1st Quarter FY2019
Financial Results

May 14, 2019
Vision Inc.
(1st Section of the Tokyo Stock Exchange, code : 9416)

1Q FY2019 Financial Results

- Performance Highlights and 1Q FY2019 Actual Results

- FY2019 Outlook of Financial Results

- Progress made in FY2019

- Growth Strategy

- APPENDIX

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    – Performance Data
    – "GLOBAL WiFi" Business   Market Size
    – "GLOBAL WiFi" Business   Customer Attributes
       (Corporate・Individual) / (New・Repeat) / (By Gender / Age・Past Cumulative Total)
    – Information and Communications Service Business   Market Size
    – Overview of Stock Options with Charge Issuance

- Business Summary

Performance Highlights and 1Q FY2019 Actual Results
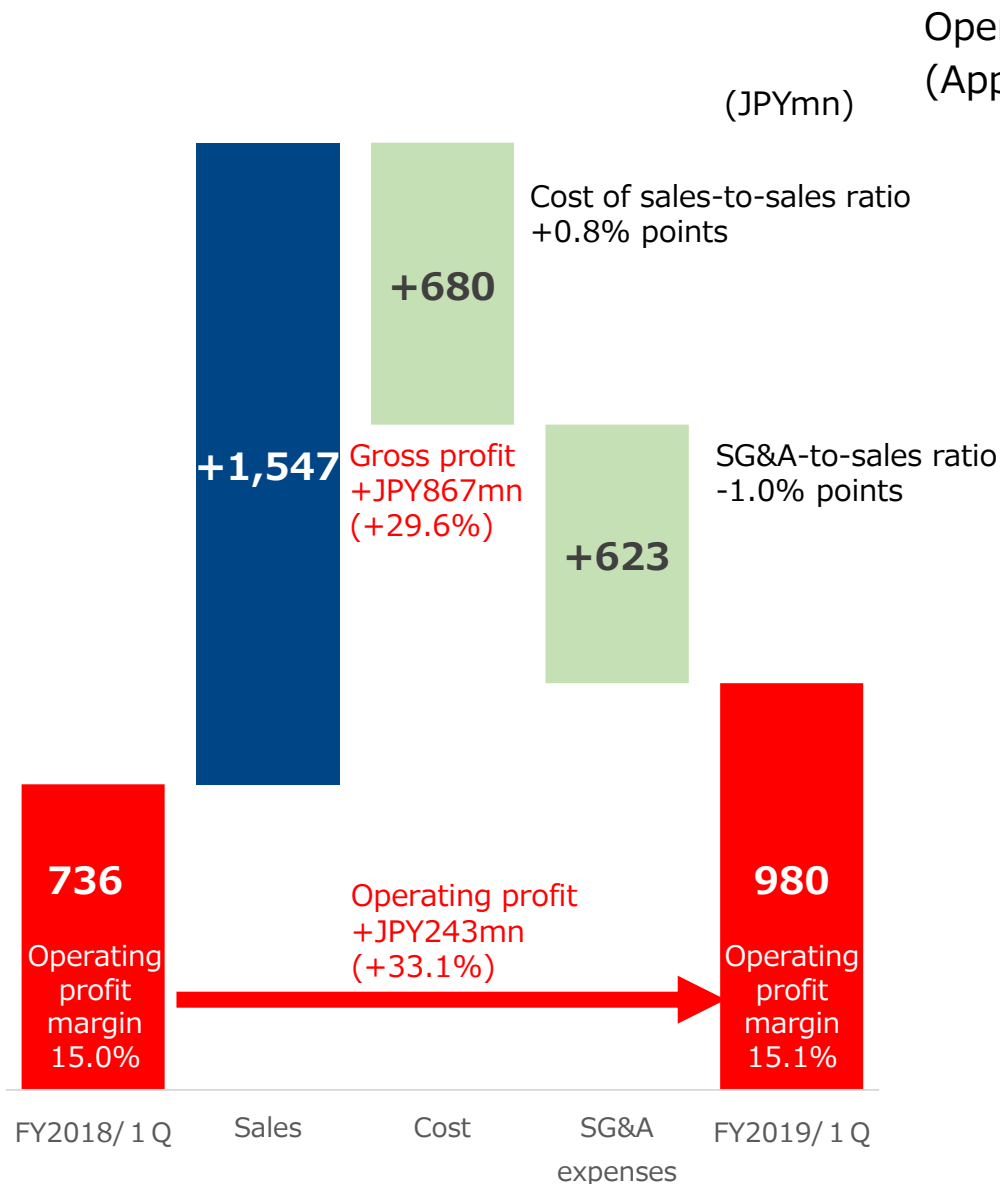
1Q FY2019 Overview of Financial Results (Consolidated)

New records for both sales and each profit.

(JPYmn, %)

Items	FY2019/1Q Result		Change	
	Amount	Composition ratio	Amount	Percentage
Sales	6,470	100.0	+1,547	+31.4
FY2018/1Q Result	4,922	100.0	+595	+13.8
Gross profit	3,797	58.7	+867	+29.6
FY2018/1Q Result	2,930	59.5	+409	+16.2
Operating profit	980	15.1	+243	+33.1
FY2018/1Q Result	736	15.0	+222	+43.4
Recurring profit	980	15.2	+235	+31.6
FY2018/1Q Result	745	15.1	+241	+47.8
Profit attributable to owners of parent	669	10.3	+155	+30.2
FY2018/1Q Result	514	10.4	+172	+50.4

Reasons for Increase in Operating Profit

(JPYmn)

+1,547

+680

Cost of sales-to-sales ratio +0.8% points

Gross profit +JPY867mn (+29.6%)

+623

SG&A-to-sales ratio -1.0% points

736
Operating profit margin 15.0%

Operating profit +JPY243mn (+33.1%)

980
Operating profit margin 15.1%

FY2018/ 1 Q | Sales | Cost | SG&A expenses | FY2019/ 1 Q

Operating profit margin 15.1%
(Approx. +0.2% points YoY)

– Both travelers from Japan to overseas and foreign visitors to Japan are the largest ever.

