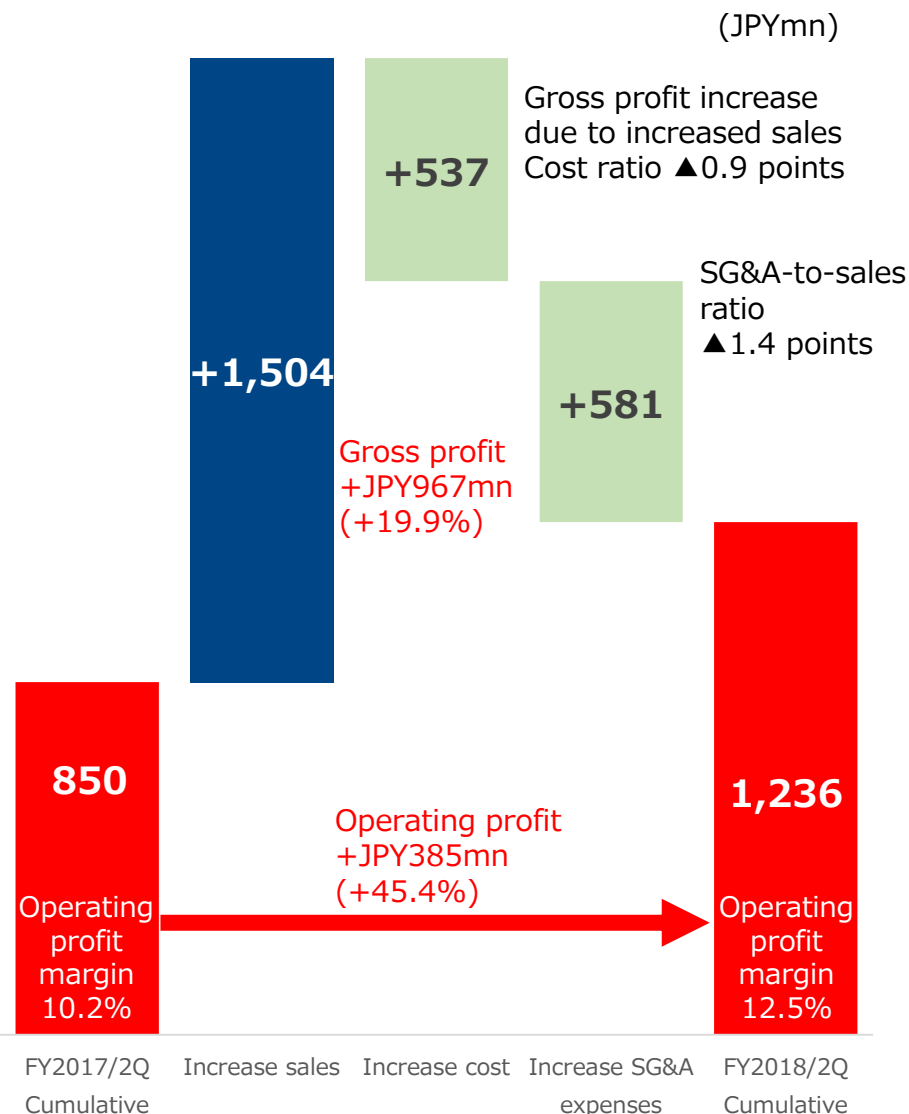


Updated record highs **for both sales and each profit.**

(JPYmn, %)

Account title	FY2018/2Q Actual result		Increase or decrease	
	Amount	Composition ratio	Amount	Increase or decrease ratio
Sales	9,855	100.0	+1,504	+18.0
FY2017/2Q Actual result	8,350	100.0	+1,398	+20.1
Gross profit	5,819	59.0	+967	+19.9
FY2017/2Q Actual result	4,851	58.1	+853	+21.4
Operating profit	1,236	12.5	+385	+45.4
FY2017/2Q Actual result	850	10.2	+292	+52.3
Recurring profit	1,245	12.6	+395	+46.5
FY2017/2Q Actual result	850	10.2	+319	+60.1
Net income attributable to parent company shareholders	809	8.2	+237	+41.6
FY2017/2Q Actual result	571	6.8	+229	+67.2

Reasons for Increase in Operating Profit



Operating profit margin 12.5% (+2.4% points YoY)

- Increase sales due to favorable sales.
 - 2Q is a low season.
- “GLOBAL WiFi” Business :
 - As sales increase, profitability further improves by various measures to reduce costs and improve productivity.
 - Reduce data-line procurement cost
 - Utilize CLOUD WiFi, increase shipping ratio
 - Improve data usage efficiency
 - Reduce operational cost (Improve efficiency by reducing shipping process)
 - Improve efficiency of labor costs
 - Improve efficiency for responding inquiries (AI utilization FAQ, chatbot etc.)
 - Improve efficiency to deliver devices (“GLOBAL WiFi for Biz” for corporate customers, add automatic pick-up locker “SmartPickup”, etc.)
- Information and Communications Service Business :
 - Increase sales and profits by shifting to profitable services and up/cross selling strategy.

Segment Actual Result



- “GLOBAL WiFi” Business : Sales **+26.5%**, and Segment profit **+55.8%**.
- Information and Communications Service Business : Sales **+6.5%**, and Segment profit **+5.9%**.

(JPNmn, %)

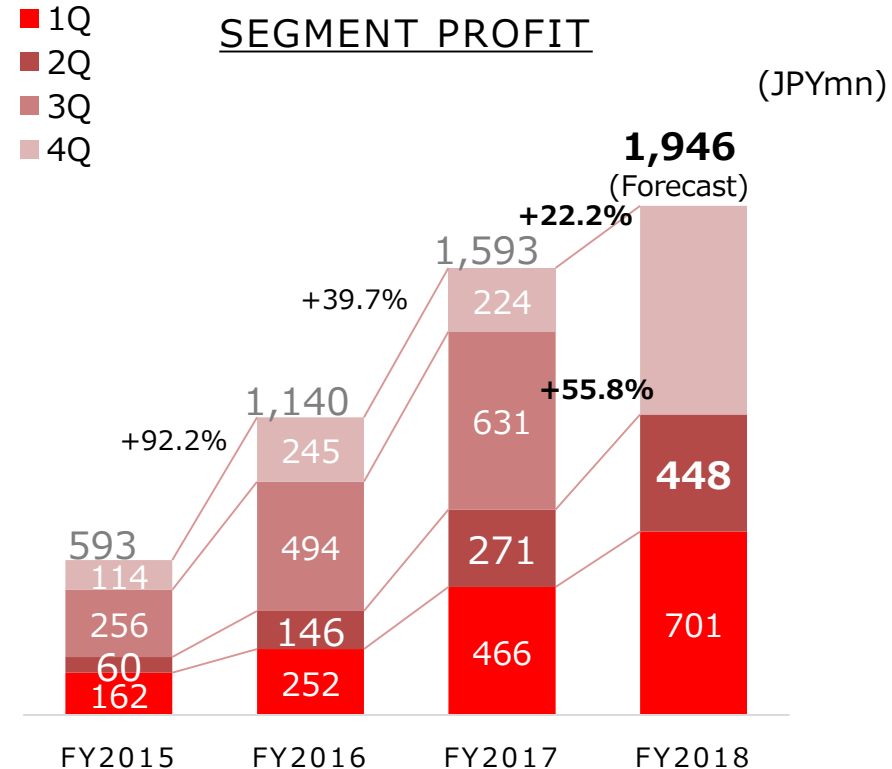
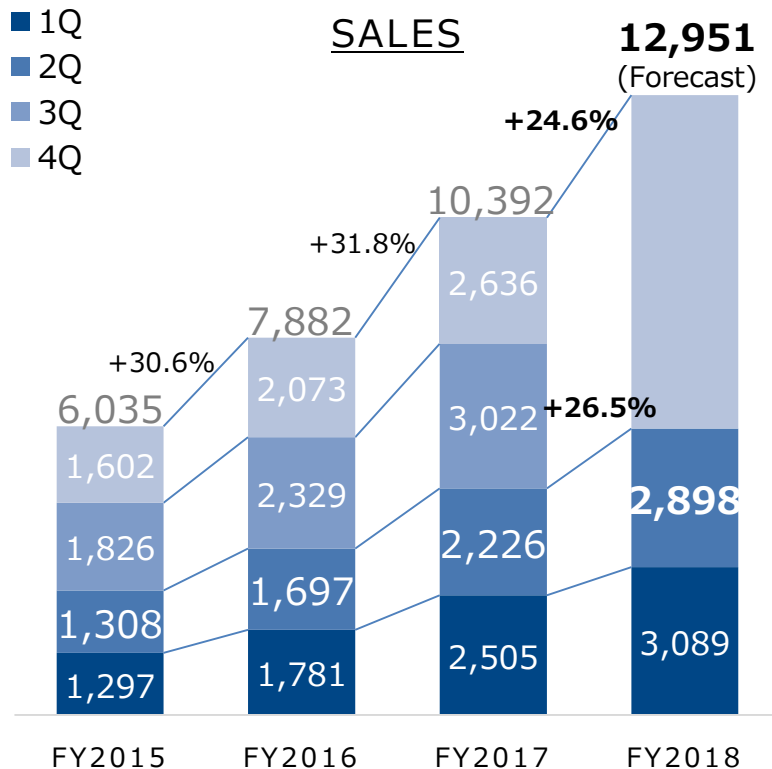
		FY2018/2Q Actual result	FY2017/2Q Actual result	Increase or decrease	
		Amount	Amount	Amount	Increase or decrease ratio
Sales	“GLOBAL WiFi”	5,987	4,732	+1,254	+26.5
	Information and Communications Service	3,827	3,592	+235	+6.5
	Subtotal	9,814	8,324	+1,489	+17.9
	Others	40	25	+15	+58.5
	Adjustment amount	–	–	–	–
	Total (Cons.)	9,855	8,350	+1,504	+18.0
Segment profit	“GLOBAL WiFi”	1,149	737	+411	+55.8
	Profit margin	19.2	15.6	+3.6	–
	Information and Communications Service	634	599	+35	+5.9
	Profit margin	16.6	16.7	△0.1	–
	Subtotal	1,783	1,336	+446	+33.4
	Others	△67	△47	△19	△41.5
Adjustment amount	△480	△438	△41	△9.4	
Total (Cons.)	1,236	850	+385	+45.4	

"GLOBAL WiFi" Business Transition of Performance



2Q is a low season, since travelers abroad are the fewest throughout the year. However, continue to increase sales and profit by capturing corporate demand steadily etc.

- The rental number increases steadily.
 - Capture corporate demand (business trips with less seasonal fluctuation etc.), accumulate repeat users, etc.
- Continually work on measures to improve profitability, such as cost and operational cost reduction.



(Attention) Regarding the quarterly results in FY2015, year-on-year ratio is for reference, because we do not prepare for the quarterly financial statements.

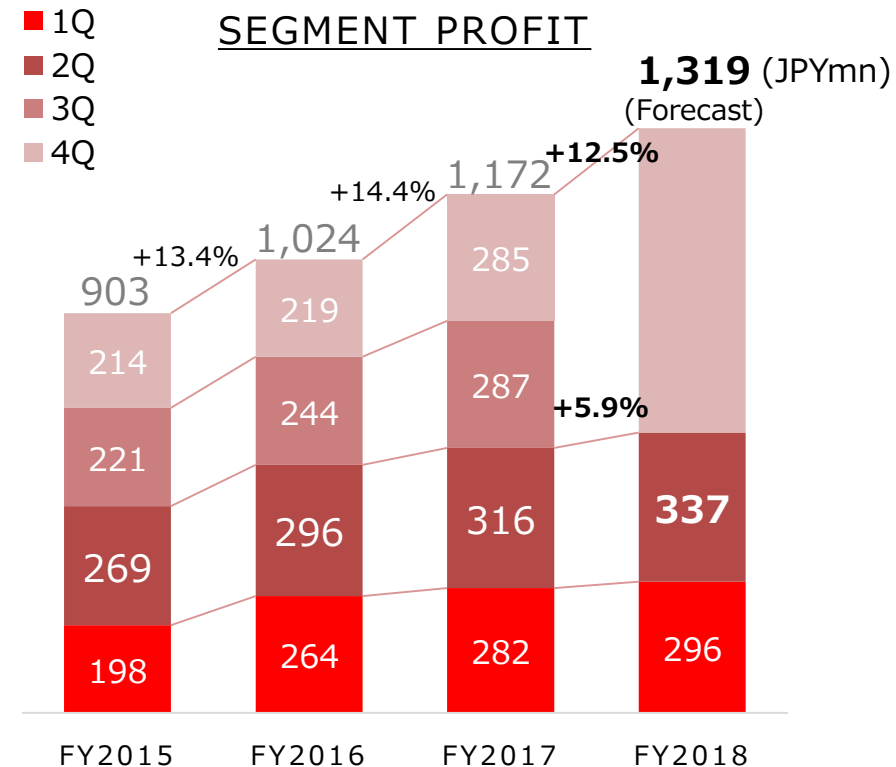
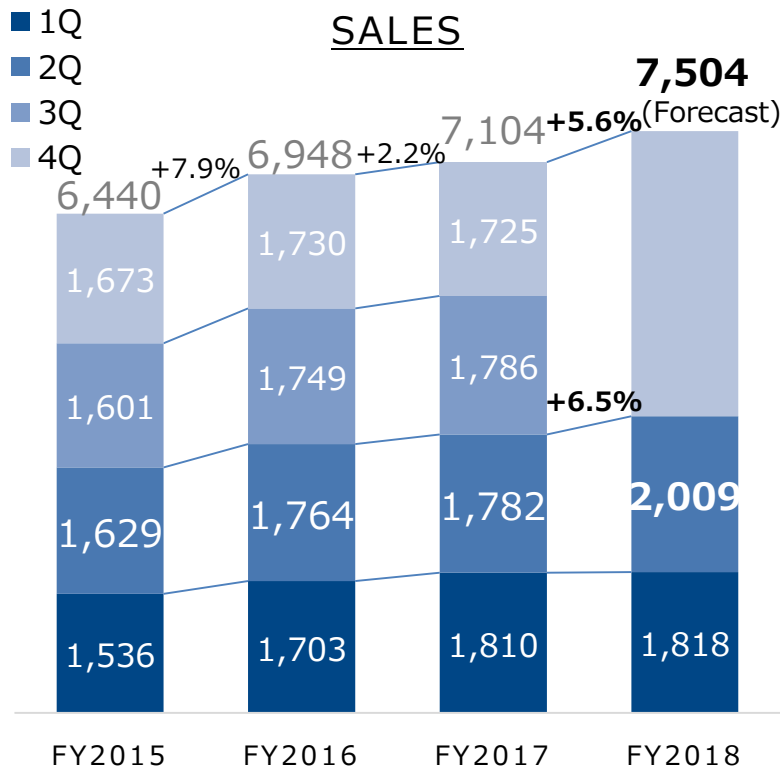
Information and Communications Service Business

Transition of Performance



Increase in sales and profits. Continue stable growth.