– "GLOBAL WiFi" Business :

  With the support of stable repeat use mainly by corporate users, acquisition of FIT was successful and the rental number has increased.

  (Absorb the advanced procurement costs of data-line and devices prepared for the busy season of GW)

  Improve profitability through continuous efforts such as cost efficiency and operation improvement.

  • Improve purchasing conditions by volume discount
  • Promote to utilize CLOUD WiFi
    – Operate Wi-Fi routers and data-line efficiently
  • Improve operation
    – Improve efficiency for responding inquiries (AI/RPA 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 up/cross selling strategy, enhancing profitable services.

Segment Actual Result

- "GLOBAL WiFi" Business : Sales +31.9%, and Segment profit +24.2%.
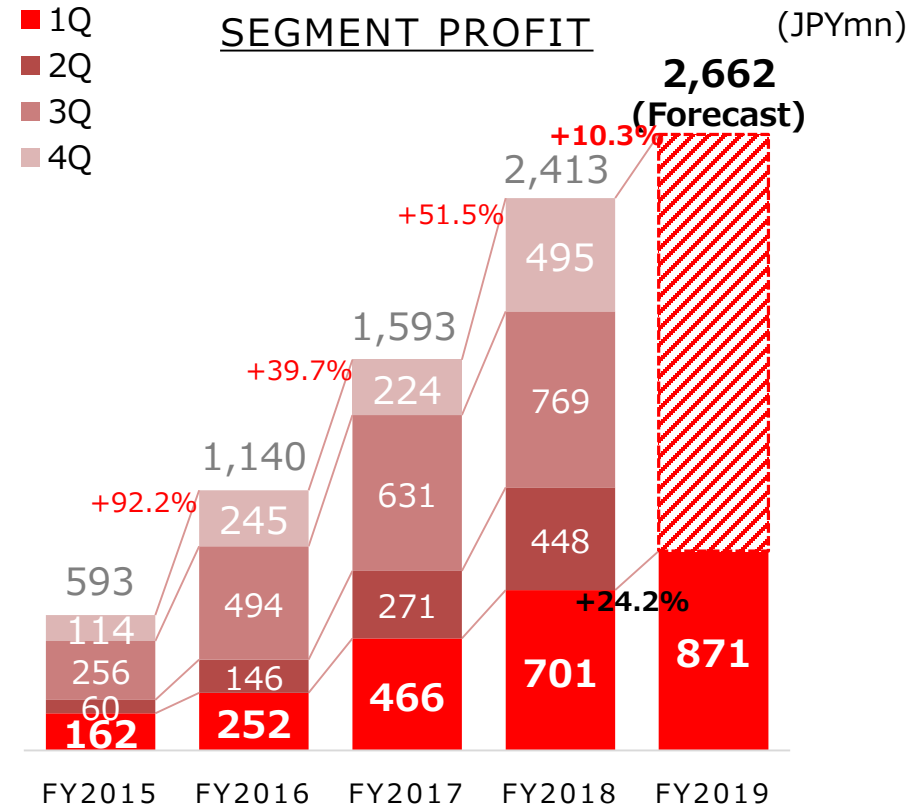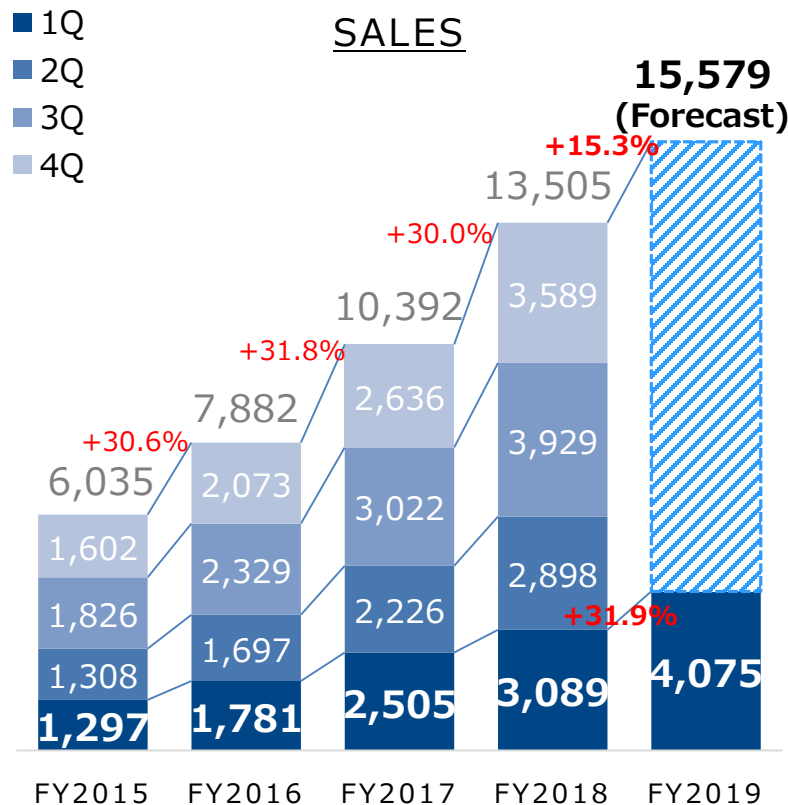- Information and Communications Service Business : Sales +26.6%, and Segment profit +62.7%.