- Continue to perform well due to acquiring our main targets (newly established companies, venture companies).
- Accumulate continuous dealings by CRM (stock model).
 - A key effort of up/cross selling strategy was successful.
 - Electric power service “Haruene Denki” subscription agency (cross selling) is strong.



(Attention) Regarding the quarterly results in FY2015, year-on-year ratio is for reference, because we do not prepare for the quarterly financial statements.

Consolidated Balance Sheet



(JPYmn, %)

	FY2018/2Q	FY2017	Compared to the previous consolidated fiscal year end	
	Amount	Amount	Increase or decrease	Increase or decrease ratio
Assets				
Current assets	9,021	8,995	+26	+0.3
Cash and deposit	6,150	6,256	△106	△1.7
Accounts receivable	1,771	1,485	+286	+19.3
Other current assets	1,049	1,228	△178	△14.6
Fixed assets	3,139	2,488	+651	+26.2
Tangible fixed assets	1,057	859	+197	+23.0
Intangible fixed assets	717	590	+127	+21.5
Investments and other assets	1,364	1,038	+326	+31.4
【Total assets】	12,161	11,483	+677	+5.9
Liabilities				
Current liabilities	3,039	2,895	+144	+5.0
Fixed liabilities	4	2	+1	+76.3
【Total liabilities】	3,044	2,897	+146	+5.1
Net assets				
【Total net assets】	9,117	8,586	+530	+6.2
Equity ratio	74.8	74.6	+0.2	—

FY2018 Outlook of Financial Results

FY2018 Forecast of Financial Results



Sales: **+17.3%** YoY, and Operating profit: **+25.9%** YoY.

(JPNmn, %)

Account title	FY2018 Forecast		Increase or decrease	
	Amount	Composition ratio	Amount	Increase or decrease ratio
Sales	20,599	100.0	+3,044	+17.3
FY2017 Actual result	17,554	100.0	+2,711	+18.3
Gross profit	12,103	58.8	+1,942	+19.1
FY2017 Actual result	10,160	57.9	+1,538	+17.8
Operating profit	2,252	10.9	+463	+25.9
FY2017 Actual result	1,788	10.2	+498	+38.6
Recurring profit	2,254	10.9	+459	+25.6
FY2017 Actual result	1,795	10.2	+496	+38.3
Net income attributable to parent company shareholders	1,520	7.4	+311	+25.8
FY2017 Actual result	1,208	6.9	+394	+48.5

Segment Forecast



- “GLOBAL WiFi” Business : Sales **+24.6%**, and Segment profit **+22.2%**.
- Information and Communications Service Business : Sales **+5.6%**, and Segment profit **+12.5%**.

(JPNmn, %)

		FY2018	FY2017	Increase or decrease	
		Forecast	Actual result	Amount	Increase or decrease ratio
		Amount	Amount	Amount	Increase or decrease ratio
Sales	“GLOBAL WiFi”	12,951	10,392	+2,559	+24.6
	Information and Communications Service	7,504	7,104	+400	+5.6
	Subtotal	20,456	17,496	+2,959	+16.9
	Others	142	58	+84	+144.9
	Adjustment amount	–	–	–	–
	Total (Cons.)	20,599	17,554	+3,044	+17.3
Segment profit	“GLOBAL WiFi”	1,946	1,593	+353	+22.2
	Information and Communications Service	1,319	1,172	+147	+12.5
	Subtotal	3,266	2,765	+500	+18.1
	Others	△11	△102	+91	+89.1
	Adjustment amount	△1,002	△874	△127	△14.6
	Total (Cons.)	2,252	1,788	+463	+25.9

Outlook for the Full Year (Quarterly Transition)



(JPYmn, %)

		1 Q	2 Q	3 Q	4 Q	FY
FY2015	Sales	2,836	2,940	3,429	3,277	12,485
	Composition ratio (vs. FY)	22.7	23.6	27.5	26.3	—
	Operating profit	202	169	304	128	804
	Composition ratio (vs. FY)	25.1	21.1	37.8	16.0	—
	Operating profit margin	7.1	5.8	8.9	3.9	6.4
FY2016	Sales	3,487	3,465	4,083	3,807	14,843
	Composition ratio (vs. FY)	23.5	23.3	27.5	25.7	—
	Operating profit	313	245	517	214	1,290
	Composition ratio (vs. FY)	24.3	19.0	40.1	16.6	—
	Operating profit margin	9.0	7.1	12.7	5.6	8.7
FY2017	Sales	4,326	4,024	4,827	4,377	17,554
	Composition ratio (vs. FY)	24.6	22.9	27.5	24.9	—
	Operating profit	513	336	688	249	1,788
	Composition ratio (vs. FY)	28.7	18.8	38.5	13.9	—
	Operating profit margin	11.9	8.4	14.3	5.7	10.2
FY2018	Sales	4,922	4,933	2Q Forecast Sales: 9,761 Operating profit: 989		20,599
	Composition ratio (vs. FY)	23.9	23.9	→		—
	Operating profit	736	499	2Q Actual result Sales: 9,855 (+1.0%) Operating profit: 1,236		2,252
	Composition ratio (vs. FY)	32.7	22.2			—
	Operating profit margin	15.0	10.1			10.9 (+20.0%)

(Attention) Regarding the quarterly results in FY2015, year-on-year ratio is for reference, because we do not prepare for the quarterly financial statements.

Progress made in FY2018

- Promote efforts to realize this year's slogan "Challenge to evolution ~ Chapter 2~".
 - Differentiate by expanding business and monetizing peripheral business.
 - Realize to lead the industry overwhelmingly (productivity, market share, profit).

Expansion (Further develop the market)

- "GLOBAL WiFi" Business
 - Promote diversification of our own channel (Enhance SNS channel etc.)
 - Build a system for handling online orders just before departure
 - Acquire customers on departure day that we have missed so far = Net increase
 - Promote corporate customers introducing "GLOBAL WiFi for Biz"
 - Domestic use is also standard service, having it used on a daily basis
 - Solutions for travel agencies and related operators
 - Integrate into travel products by utilizing CLOUD WiFi (offer wholesale + media functions)
 - Domestic use (for foreign travelers visiting Japan and Japanese) are strong
- Information and Communications Service Business
 - Expand inflow channels, "BIMAKE" website (Vision Business Market) etc.



Utilization (Utilize customer foundation)

- Travel Related Service Platform
 - Promote the media business for foreign travelers visiting Japan
 - Sell China's largest lifestyle information service platform "Dazhong Dianping" official service (established Vision Ad Inc.)
 - Increase sales in media for foreign travelers visiting Japan
 - Evaluated the features (direct delivery, attribute-based measures etc.), increase companies that advertisement is issued, and continued customers
 - Pick-up reservation and service "Pro Drivers"
 - Available in 150 countries and 500 cities
 - Start pick-up service to/from domestic airport (planned to expand the service this autumn)
- Information and Communications Service Business
 - Launch high-demand services (electric power service subscription agency etc.)
 - Sell in-house developed services (workflow system, call system etc.)

Stability (Improve profitability)

- "GLOBAL WiFi" Business
 - Measures to improve sales efficiency
 - Priority efforts on stable base ... Repeat customers, corporate customers
 - Reduce cost / SG&A expenses
 - Improve data-line usage efficiency, and shipping operation efficiency
 - Promote to introduce CLOUD WiFi (Approx. 78% of total shipment)
 - Promote to improve efficiency for responding inquiries by utilizing AI and chatbot

- Whole Company
 - By introducing RPA, promote routine work labor saving etc.

○Introduce "CLOUD WiFi"

- A Wi-Fi router equipped with next-generation communication technology that manages SIM on the cloud.
- Telecommunication carriers all over the world can be allocated without physically inserting /changing SIM.
- Increase to approx. 78% of shipping Wi-Fi routers (As of March 2018 : approx. 67%).
- Benefits :
 - Reduce SG&A expenses ← Labor saving of shipping operations
 - Reduce telecommunication cost ratio ← Improve usage efficiency of data telecommunication
 - Improve profit ← Utilization service/new method (realizable because there is no charge of line cost at inactive time)

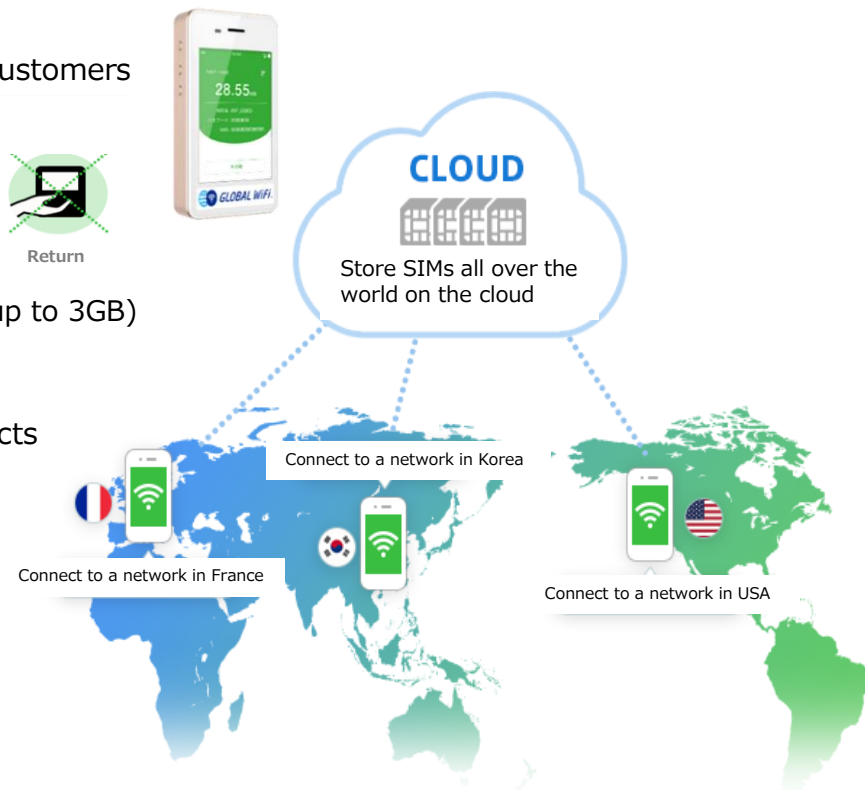
Utilization :

- (Utilization service) "GLOBAL WiFi for Biz" for corporate customers

- Keep it at the customer's place ⇒



- Domestic (Japan) internet connection available (free up to 3GB)
 - = Have it used on a daily basis
- Plan to offer for individuals as well
- (Utilization service) Integrated into overseas travel products by travel agencies
- (New method) Expand inventory at each airport counter
 - Minimize opportunity losses by eliminating out of stock
 - Acquire customers who order on the day



Automatic pick-up locker



SmartPickup

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



SmartEntry

Immediate customer identification counter (QR code reception counter)



Reception



Standby



SmartCheck

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 travelers visiting Japan.

Airport Counter and SmartPickup

- 15 airport counters in Japan, and 10 automatic pick-up lockers are installed at 5 airports.
- Enhance users' touch points such as new counter openings, relocation, and expansion.
- The service level is optimized according to customers.
 - Eliminate waiting time thoroughly for customers who do not need explanation (such as repeater layer).
 - Airport staff responds to customers who need explanation.

★SmartPickup installed



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



Acquire customers on departure day that we have missed so far
⇒ **Increase number of users**
※ **Respond to WEB application in front of the airport counter instantly in collaboration with the database.**

○Enhance distribution channel

- 「BIMAKE (Vision Business Market)」
<https://vision-bizmarket.com/>
 - “Comprehensive support website for companies” that fully supports all companies’ business.
 - For startup, small and medium-sized, and venture companies. Also attract customers who are preparing to establish company.
 - Offer our services and tie-up partner’s products with useful information.

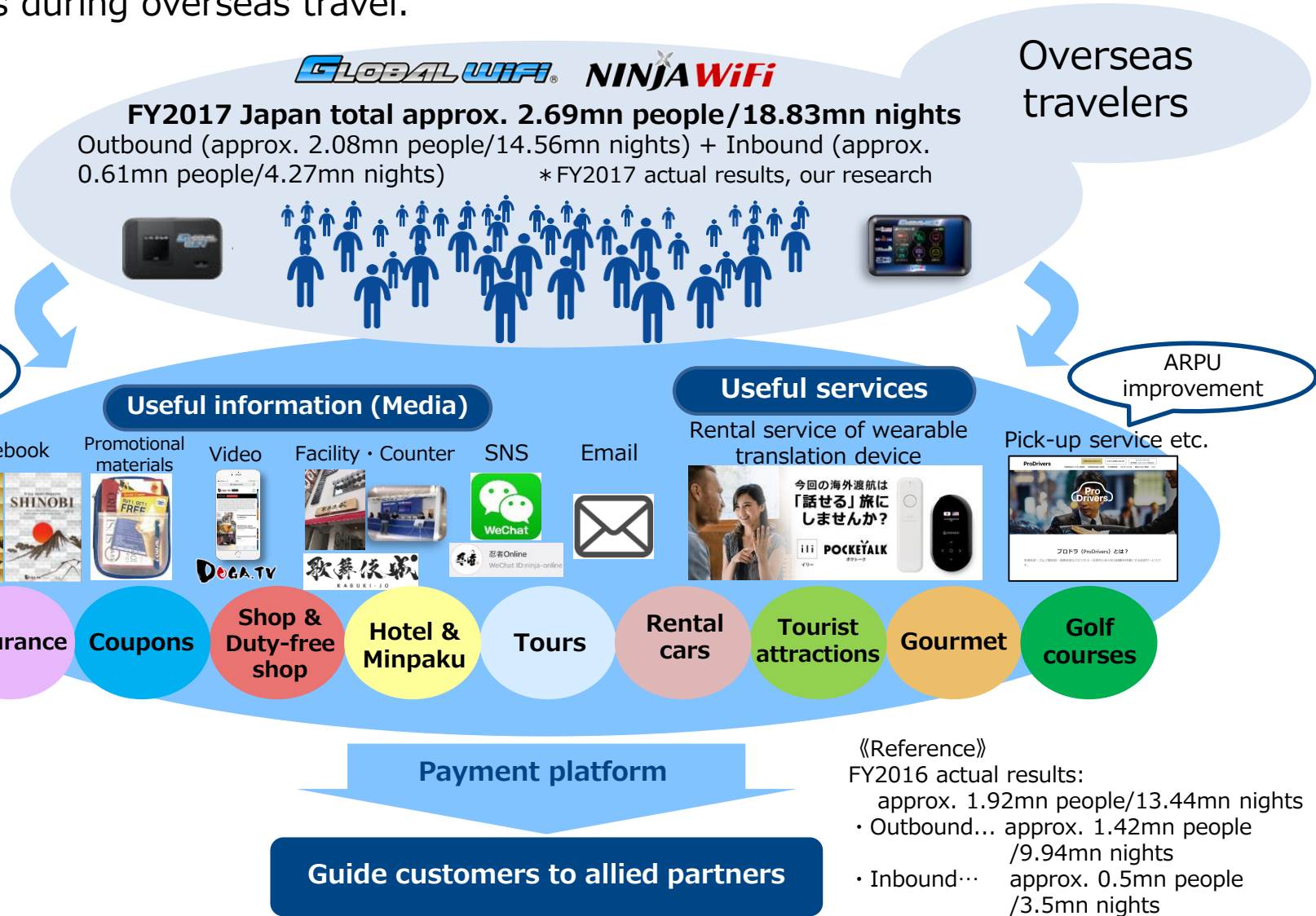
○Sell in-house developed service (Enhance products, services, and business models)

- 「VWS WEB CALL SYSTEM」
<https://vws-biz.com/web-call-system/>
 - Sell the cloud-type service developed in-house by introducing our know-how.
 - There is superiority in function to increase the operation efficiency of personnel, and function to understand each sales situation.
 - Less fixed costs and available from small companies.
 - Target service of “subsidy to introduce IT”.
 - Continue to introduce high-demand services.



Travel Related Service Platform

Use existing customer foundation and offer useful information/service to solve problems during overseas travel.

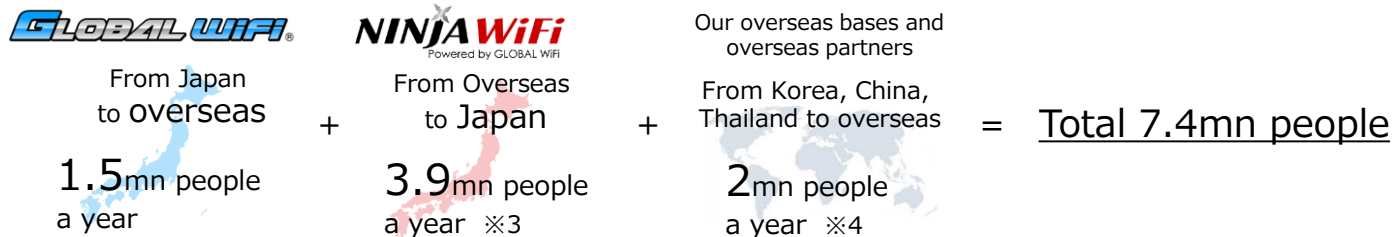


- Travel advertising media

Advertising media using contact points for users of “Global WiFi”, “NINJA WiFi”, and other affiliated services of our overseas partners.

- Reachable “directly” to significant overseas travelers

- “Surely” contact your target overseas travelers. ※1
- Total 7.4mn people a year. ※2



- Possible to approach according to travelers’ behavior scene

- Provide various media for each contact point.
- According to attributes, make optimal communication at each scene before travel/during travel/after travel.



※1 Not correspond to visitors to some countries and regions. (We select the countries and regions where we expect advertisement effect.)
 ※2 As of FY2017 ※3 Incl. our overseas bases and overseas partners ※4 Destination : Excl. Japan
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- Inbound advertising media



Web media

Video

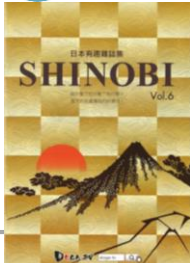



- SNS video posting/uploading



Deliver directly at airport

Guidebook



- Deliver directly to everyone
- Deliver at our partners' base
- Available for 3 languages
- Issue 3 guidebook a year
- Issue 300,000 copies a year

SHOP Facility

Tourist information center



- Shinjuku Kabuki-cho area
- Activity, event




Email

Email

- Customers before travel
- Customers during travel
- Customers who used in the past



Deliver directly at airport

Promotional materials



- Correspond to each airport
- Also correspond to nationality
- Able to choose the timing

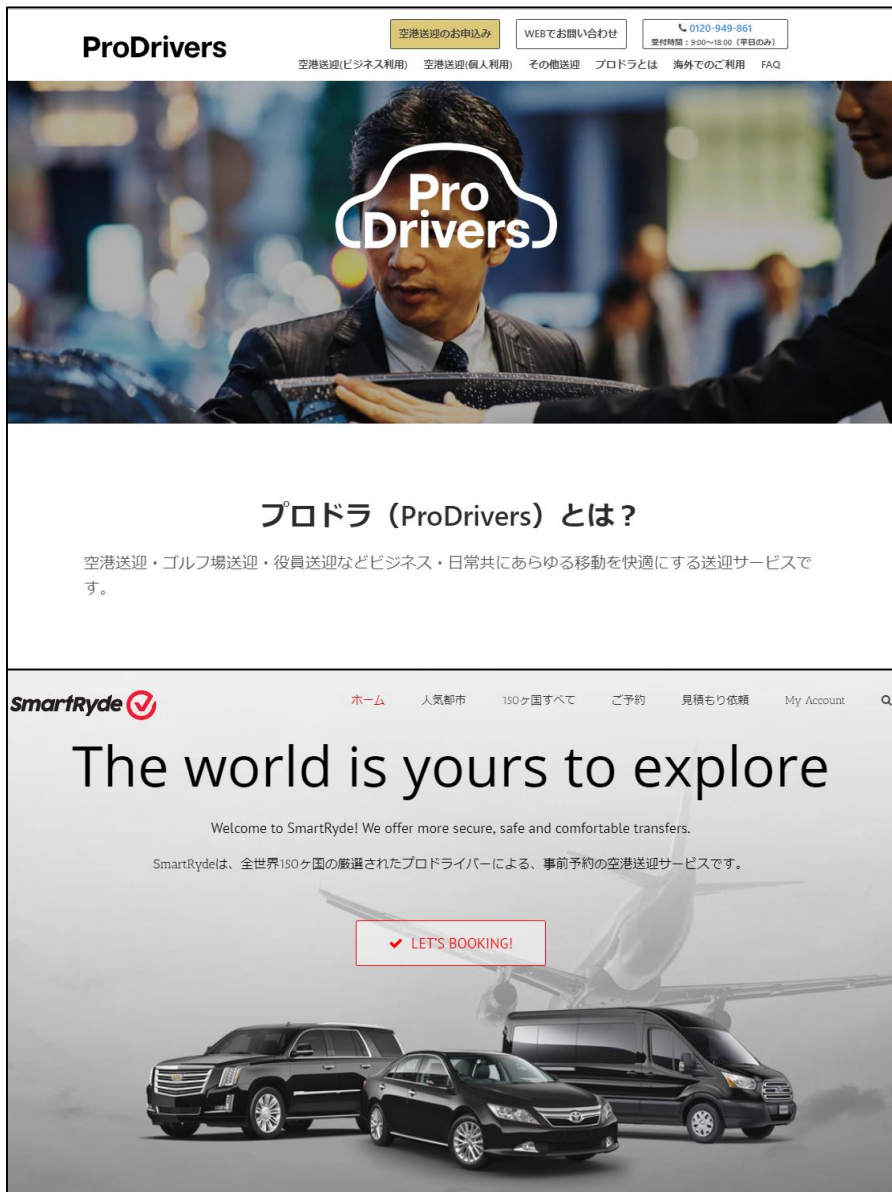
Deliver directly at airport

Sampling



- Correspond to each airport
- Also correspond to nationality
- Able to choose the timing

Pick-up Reservation and Service (Travel Related Service Platform Expansion)



ProDrivers

空港送迎のお申込み WEBでのお問い合わせ 0120-949-861
受付時間: 9:00~18:00 (平日のみ)

空港送迎(ビジネス利用) 空港送迎(個人利用) その他送迎 プロドラとは 海外でのご利用 FAQ

プロドラ (ProDrivers) とは?

空港送迎・ゴルフ場送迎・役員送迎などビジネス・日常共にあらゆる移動を快適にする送迎サービスです。

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LET'S BOOKING!



Utilization (Utilize customer foundation)

- By utilizing the customer foundation of “GLOBAL WiFi” Business (overseas travelers including foreign travelers visiting Japan), a part of the concept of “Travel Related Service Platform” that offers useful information and services to solve problems during overseas travel.
- Target customers of Information and Communications Service Business and new customers, too.
- Domestic :
 - Developed by our group company.
 - Start from Tokyo.
 - Plan to develop in major cities including partner development.
- Overseas :
 - Utilize “SmartRyde” by DLGB Inc., a capital and business alliance partner.
- Scheduled to start this autumn.

Growth Strategy

Steadily promote the growth strategies.

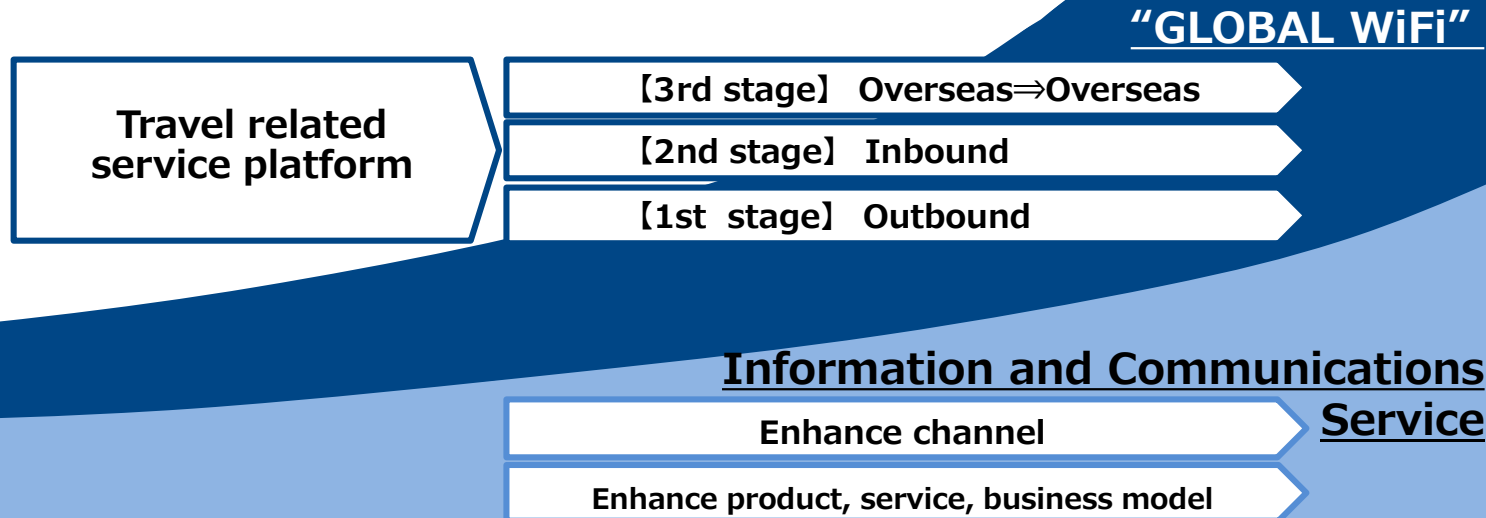
- “GLOBAL WiFi” Business

Customer Foundation

- Expansion (Market development = Growth at each stage, global expansion)
- Stability (Improve profitability)
- Utilization (Business development = Travel related service platform)

- Information and Communications Service Business

- Enhance channel.
- Enhance products, services, and business models.



"GLOBAL WiFi" Business Model, Competitive Advantage



Less Expensive Fixed-rate

Maximum cost benefits ▲ 89.9%
 – 300 yen/day~ * Japanese cellphone companies' fixed-rate discount ratio

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, and 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

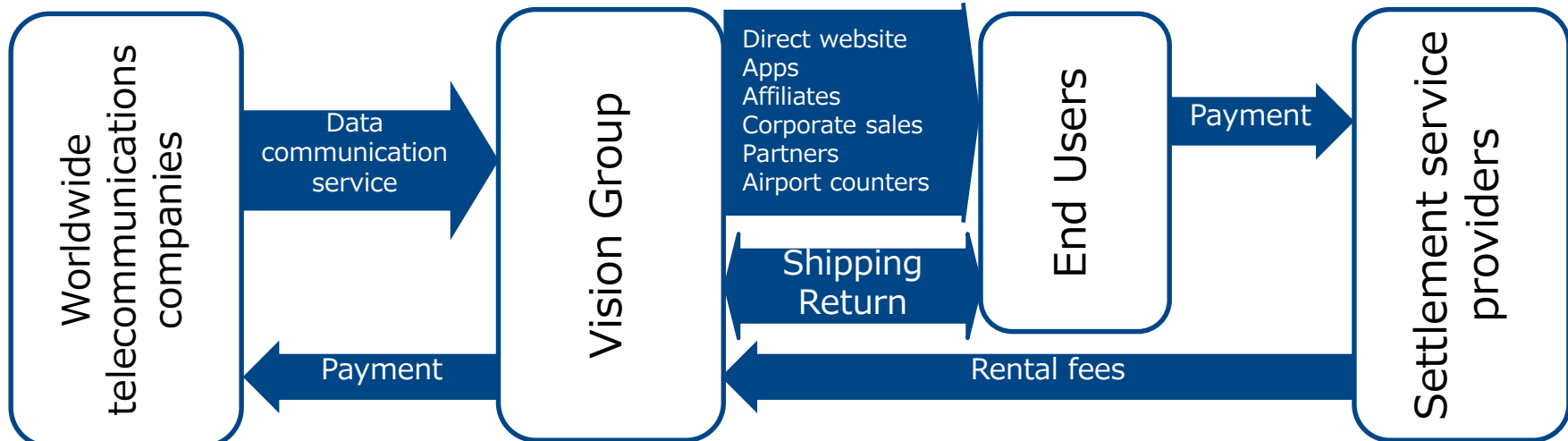
Uptake ability of corporate needs

Customer

Number of users is the industry's largest class





Travelers' Choice 2014/2016
 1st place in the mobile Wi-Fi router category



Compare How to Connect the Internet Abroad

- “Global WiFi” “NINJA WiFi” is the best way due to safe, secure, comfortable, and less expensive.
- Benefits not only for travelers but also for business use.
- The convenience of renting Wi-Fi router for trip has been recognized even in areas other than Japan, mainly in Asia.