(JPYmn, %)

		FY2019/1Q Result	FY2018/1Q Result	Change	
		Amount	Amount	Amount	Percentage
Sales	"GLOBAL WiFi"	**4,075**	3,089	+986	**+31.9**
	Information and Communications Service	**2,302**	1,818	+483	**+26.6**
	Subtotal	**6,378**	**4,907**	**+1,470**	**+30.0**
	Others	95	14	+80	+551.7
	Adjustments	-3	–	-3	–
	Total (Cons.)	**6,470**	**4,922**	**+1,547**	**+31.4**
Segment profit	"GLOBAL WiFi"	**871**	**701**	+169	**+24.2**
	Profit margin	21.4	22.7	-1.3	–
	Information and Communications Service	**482**	**296**	+185	**+62.7**
	Profit margin	20.9	16.3	+4.6	–
	Subtotal	**1,353**	**997**	**+355**	**+35.7**
	Others	-86	-28	-58	-203.1
	Adjustments	-286	-232	-53	-23.1
	Total (Cons.)	**980**	**736**	**+243**	**+33.1**

"GLOBAL WiFi" Business
Transition of Performance

Both travelers from Japan to overseas and foreign visitors to Japan are the largest ever. Steady performance and continual increase in sales and profit.

- With the support of stable repeat use (approx. 51%), acquisition of FIT such as student trips (graduation trips) was successful (FIT accounts for approx. 70% of the total.), and the rental number has increased.
- Steadily increase also in corporate and inbound demand.
- Continued efforts to improve profitability, such as cost efficiency and operation improvement.

SALES

	1Q	2Q	3Q	4Q

	FY2015	FY2016	FY2017	FY2018	FY2019
Total	6,035	7,882	10,392	13,505	15,579 (Forecast)
4Q	1,602	2,073	2,636	3,589	
3Q	1,826	2,329	3,022	3,929	
2Q	1,308	1,697	2,226	2,898	
1Q	1,297	1,781	2,505	3,089	4,075

YoY: +30.6%, +31.8%, +30.0%, +15.3%, 1Q +31.9%

SEGMENT PROFIT (JPYmn)

	1Q	2Q	3Q	4Q

	FY2015	FY2016	FY2017	FY2018	FY2019
Total	593	1,140	1,593	2,413	2,662 (Forecast)
4Q	114	245	224	495	
3Q	256	494	631	769	
2Q	60	146	271	448	
1Q	162	252	466	701	871

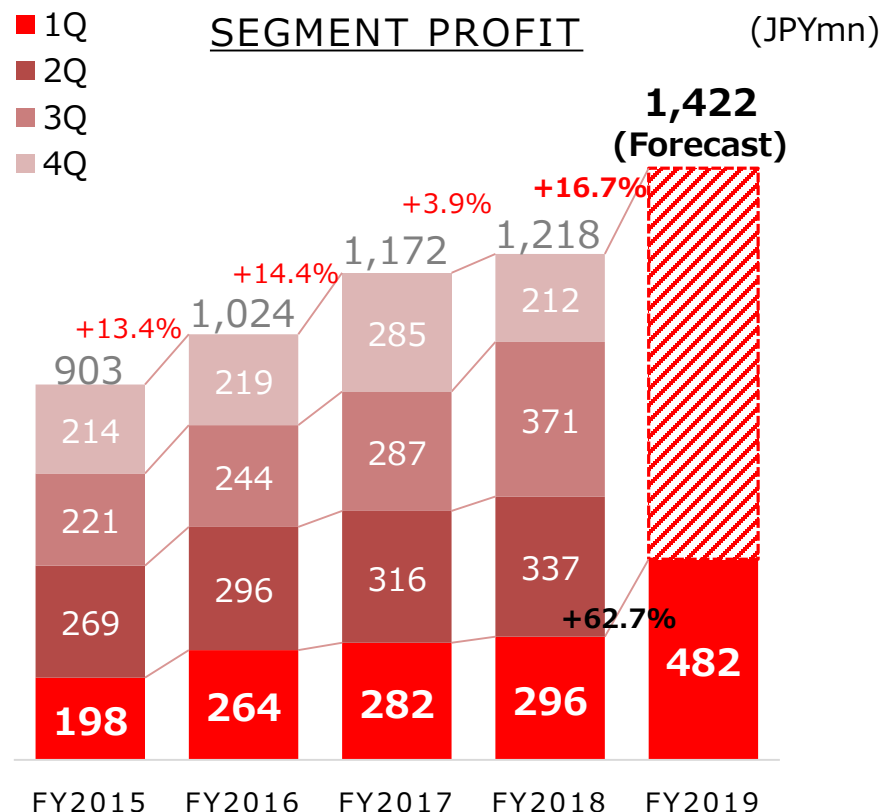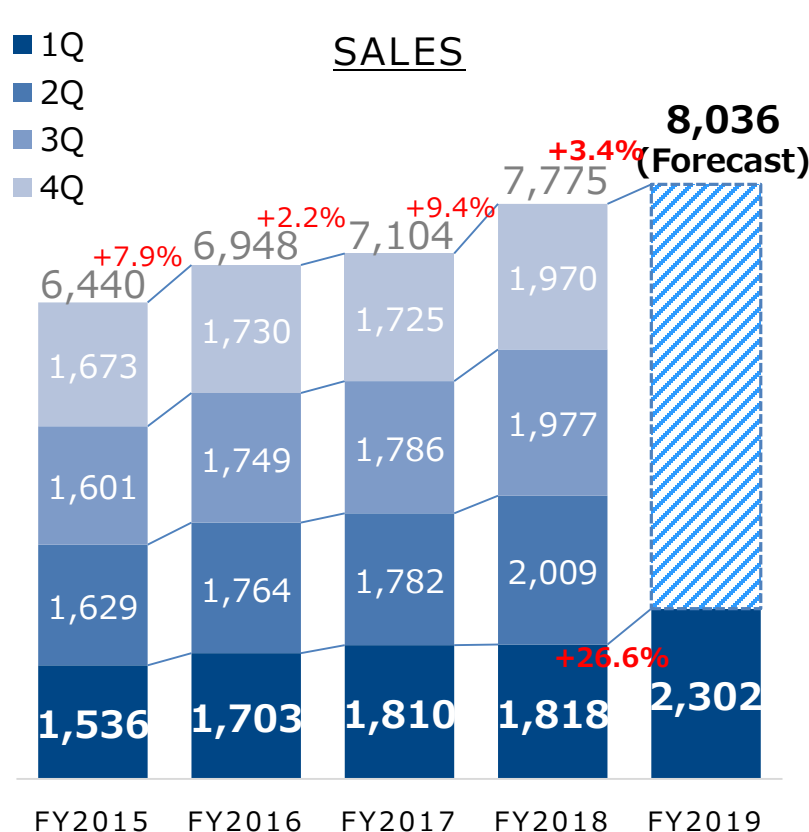YoY: +92.2%, +39.7%, +51.5%, +10.3%, 1Q +24.2%