* Created by our research and standard

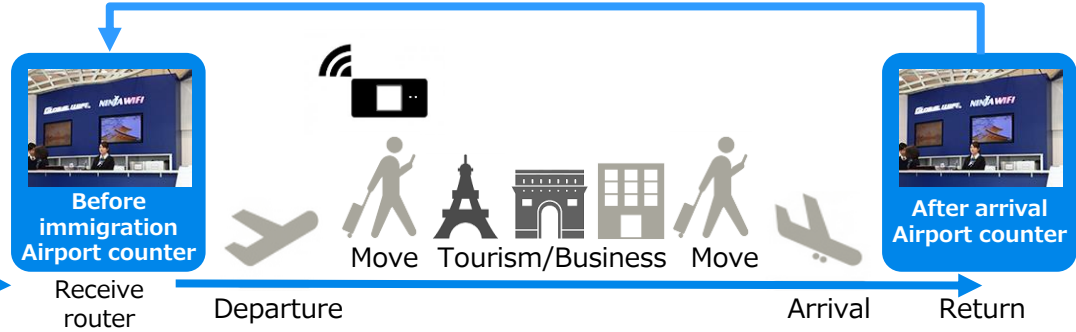
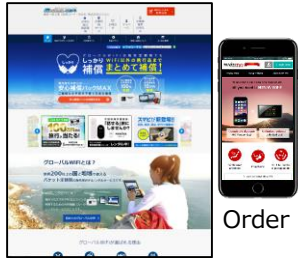
How to Connect	Price	Area	Speed	Management	Security
  <small>Powered by GLOBAL WiFi</small>	○	○	○	○	○
	Based on the best quality network in each local area. Low price, secure, safe, available to connect anywhere. Easy to set-up, easy to manage.				
Roaming	×	△	△	○	○
	Problem with price. (From JPY1,980 to JPY2,980/day. Maybe charged even more.)				
Prepaid SIM	△	△	○	×	○
	Need to know how to manage. (Set-up, activation, recharge, etc.)				
Wi-Fi Spot (Hotel, Café, etc.)	○	×	△	○	×
	Problem with security (hacking), coverage (not available when moving).				

"GLOBAL WiFi" Business Profit Structure



Account title	Summary
Sales	<p>① Rental price per day × number of usage days</p> <p>※Average : JPY1,000/day Average usage days : 7 days</p> <p>※Options such as insurance, mobile battery etc.</p> <p>② Monthly charge + data telecommunication fee × number of usage days</p>
Cost of sales	<ul style="list-style-type: none"> • Usage of data telecommunication (telecom carriers all over the world) • Devices (mobile Wi-Fi routers) ※Recorded as rental asset (recorded by depreciation for 2 years) • Outsourcing (commission paid to sales agents) etc.
SG&A expenses	<ul style="list-style-type: none"> • Personnel expenses • Advertising expense • Operation and rent of shipping center, airport counter, customer center etc. • Other SG&A expenses etc.

Service and Profitability Improvement Scheme ("GLOBAL WiFi" Business)



Purchase Order Shipping Receive router Departure Arrival Return

Channel

- Our web channel
- SNS Utilization
- Repeater channel (various CRM measures)
- External partner
- AI utilization FAQ

↓

- Acquire customers ~ accumulate repeaters
- Improve efficiency to attract customers
- Reduce customer response costs

Maintenance/shipping

- Manage equipment
- Manage data telecommunication line
- Manage SIM operation
- Shipping control system
- Progress towards CLOUD SIM

↓

- Reduce work process
- Cost control by improving accuracy of demand forecast

Service operation

- Monitor data telecommunication and equipment

↓

- Cost control by managing appropriate telecommunication usage capacity
- Maintain service quality

CRM

- Continuous contact by various CRM measures
- Induce corporate contract

↓

- Promote becoming a repeater
- Increase in corporate customers (high repeat ratio, ARPU)
- Reduce customer acquisition costs

Receive/return

- Place our counters at airports
- IoT utilization (automatic delivery locker) etc.

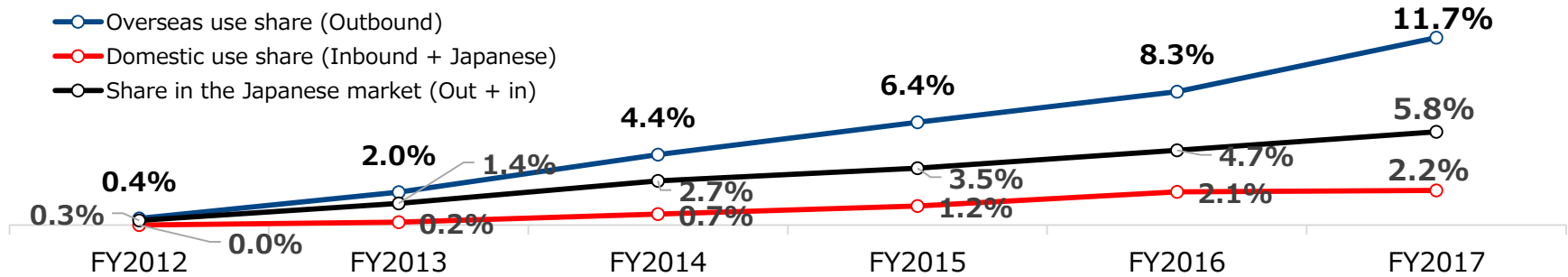
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- Increase number of customer service
- Improve sales by customer service
- Reduce costs by short time delivery and process

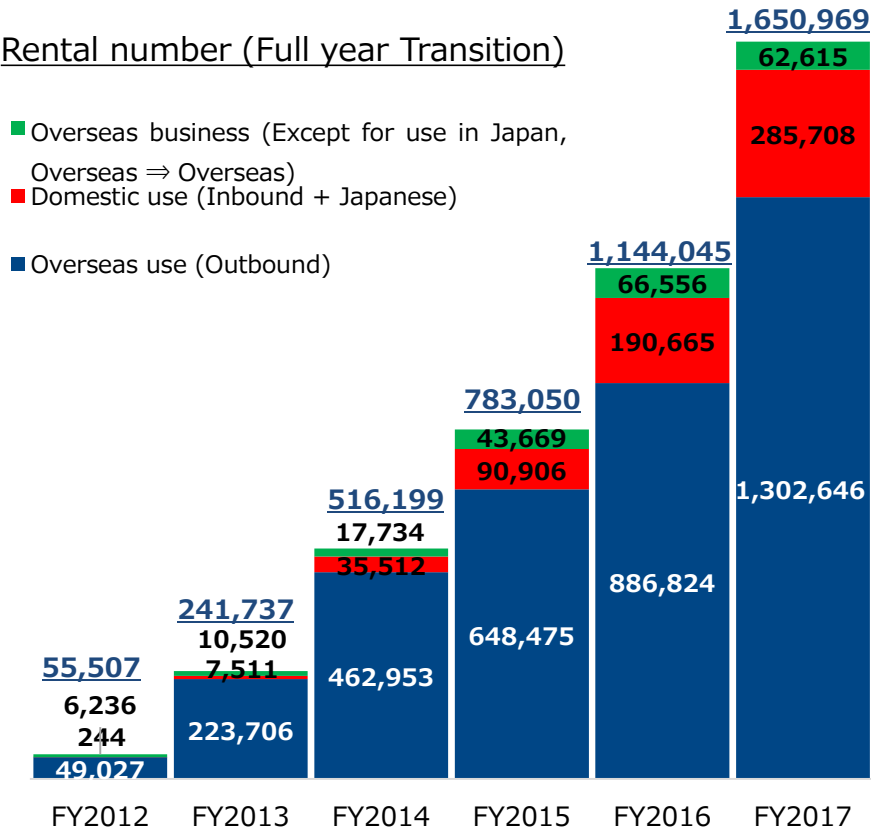
"GLOBAL WiFi" Business Growth Story



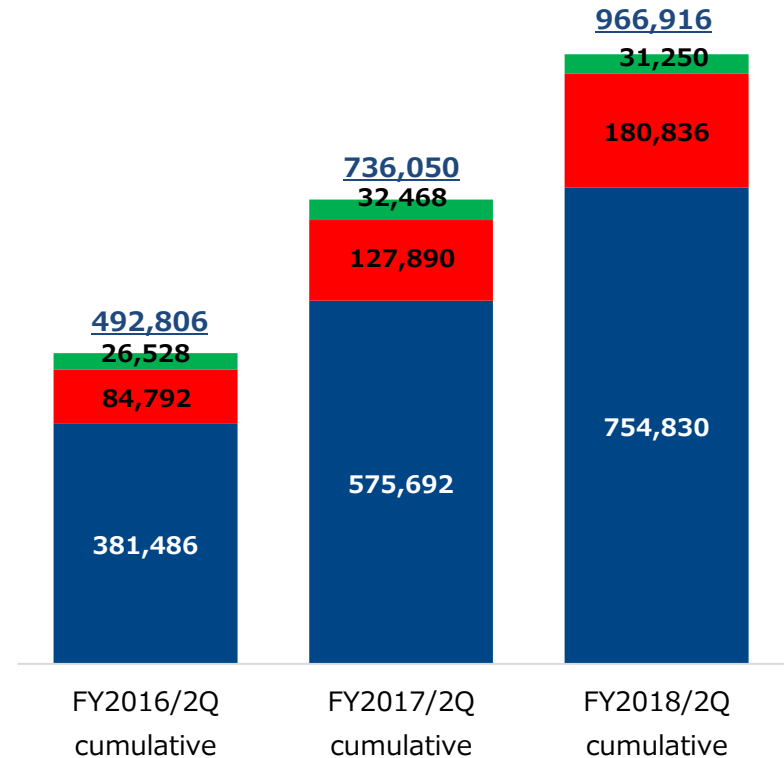
"GLOBAL WiFi" penetration ratio (Japan) ※



Rental number (Full year Transition)



Rental number (2Q cumulative transition)



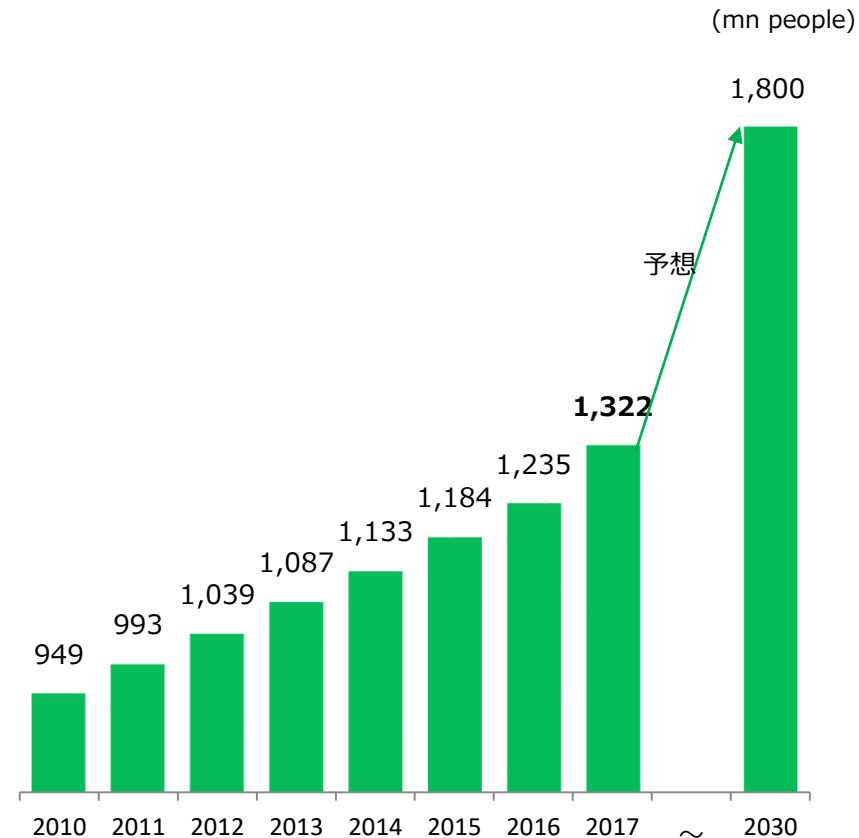
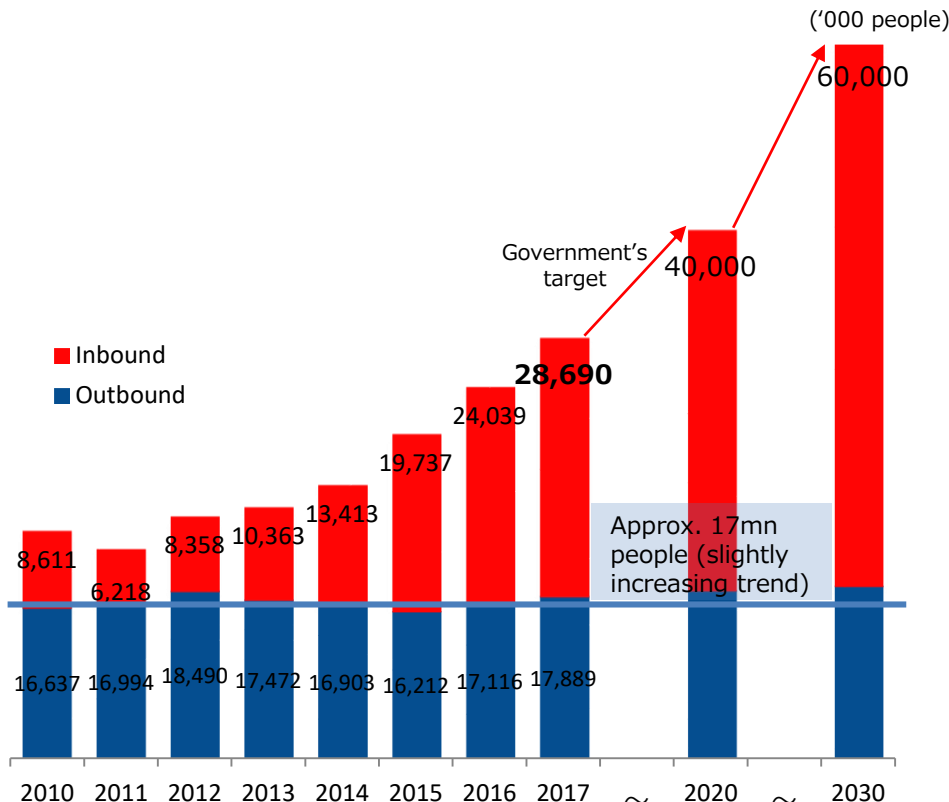
※ Created from Japan Tourism Agency material by us

<Reference> “GLOBAL WiFi” Business Market Size



- Inbound (Overseas travelers to Japan) :
 - Over 28.69mn people for a year.
* FY2017 actual result
 - Potential market size: approx. JPY200.8bn ※
 - Government’s target: 40mn people in 2020
- Outbound (Japan → Overseas) :
 - Remained at around 17mn people.
 - Potential market size: approx. JPY125.1bn ※

- Overseas travelers in the world (Number of international tourist arrivals) :
 - Global travelers from overseas to overseas are the huge market of 1.3bn people scale.
 - Potential market size : approx. JPY9tn and more ※



Create from JNTO materials, March 2016 “Advisory Council on Tourism Nation Promotion”, Heisei29 edition tourism white paper, and the materials released by UNWTO
 ※Estimate from Average Revenue Per User of our customer

■ New “GLOBAL WiFi” brand logo



Replacing old logo with new logo in various places will be carried out in order, and will be completed within 2018.

■ Concept

“GLOBAL WiFi connected all over the world”

This brand logo was designed with the concept of “GLOBAL WiFi connected all over the world”.

A simple and powerful new logo mark combining the earth mark and the Wi-Fi mark expresses a sense of security and trust that Wi-Fi is connected anywhere in the world.

Logo type with a little italic symbolizes the advanced GLOBAL WiFi attitude, going beyond borders and constraints.

■ Statement

Now, the world is changing with unprecedented scale and speed.

Meanwhile, 7 years have passed since GLOBAL WiFi debuted with the thought of “offer comfortable mobile internet environment all over the world”. Thanks to you, the share is No. 1. ※

We will renovate the brand mark this time. Responding to trust and needs, even further.

While staying close to customers, we will create a service that expands customers’ behavior and experiences.

We express such a determination. Together, walk the world. Anytime. And anywhere.

Please expect GLOBAL WiFi in the future.

※Number of users and sales survey of “Rental Wi-Fi service for overseas (domestic → overseas) in 2016” (Tokyo Shoko Research in December 2017)



Startup Companies

Have new dealings with one company in six to seven companies that are newly established within the year

- National corporate registration number ... 118,811 (2017)

Source : Ministry of Justice

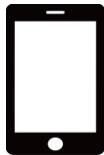
WEB Strategy

Ability to attract customers due to our own WEB marketing (media strategy)

Customer Loyalty

CRM strategy, our own know-how

- Maximization of continued revenue = Stock business
- Up/Cross Selling which is high productivity



Telephone Line Arrangements

Cellphone Support

Office Automation

Website Support

Security

Electric Power

*Total number of companies established within 6 months (including sole proprietors), starting business with us (our research)

Information and Communications Service Business Profit Structure



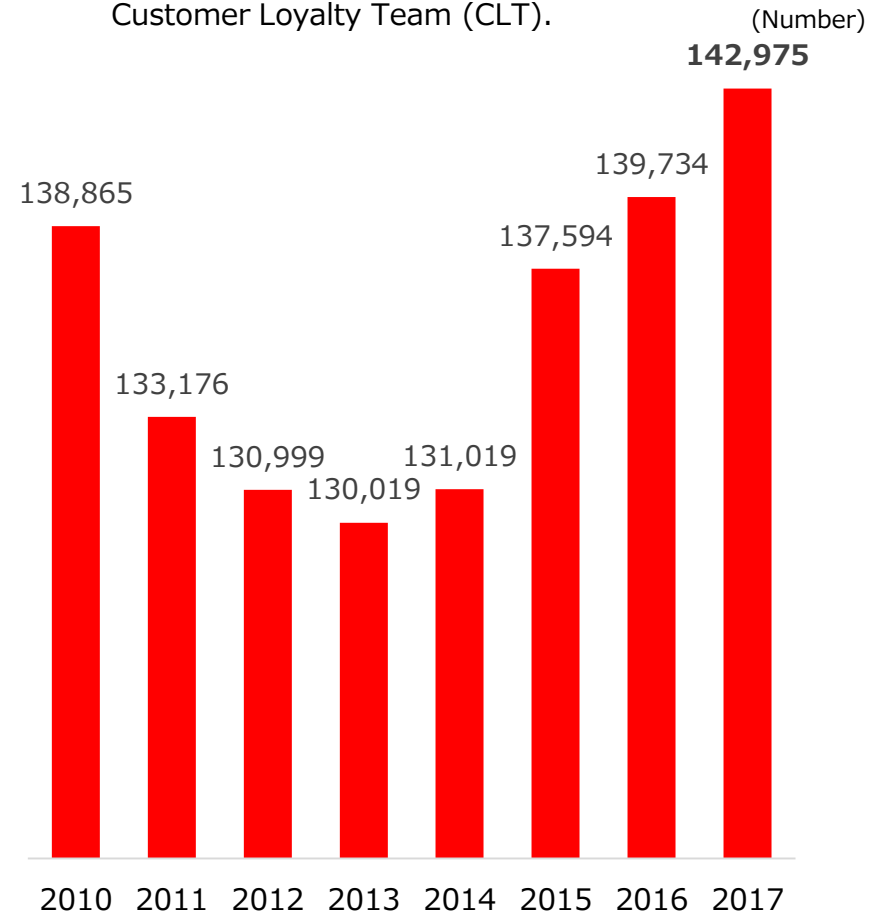
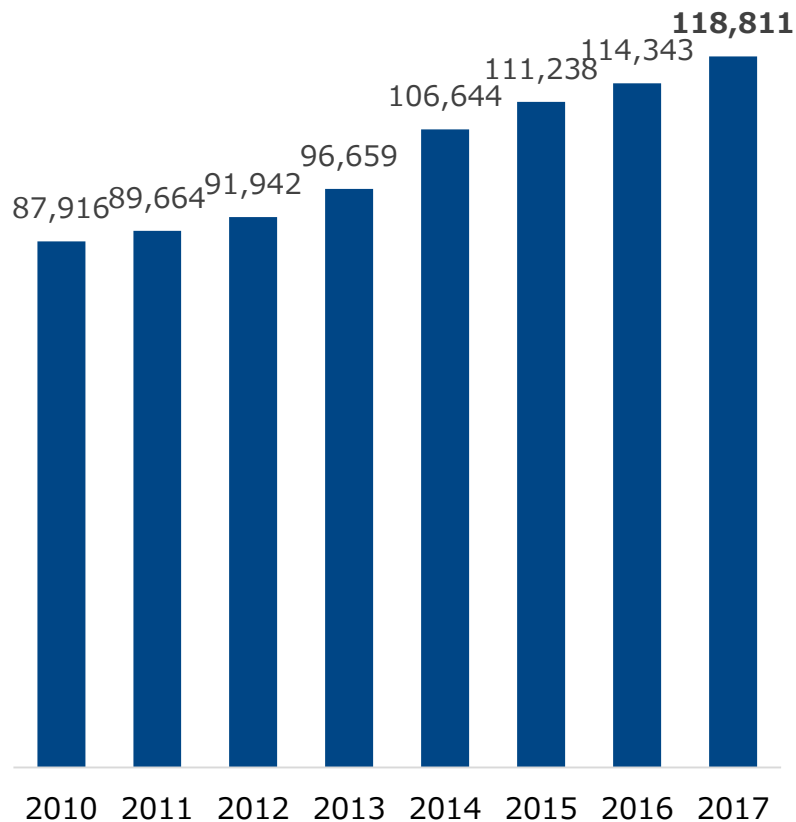
Account title	Summary	
	Telephone line arrangements, cellphone, electric power etc.	Office automation (multifunction printer, business phone), website support, security
Sales	<ul style="list-style-type: none"> • Business brokerage fee (commission) • Continuation fee (according to customers' usage situation) ※ Fee from telecom carriers and primary agents (incentive) 	<ul style="list-style-type: none"> • Sales revenue ※ Fee from leasing company and credit company • Maintenance fee ※ Fee from the manufacturers and factoring (website maintenance)
Cost of sales	<ul style="list-style-type: none"> • Devices (cellphones) ※ No cost of sales for telephone line arrangements and electric power ※ Payment to telecom carriers and primary agents • Outsourcing (commission paid to agents) etc. 	<ul style="list-style-type: none"> • Devices (office equipment, security) ※ Payment to the manufacturers • Outsourcing (commission paid to agents) etc.
SG&A expenses	<ul style="list-style-type: none"> • Personnel expenses • Advertising expense (website etc.) • Rent of call center etc. • Other SG&A expenses etc. 	

Information and Communications Service Business Market Size



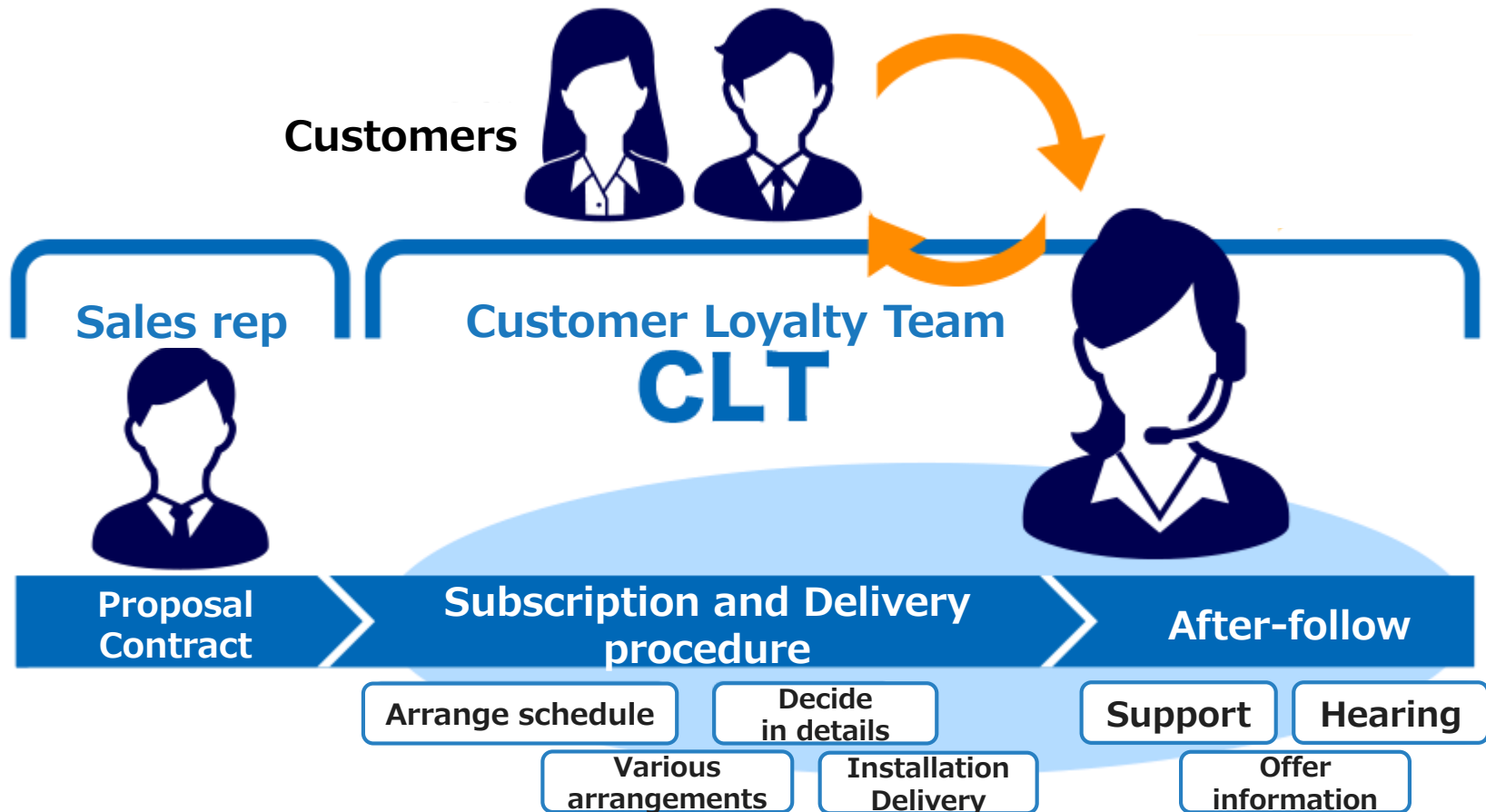
- Establishment registration number (total) : 118,811
 - Approx. 110 thousand companies annually. (Continued increase trend due to aggressive establishment and corporate support by the government)
 - Attract customers utilizing the know-how of web marketing with over 15 years experience.
 - Target newly established companies.

- Relocation registration number of head office and branch (total) : 142,975
 - Approx. 140 thousand companies annually. (Excluding the relocation number of offices that are not obliged to apply for registration)
 - Cover change procedures etc. on addition and relocation.
 - Cross/Up Selling due to advanced operation by Customer Loyalty Team (CLT).



- Create values with advanced operation
Customer Loyalty Team (CLT)

From delivery procedure to after-follow
Covers a wide range of operations



○ **Web marketing × Sales rep × CLT Trinity “high efficiency” marketing**

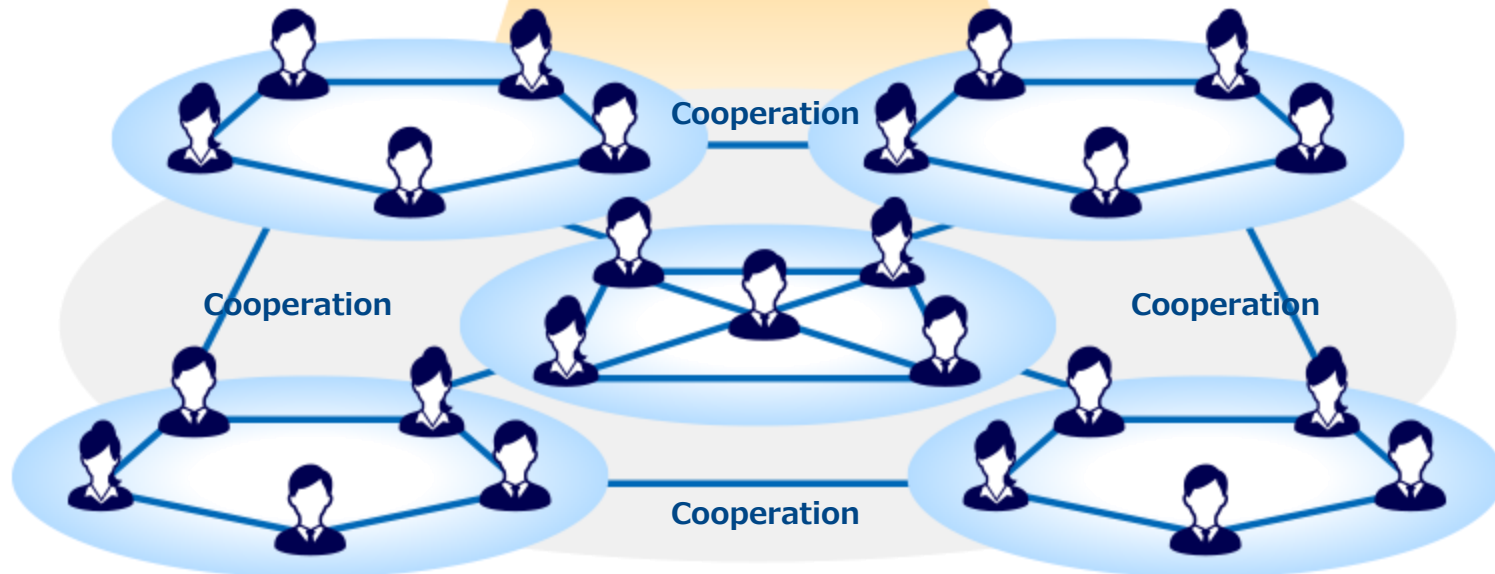


○ Organization culture that creates continuous evolution

High productivity created by cooperation between divisions (escalation)