(Note) 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).
  - Accumulate by up/cross selling strategy.
- The success in capturing demand in line with the company's financial results.

SALES

■ 1Q
■ 2Q
■ 3Q
■ 4Q

	FY2015	FY2016	FY2017	FY2018	FY2019
Total	6,440	6,948	7,104	7,775	8,036 (Forecast)
YoY	+7.9%	+2.2%	+9.4%	+3.4%	
4Q	1,673	1,730	1,725	1,970	
3Q	1,601	1,749	1,786	1,977	
2Q	1,629	1,764	1,782	2,009	
1Q	1,536	1,703	1,810	1,818	2,302

+26.6%

SEGMENT PROFIT (JPYmn)

■ 1Q
■ 2Q
■ 3Q
■ 4Q

	FY2015	FY2016	FY2017	FY2018	FY2019
Total	903	1,024	1,172	1,218	1,422 (Forecast)
YoY	+13.4%	+14.4%	+3.9%	+16.7%	
4Q	214	219	285	212	
3Q	221	244	287	371	
2Q	269	296	316	337	
1Q	198	264	282	296	482

+62.7%

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

FY2019 Forecast of Financial Results

FY2019 Forecast of Financial Results

Sales: **+13.8%** YoY, and Operating profit: **+21.2%** YoY.

(JPYmn, %)

Items	FY2019 Forecast		Change	
	Amount	Composition ratio	Amount	Percentage
Sales	**24,470**	100.0	+2,967	**+13.8**
FY2018 Result	21,503	100.0	+3,948	+22.5
Gross profit	14,640	59.8	+1,990	+15.7
FY2018 Result	12,650	58.8	+2,489	+24.5
Operating profit	**3,012**	12.3	+527	**+21.2**
FY2018 Result	2,484	11.6	+695	+38.9
Recurring profit	3,013	12.3	+514	+20.6
FY2018 Result	2,499	11.6	+704	+39.3
Profit attributable to owners of parent	**2,003**	8.2	+474	**+31.0**
FY2018 Result	1,529	7.1	+320	+26.5

Segment Forecast

- "GLOBAL WiFi" Business : Sales +15.3%, and Segment profit +10.3%.
- Information and Communications Service Business : Sales +3.4%, and Segment profit +16.7%.

(JPYmn, %)

		FY2019 Forecast	FY2018 Result	Change	
		Amount	Amount	Amount	Percentage
Sales	"GLOBAL WiFi"	15,579	13,505	+2,073	**+15.3**
	Information and Communications Service	8,036	7,775	+261	**+3.4**
	Subtotal	**23,615**	**21,281**	**+2,334**	**+11.0**
	Others	855	231	+624	+270.2
	Adjustments	–	-8	+8	+100.0
	Total (Cons.)	**24,470**	**21,503**	**+2,967**	**+13.8**
Segment profit	"GLOBAL WiFi"	2,662	2,413	+248	**+10.3**
	Information and Communications Service	1,422	1,218	+203	**+16.7**
	Subtotal	**4,085**	**3,632**	**+452**	**+12.4**
	Others	62	-194	+257	+132.4
	Adjustments	-1,135	-954	-181	-19.0
	Total (Cons.)	**3,012**	**2,484**	**+527**	**+21.2**

Forecast for the Full Year (Quarterly Transition)