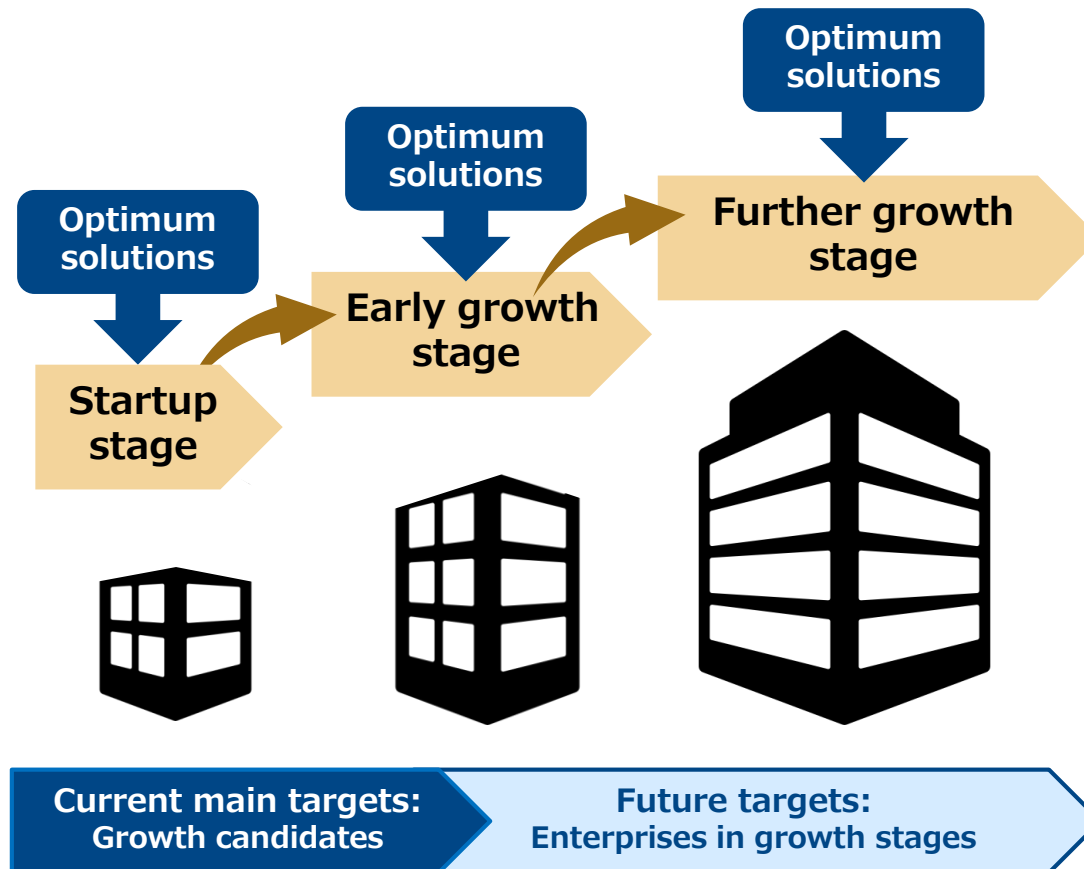


Improve productivity due to flat and open culture,
promoting cooperation between divisions “escalation system”



○ Continuous stock model

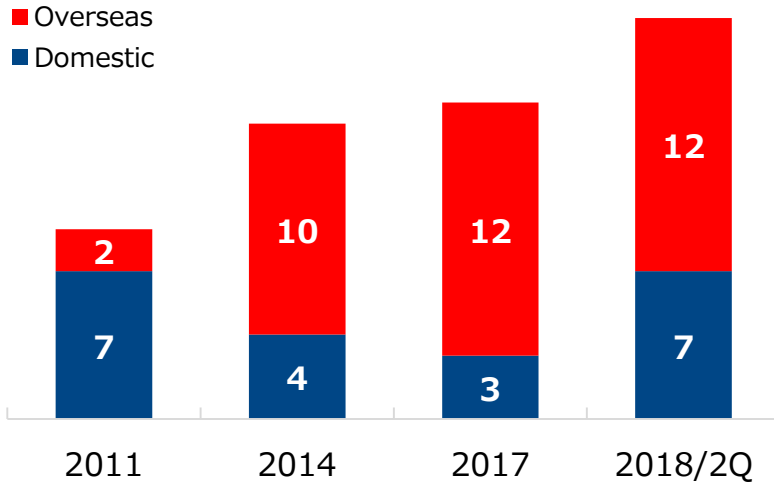
- Keeping closer to the growth of client companies, offer optimum solutions according to the growth stage.
- Structure that profits are accumulated by our original know-how CRM (customer relations/continuous dealings).



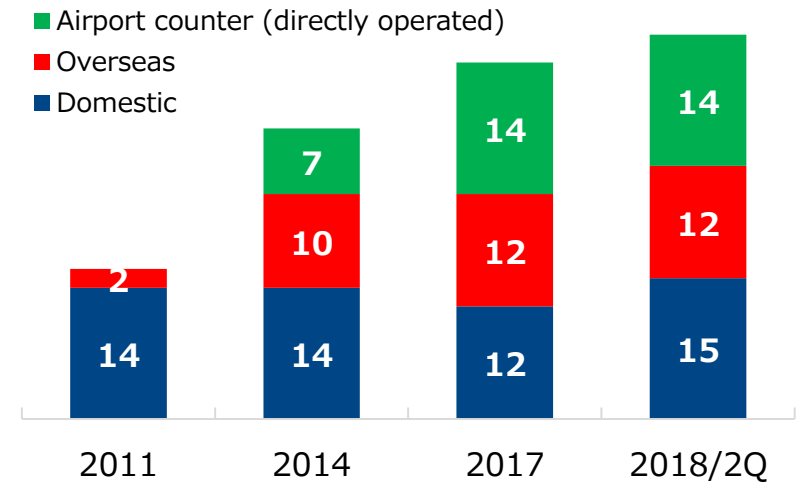
APPENDIX

Group Structure

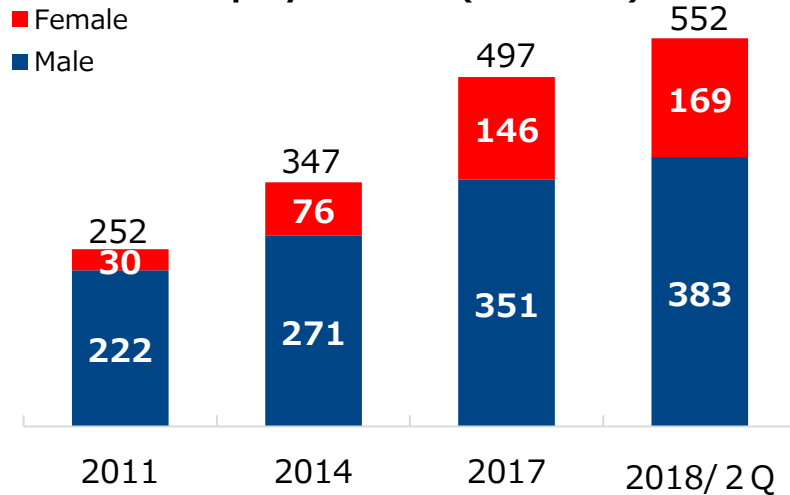
Number of affiliated companies



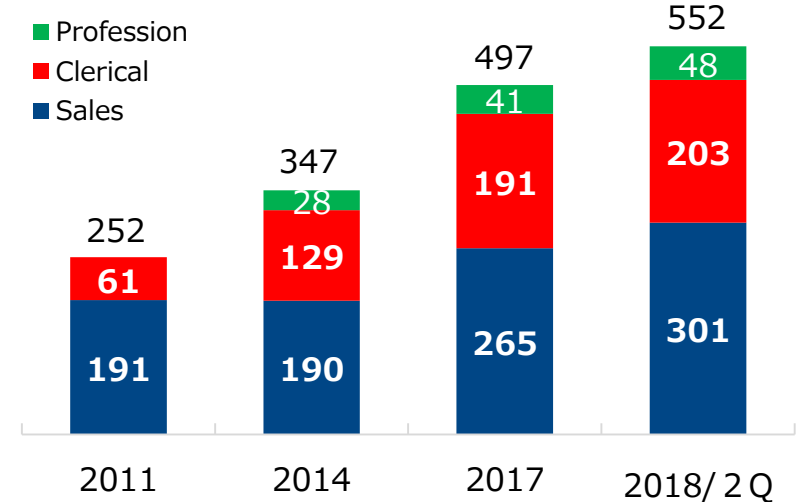
Number of operation bases



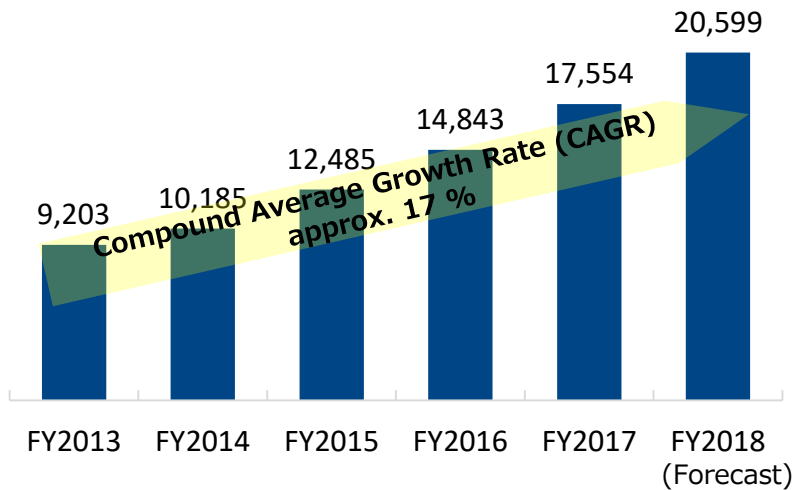
Employee count (Full-time)



Personnel classification

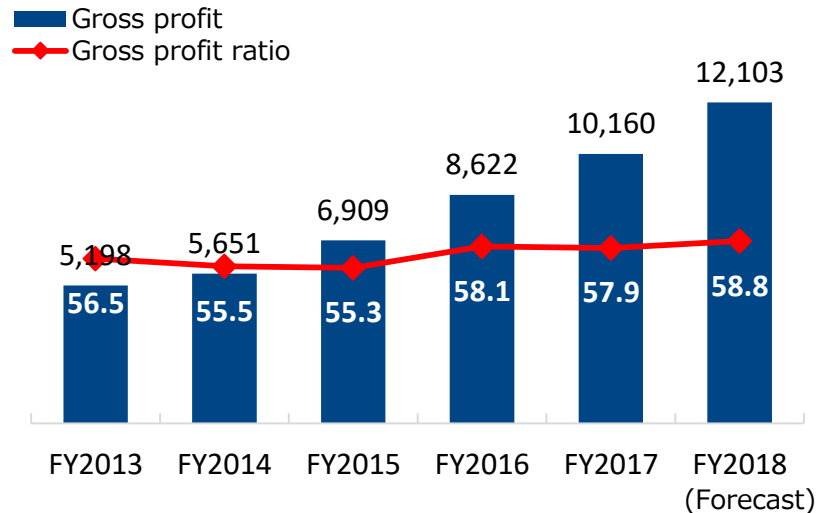


Sales

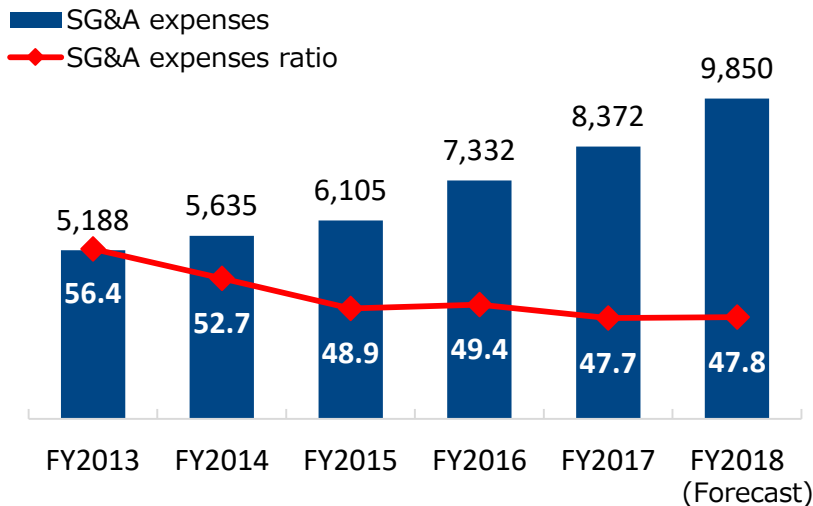


Gross profit

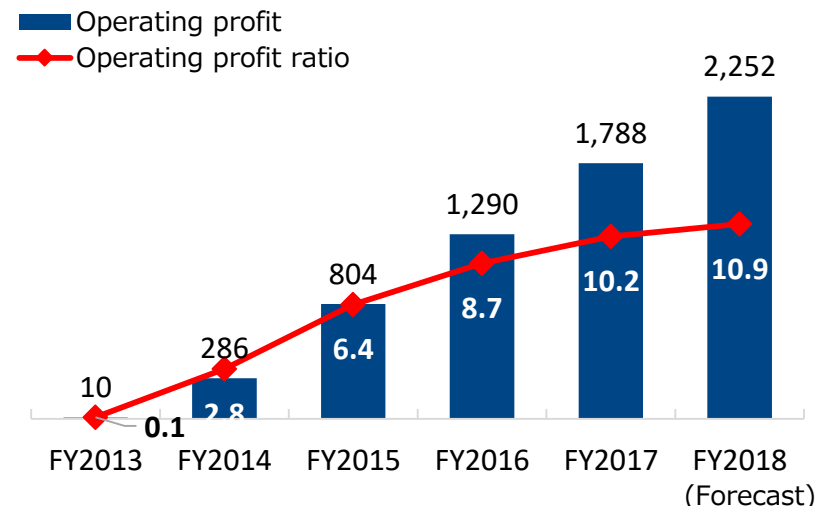
(JPYmn, %)



SG&A expenses



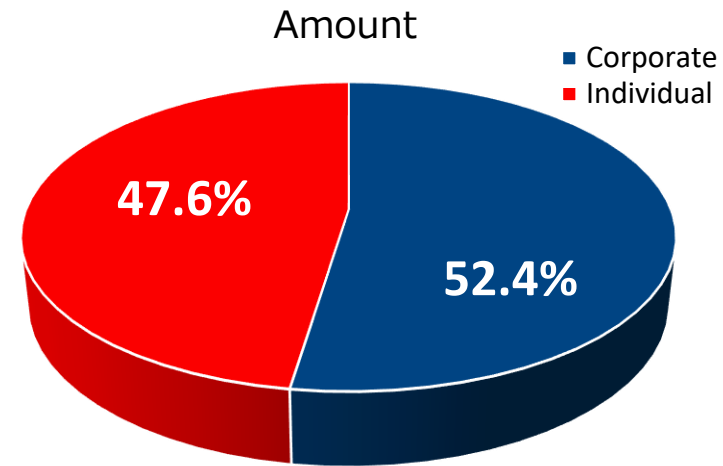
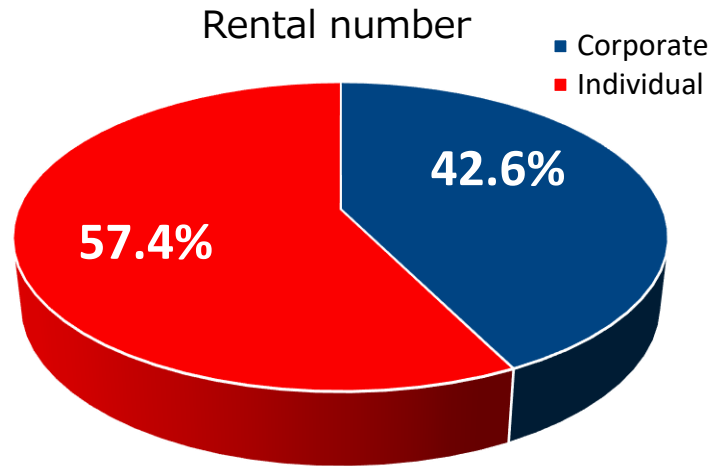
Operating profit



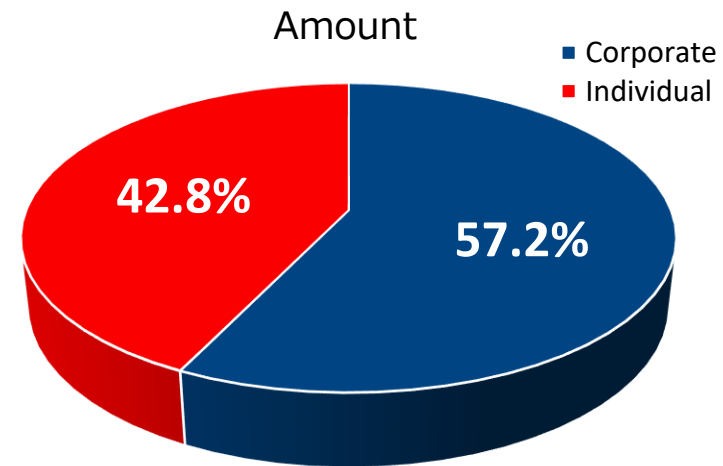
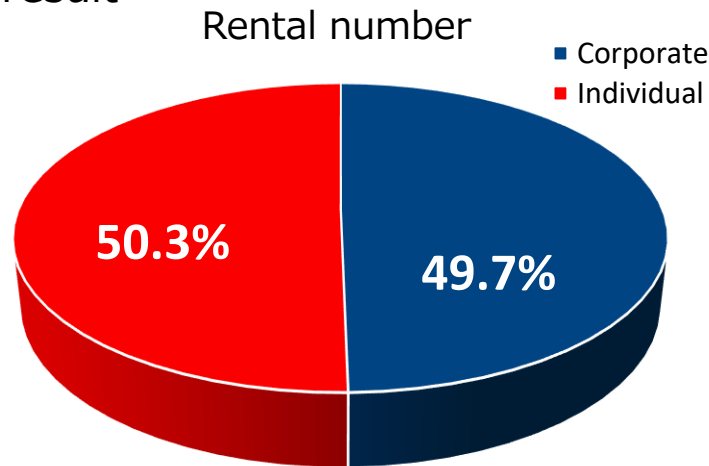
"GLOBAL WiFi" Business Customer Attributes (Corporate · Individual)



2Q FY2018 ※Fiscal period
(Apr.-Jun.) Actual result



2Q FY2017 ※Fiscal period
(Apr.-Jun.) Actual result

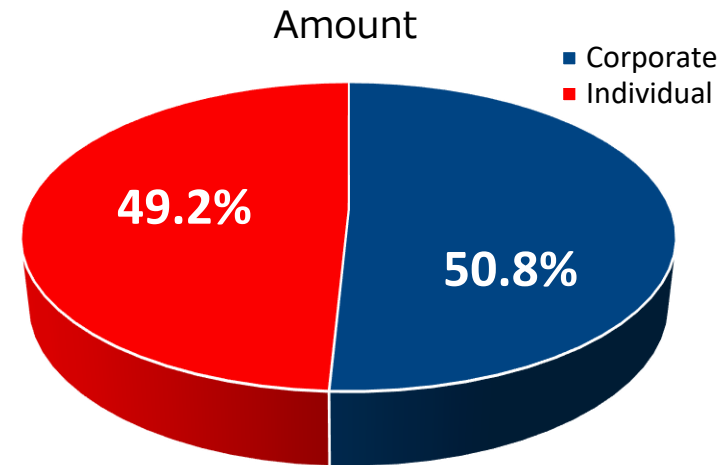
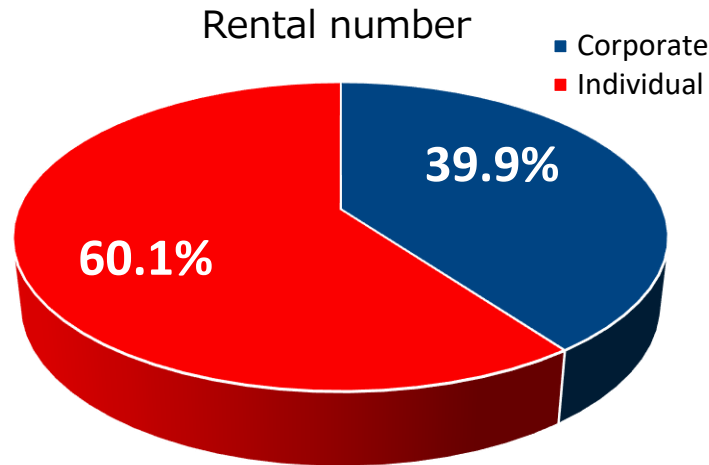


※It is the ratio of overseas use (outbound: Japan ⇒ overseas).

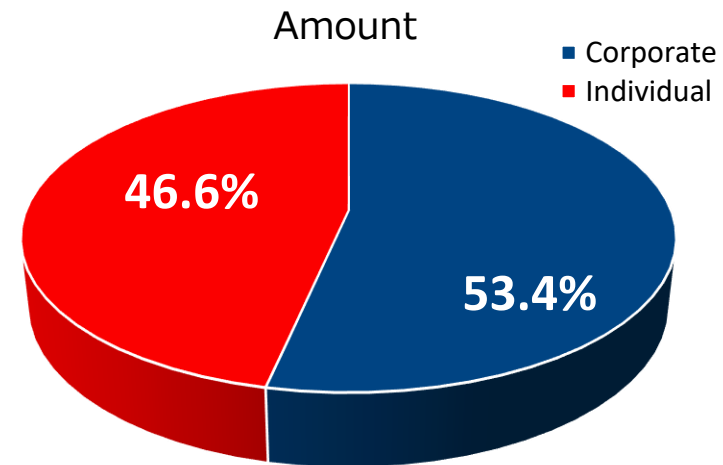
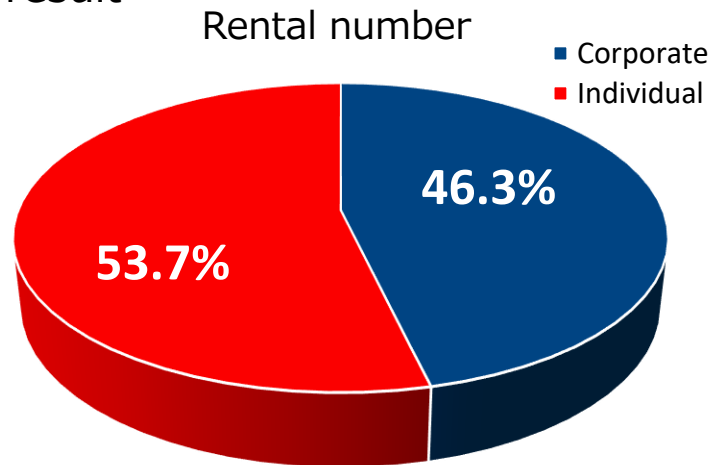
"GLOBAL WiFi" Business Customer Attributes (Corporate · Individual)



2Q FY2018 ※Cumulative period
(Jan.-Jun.) Actual result



2Q FY2017 ※Cumulative period
(Jan.-Jun.) Actual result



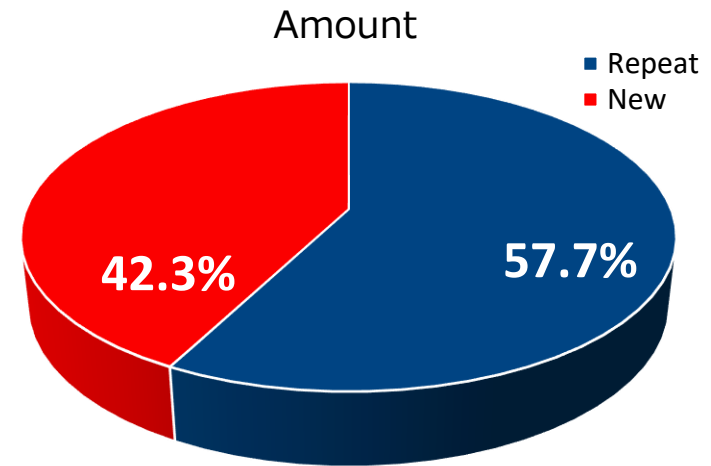
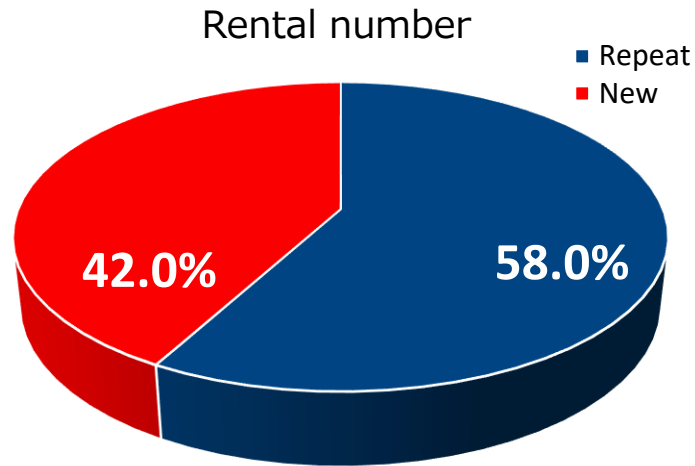
※It is the ratio of overseas use (outbound: Japan ⇒ overseas).

“GLOBAL WiFi” Business Customer Attributes

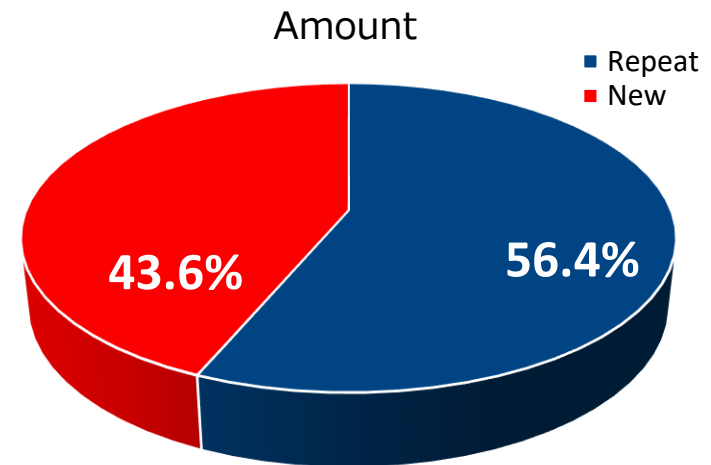
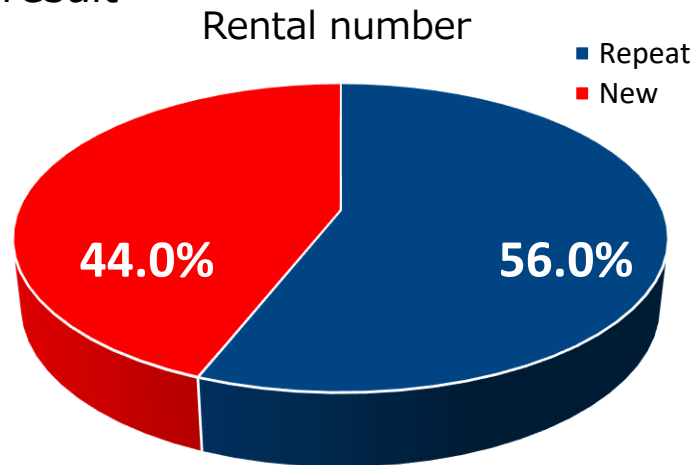
(New • Repeat)



2Q FY2018 ※Fiscal period
(Apr.-Jun.) Actual result



2Q FY2017 ※Fiscal period
(Apr.-Jun.) Actual result



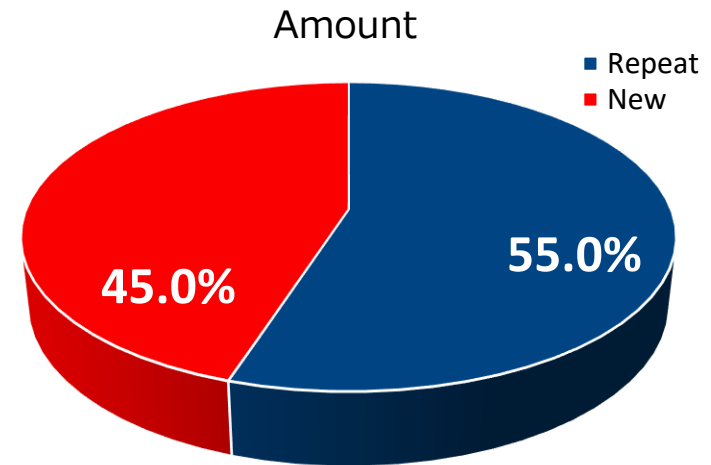
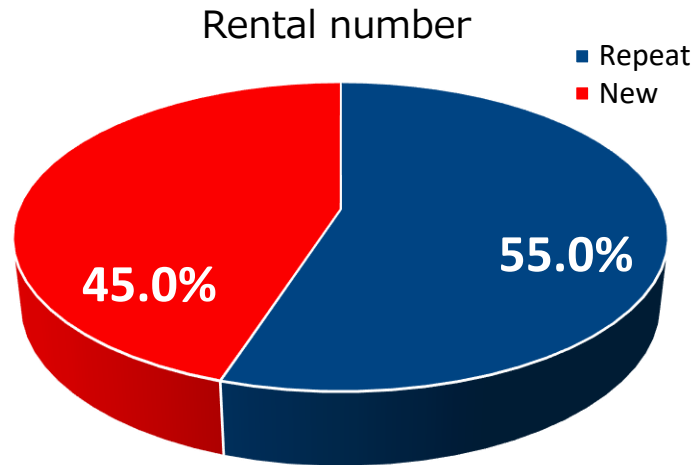
※It is the ratio of overseas use (outbound: Japan ⇒ overseas).