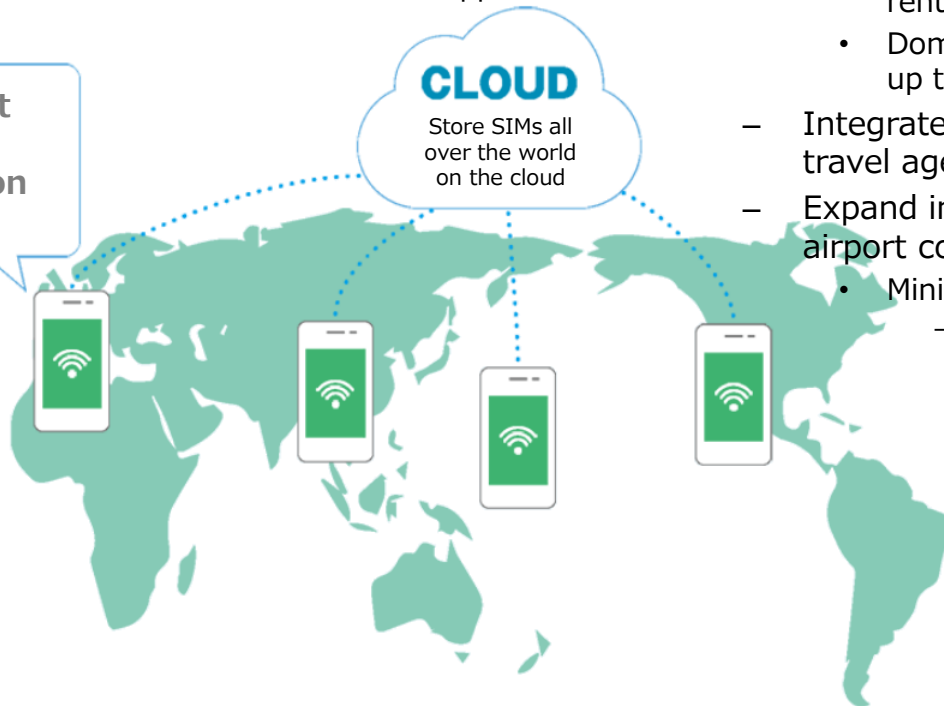|		1 Q	2 Q	3 Q	4 Q	FY
FY2016	**Sales**	3,487	3,465	4,083	3,807	14,843
	Composition ratio (vs. FY)	23.5	23.3	27.5	25.7	–
	Operating profit	313	245	517	214	1,290
	Composition ratio (vs. FY)	24.3	19.0	40.1	16.6	–
	Operating profit margin	9.0	7.1	12.7	5.6	8.7
FY2017	**Sales**	4,326	4,024	4,827	4,377	17,554
	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	5,961	5,686	21,503
	Composition ratio (vs. FY)	22.9	22.9	27.7	26.4	–
	Operating profit	736	499	900	348	2,484
	Composition ratio (vs. FY)	29.6	20.1	36.2	14.0	–
	Operating profit margin	15.0	10.1	15.1	6.1	11.6
FY2019	**Sales**	6,470				**24,470**
	Composition ratio (vs. FY)	26.4				–
	Operating profit	980				**3,012**
	Composition ratio (vs. FY)	32.5				–
	Operating profit margin	15.1				**12.3**

Progress made in FY2019

Promote to Utilize "CLOUD WiFi"

- A Wi-Fi router equipped with next-generation communication technology that manages SIM on the cloud.
  - No need to insert/change SIM physically.
  - Telecommunication carriers all over the world can be allocated with one device.
- Increase to over 90% of shipping Wi-Fi routers.
  (Mar. 2018 : approx. 67% ⇒ Mar. 2019 : approx. 95%)
  ※Differentiate by utilizing the SIM contracted by us.
  ※Some countries can not respond depending on telecommunication carriers. Around 90% is the upper limit.

- Benefits :
  - Reduce telecommunication cost ratio (Improve usage efficiency of data- telecommunication)
  - Labor saving of shipping operations (Reduce SG&A expenses)
  - Utilization service/new method (Improve profit)

- Utilization service/new method :
  - Offer "GLOBAL WiFi for Biz"
    - Keep it at the customer's office (No need for rental arrangement every travel)
    - Domestic (Japan) internet connection is free up to 3GB/month (available on a daily basis)
  - Integrated into overseas travel products by travel agencies
  - Expand inventory/available areas at each airport counter
    - Minimize opportunity losses
      - System providing services to departing passengers on the day (Increase in the rental number)
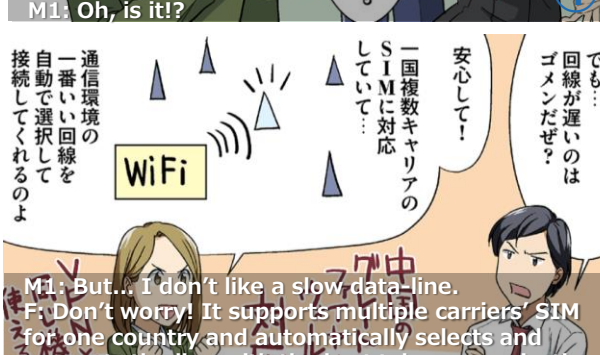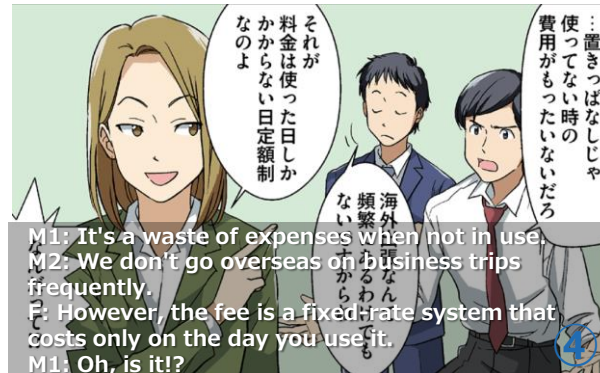
You can use it immediately after turning on the power!

CLOUD
Store SIMs all over the world on the cloud

Data Usage
25.50MB
Wi-Fi Name : GlocalMe_12345
Password : 12345678
IMEI : 123456789012345
More   Discover
GLOBAL WiFi

GLOBAL WiFi for Biz

- Promote of continuous use by corporate users (Improve convenience, satisfaction)
- Reduce operating costs

M1: Oops!!
M2: What's wrong?
M1: I've forgot to apply for Wi-Fi... ①

M1: It's a waste of expenses when not in use.
M2: We don't go overseas on business trips frequently.
F: However, the fee is a fixed-rate system that costs only on the day you use it.
M1: Oh, is it!? ④

F: Since you can pay by invoice, no need to be reimbursed expenses.
M2: Wow!
M1: Then we can reduce the user's reimbursement procedure and the approver's intermediate cost. ⑦

F: Your company has not introduced "Wi-Fi kept at the office" yet?
M1: Wi-Fi kept at the office!? ②

M1: But... I don't like a slow data-line.
F: Don't worry! It supports multiple carriers' SIM for one country and automatically selects and connects the line with the best telecommunication environment. ⑤

M1: Certainly attractive though... if we introduce it, I have to persuade my boss...
F: GLOBAL WiFi, no need to purchase a device. Since it can also issue actual usage details, it's safe as a company. ⑧

F: GLOBAL WiFi for Biz, just bring the mobile Wi-Fi router kept at the office!
No need for rental arrangement every travel!
Available in over 100 countries with one device! ③

F: In addition, with the optional Japan fixed-rate plan, domestic (Japan) internet connection is free up to 3GB/month.
M1: In other words, even when we don't go overseas on business trips, we can easily use it as a mobile Wi-Fi router in Japan. ⑥

F: And the basic charge is JPY1,970/month! ⑨

Smart Strategy

Automatic pick-up locker	Self check-in KIOSK terminal (Multi-language available and settlement function)	Immediate customer identification counter (QR code reception counter)
		 Reception Standby
Smart Pickup	**Smart Entry**	**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.

Airport Counter and Smart Pickup

- 16 airport counters in Japan, and 19 automatic pick-up lockers are installed at 5 airports.
- Enhance users' touch points such as new counter openings (Oita Airport) and "Smart Pickup" addition (18 ⇒ 19).
- The service level is optimized according to customers.
  - Eliminate waiting time thoroughly for customers who do not need explanation (such as repeater).
  - Airport staff responds to customers who need explanation.
  - Haneda Airport: 3, Narita Airport: 6, Chubu Airport: 3 (1 addition)
    Kansai Airport: 6, Itami Airport: 1　　　　Total: 19
    ※As of March 31, 2019

Hokkaido, Tohoku area

Hokuriku, Koshinetsu area

Kanto area

Kyushu, Okinawa area

Tokai, Kansai area

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

Smart Strategy		CLOUD WiFi		Database

Collaboration **Collaboration**

Collaborate with each effort to further improve convenience
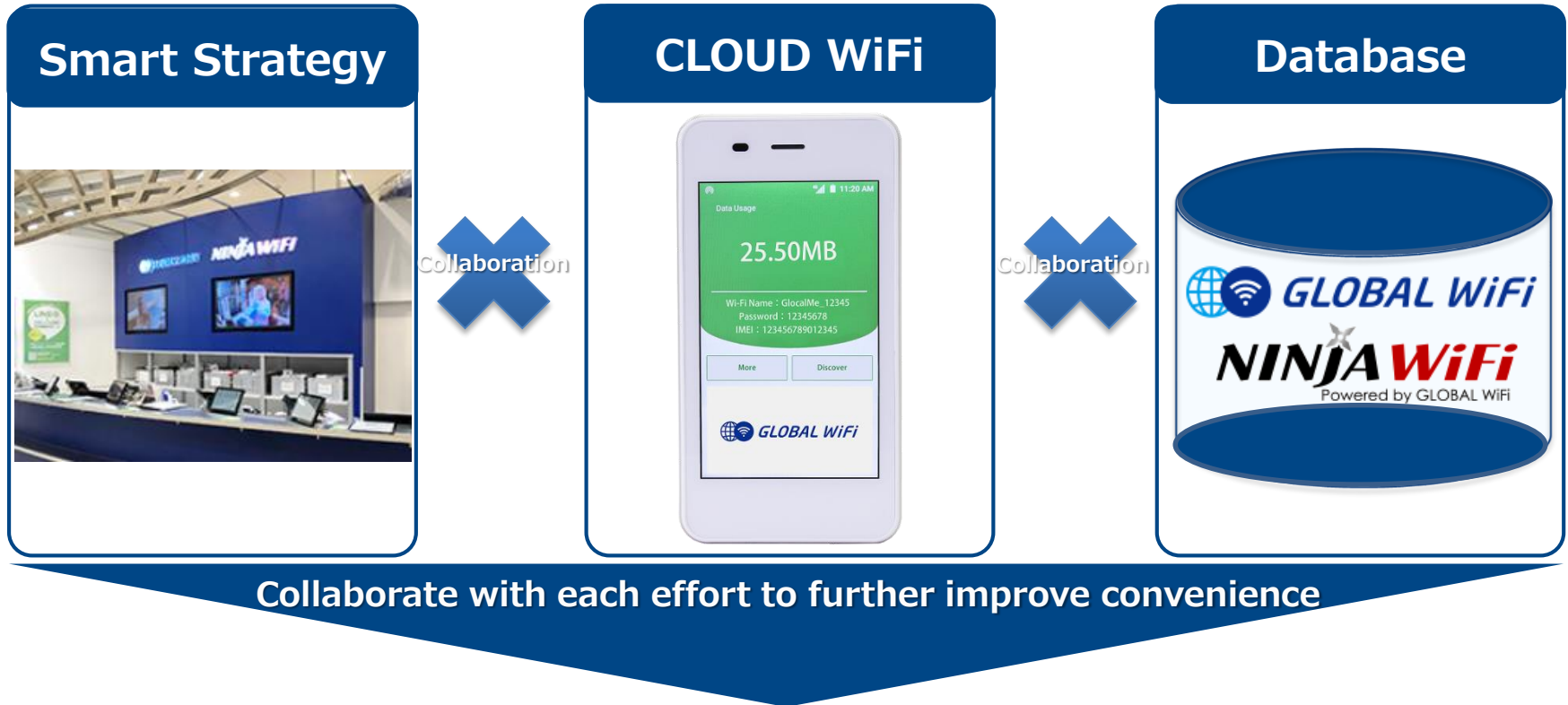
Acquire departing passengers on the day that we have missed so far
⇒ Increase number of users
※Respond to WEB application in front of the airport counter instantly in collaboration with the database.

Total Number of Users Exceeded 10 million

- Offer a total of 10 million yen presents to celebrate over 10 million users. (February 14, 2019 to March 26, 2019)

Total Number of Users Exceeded 10 million!!