"GLOBAL WiFi" Business Customer Attributes

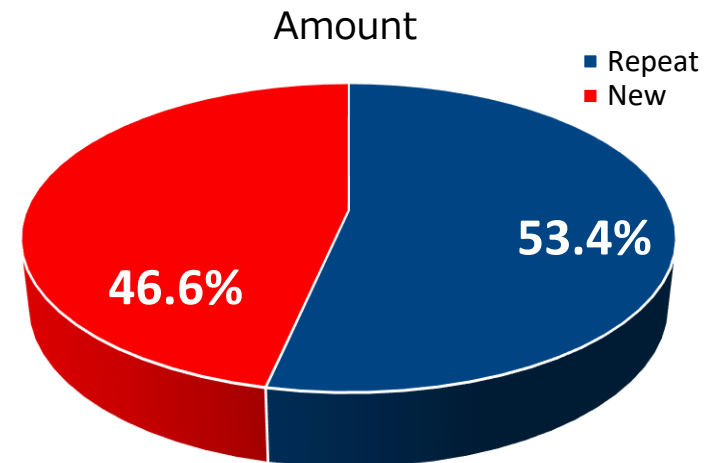
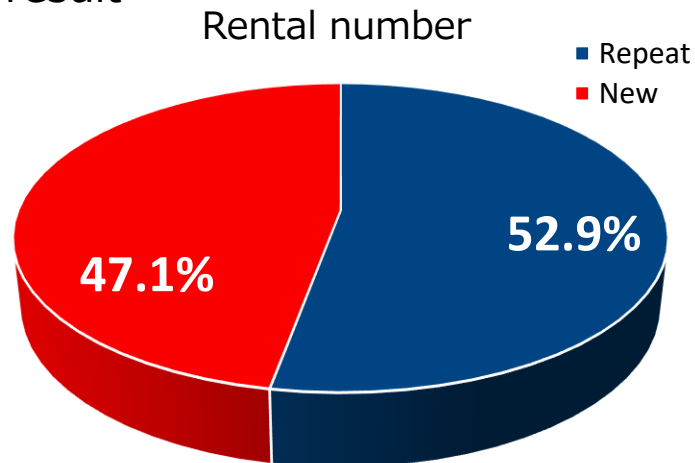
(New · Repeat)



2Q FY2018 ※Cumulative period
(Jan.-Jun.) Actual result



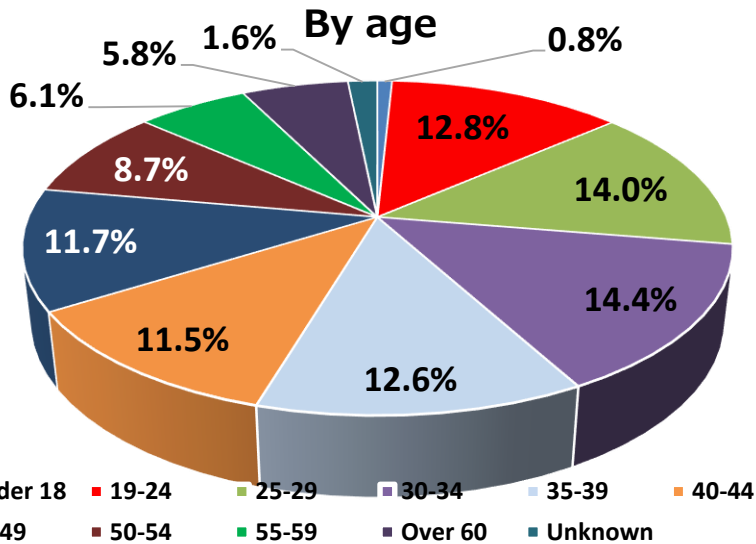
2Q FY2017 ※Cumulative period
(Jan.-Jun.) Actual result



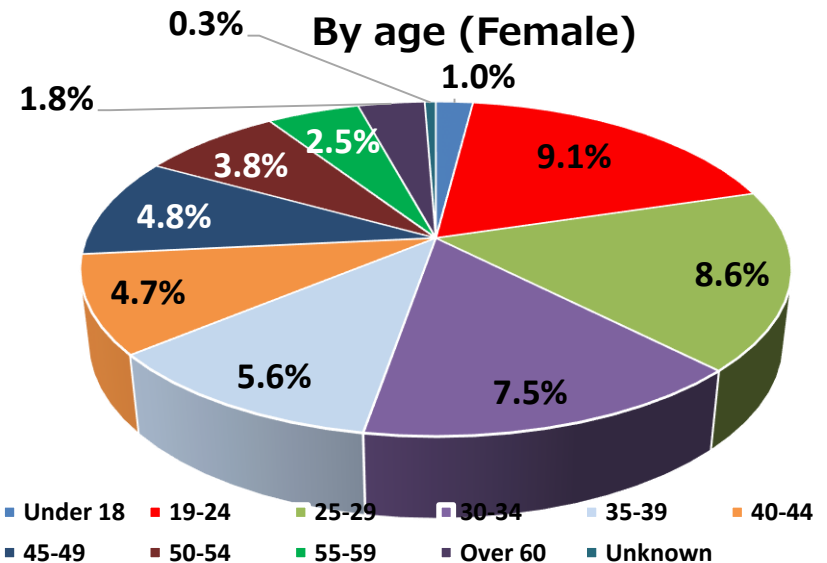
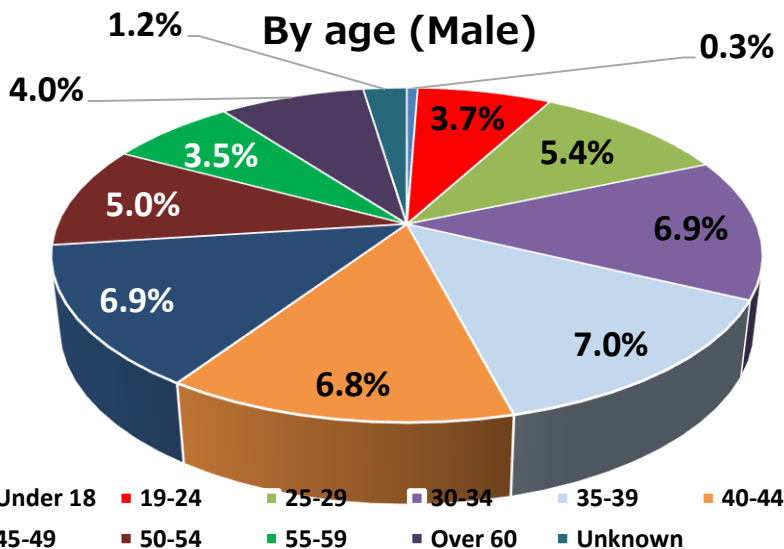
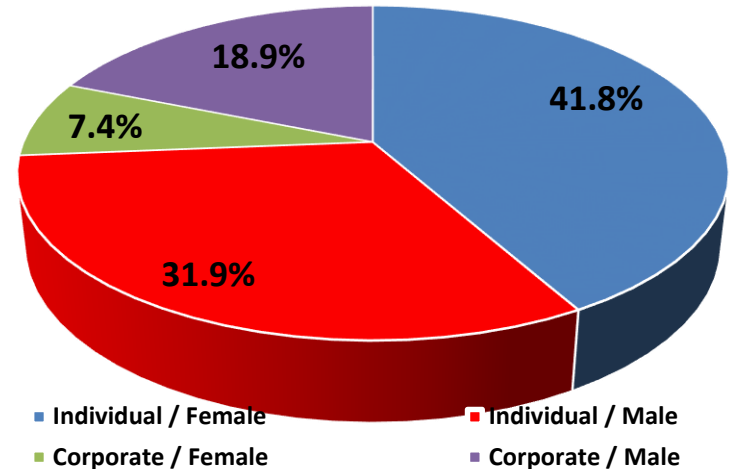
※It is the ratio of overseas use (outbound: Japan ⇒ overseas).

"GLOBAL WiFi" Business Customer Attributes

(By Gender / Age · Past Cumulative Total)



By gender, corporate / individual



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

Item	Details
Name	Vision Inc. Third Series Stock Acquisition Rights
Issued	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 (excl. outside directors), employees, employees of the subsidiaries 163 people 13,560 units
Conditions for the exercise of the 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 the stock acquisition rights that are 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	➔ Exercisable ratio : 30%

Business Summary

Code 9416
(1st Section of the Tokyo Stock Exchange)

Incorporated December 4, 2001
(Founded June 1, 1995)

Management Philosophy Contributing to the Information and Communications Revolution

Head Office 5F Shinjuku i-Land Tower, 6-5-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo 163-1305

Operation Bases and Affiliates

- Domestic Affiliated Companies : 6
- Domestic Operation Bases : 13
- Domestic Airport / Port Counter : 15
- Global Affiliated Companies : 12
Korea, USA (Hawaii), Hong Kong, Singapore, Taiwan, UK, Vietnam, China (Shanghai), France, Italy, USA (California), New Caledonia

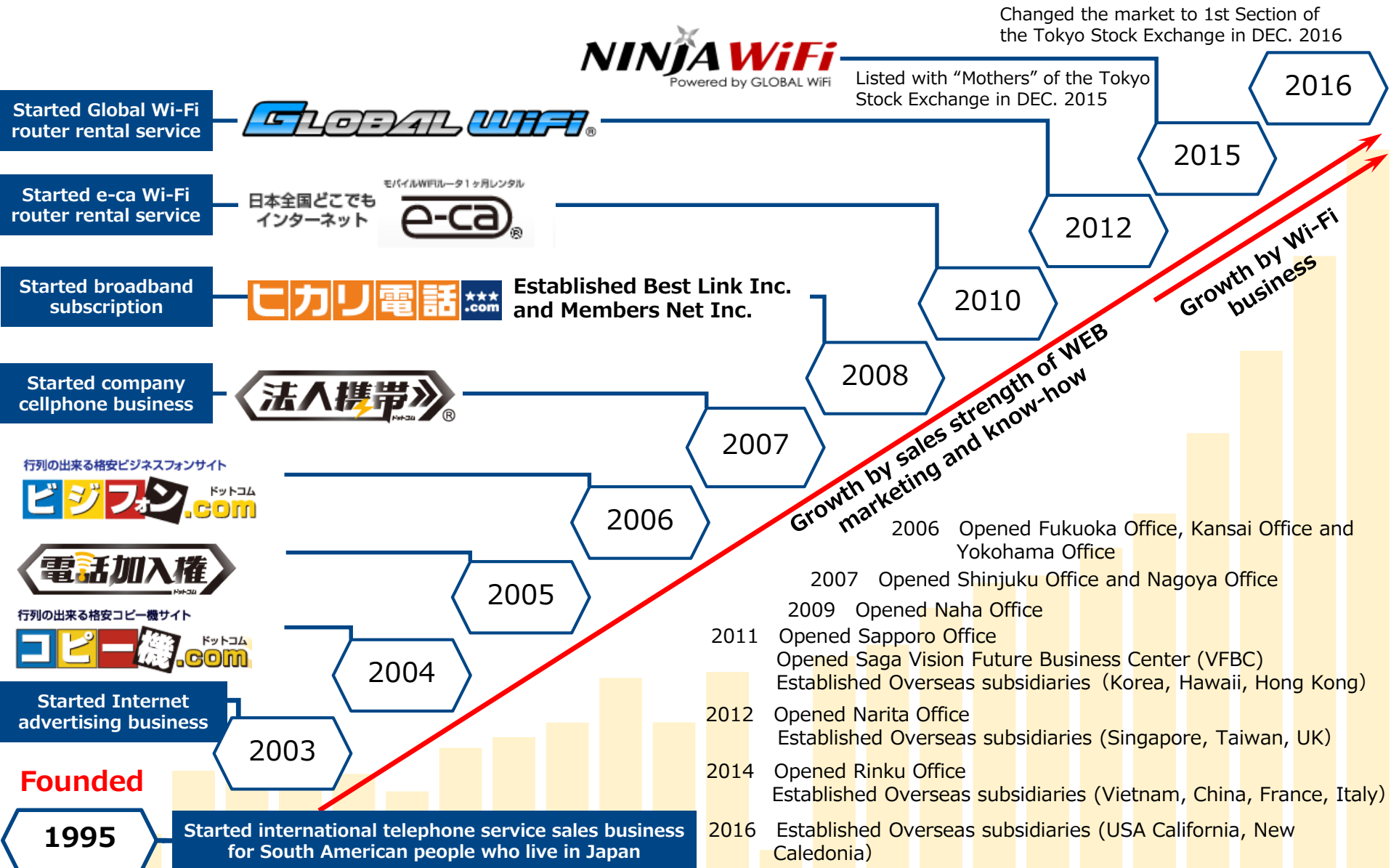
Consolidated Employees 693 (141)
Domestic: 614 (133)
(Average temporary employees)
Global: 79 (8)
(As of June 30, 2018)

Affiliated Companies Domestic: 6
Global: 12
(As of June 30, 2018)

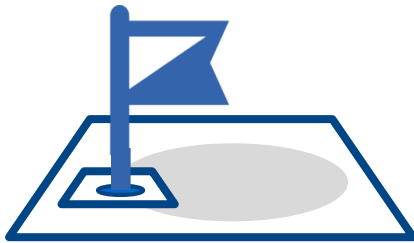
Business GLOBAL WiFi
Information and Communications Service



History and Evolution of Sales



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

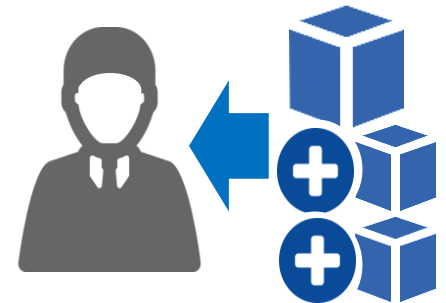
Price & Quality leadership strategy



- **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

Two Business Segments

“GLOBAL WiFi” Business

- Offer anytime, anywhere, safe, secure and comfortable mobile Internet environment all over the world.
 - Rental service
 - Can connect with multiple users and multiple devices (smartphone, PC, etc.).

Information and Communications Service Business

- Offer the most suitable information and communications-related products and services tailored to the stage and needs of the company.
- Our own sales structure, CRM.
 - Web marketing × Sales rep × CLT (Customer Loyalty Team)





Contributing to the Information and Communications Revolution

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 does not undertake any obligation to update and modification of the “forward-looking statements” included in this announcement.

Vision Inc.

- Contact : ir@vision-net.co.jp