GLOBAL WiFi, NO.1 in popularity

Total 10 million yen present campaign

With gratitude, Anyone can apply!

1 person
【1st prize】 JPY1mn for travel

10 people
【2nd prize】 JPY0.1mn for travel

50 people
【3rd prize】 Catalog gift

100 people
【4th prize】 Arita beef of Miyazaki

1,000 people
【5th prize】 GLOBAL WiFi coupon

How long is the travel distance of 10mn users?

53,765,553,692Km
People can go around the earth 1,344,139 times!

What is the wattage required to charge for 10mn users?

2,866,023Wh
A family of four can live for 424 years!

If 10mn people hold hands…

They will arrive from Japan to Brazil!

Offer an Unlimited Plan

- There is a tendency to consume a large-volume data, such as diversification of smartphone apps, transmission and reception of large-volume images and videos, and SNS posting.
- Share and use with multiple people such as friends and family.

⇒ Respond to a request for the plan that can be used without worrying about data capacity, and expand the service area.

Data capacity

Start offering an unlimited plan

NEW

Available in 35 countries

What's an unlimited plan?

From the voice of customers who want to use without worrying about the data capacity when using by video, SNS posting, and multiple people, "unlimited plan" with unlimited data capacity was born.
It's available in 35 countries and will be expanded at any time.

Example of Efforts (GO BEYOND.)

Only those who have a will and who cross the walls lightly can clear the future.
We offer various services of "GLOBAL WiFi" based on that belief.
Therefore, we support individuals and organizations that are crossing the borders, exceeding restrictions, and aiming for new conviction and growth in the activities they are working on.
For the "GO-BEYONDER" certified by us, we support their activities through the provision of "GLOBAL WiFi".
"GO-BEYONDER"
○Cumulative number of GO-BEYONDER, certified by December 2018 200
○Athletes, artists, entertainers, racers, adventurers, photographers, activity organizations, etc.

CONCEPT https://global-wifi.com/index.html

CONCEPT MOVIE https://global-wifi.com/movie.html

Progress in Information and Communications Service Business (Detailed Topics)

○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 services (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 implementing our know-how.
  - There is superiority in function to increase the operation efficiency of personnel and to understand each sales situation.
  - Less fixed costs and available for at least small companies
  - Target service of "subsidy to implement IT"
  - Continue to introduce high-demand services.

Travel Related Service Platform

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

GLOBAL WiFi   **NINJA WiFi**

Overseas travelers

In Japan total approx. 3.6mn people/25.22mn nights
Outbound (approx. 2.82mn people/19.76mn nights) + Inbound (approx. 0.78mn people/5.45mn nights)   ＊FY2018 results, our research

Advertising revenue improvement

ARPU improvement

Useful information (Media)

Useful services

Guidebook

Promotional materials

Facility・Counter

SNS

Email

Rental service of wearable translation device

Pick-up service etc.

今回の海外渡航は「話せる」旅にしませんか？   ili   POCKETALK

| Insurance | Coupons | Shop & Duty-free shop | Hotel & Minpaku | Tours | Rental cars | Tourist attractions | Gourmet | Golf courses |

Settlement platform

Guide customers to allied partners

《Reference》
FY2017 results:
　　approx. 2.69mn people/18.83mn nights
・Outbound... approx. 2.08mn people
　　　　　　　　/14.56mn nights
・Inbound⋯　 approx. 0.61mn people
　　　　　　　　/4.27mn nights

ProDrivers (Expansion of Travel Related Service Platform)

Utilization (Utilize customer foundation)

- Hired car time sharing service business
- Pick-up service to make every move comfortable in both business and daily life, such as airport transfer, executive pick-up, etc.

  Utilize the customer foundation of "GLOBAL WiFi" Business (including foreign visitors to Japan).
  - Target customers of Information and Communications Service Business and new customers, too.
  - Domestic : Starting from Tokyo, plan to develop in major cities, including partner development.
  - Overseas : "SmartRyde" (operated by DLGB Inc., a capital and business alliance partner)

Pro Drivers
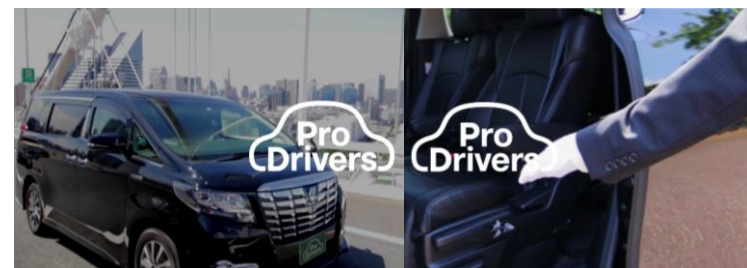
- ✓ Move with big baggage.
- ✓ Available in increments of 2 hours.
- ✓ Available for up to 9 people for a single car (economical by splitting the cost)

海外でもプロドラ！

国内の空港送迎だけでなく、海外でのご利用も
プロドラからお取り次ぎを行なっています。
事前予約、定額制のSmartRydeをご利用ください。

SmartRyde

"Vision Kids Nursery" Opened as Company-led Childcare Business

○Aims

- In childbirth and childcare, which are life events of employees, implement measures to make work rules more flexible, expand leave systems, and promote to take leaves (current status)
  ⇒ Provide a more work-friendly environment (a sense of security with children nearby) than ever before.
  ※ Establish a childcare facility on site of CLT, where female employees account for more than 90%.

- Easy to return to work, and hire employees who are motivated to work in a parenting generation
  ⇒ **Sources of sustainable growth**

Growth Strategy

Medium-Term Growth Image

Steadily promote the growth strategies.

- "GLOBAL WiFi" Business

   Customer Foundation/Business Foundation

  – Expansion (Market development = Growth in 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"
Travel related
service platform

Travel related
service platform

【3rd stage】 Overseas⇒Overseas

【2nd stage】 Inbound

【1st stage】 Outbound

Information and Communications

Enhance channel

Service

Enhance products, services, business models
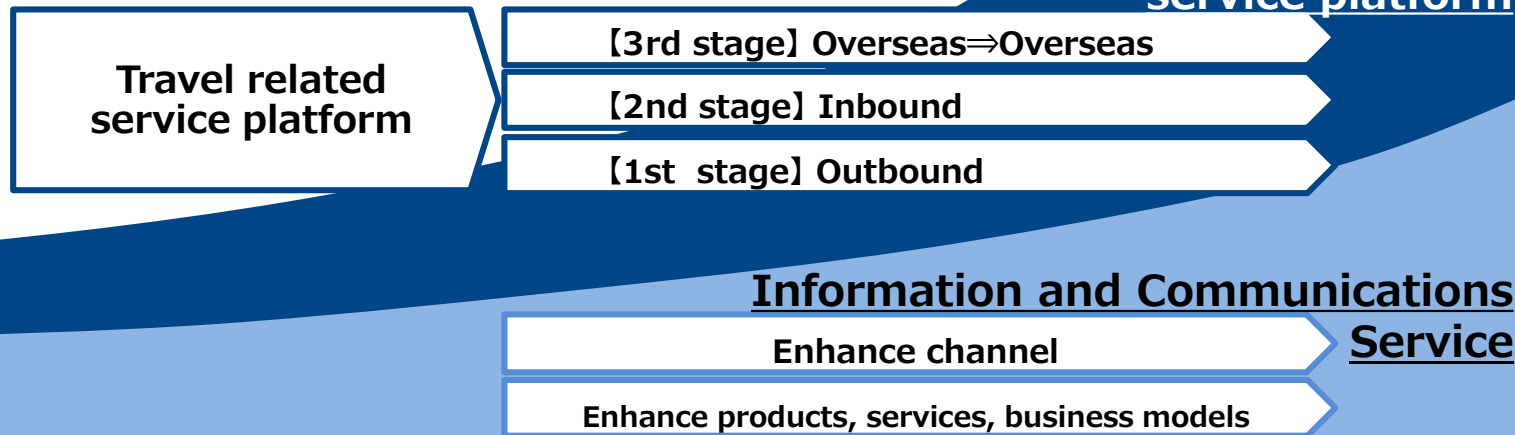
"GLOBAL WiFi" Business
Business Model/Competitive Advantage

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

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

Worldwide telecommunications companies → Data communication service → Vision Group

Direct website
Apps
Affiliates
Corporate sales
Partners
Airport counters
→ End Users → Payment → Settlement service providers

Shipping Return

Vision Group ← Payment ← Worldwide telecommunications companies

Rental fees ← Settlement service providers
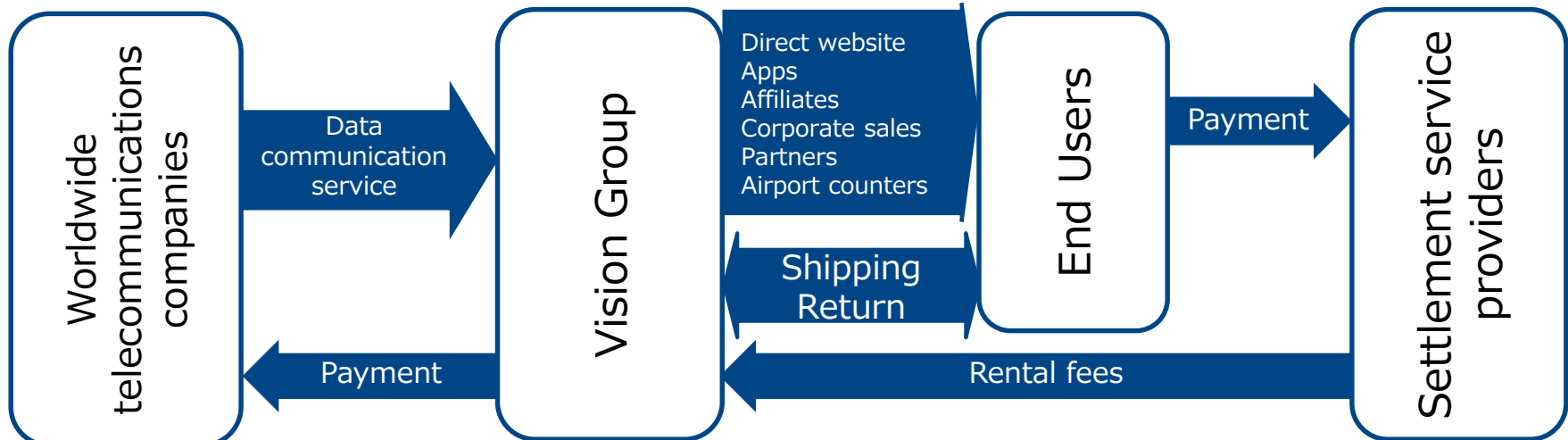
Compare How to Connect the Internet Abroad

- "Global WiFi" "NINJA WiFi" is the best way due to safe, secure, comfortable, and less expensive.
- Benefits not only for independent 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
GLOBAL WiFi / **NINJA WiFi** (Powered by GLOBAL WiFi)	〇	〇	〇	〇	〇
	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)	✕	△	△	〇	〇
	Problem with price and quality (From JPY1,980 to JPY2,980/day. It may be charged even more.)				
Prepaid SIM (Purchase overseas)	△	△	〇	✕	〇
	Need knowledge to manage (Set-up, activation, periodical charge, etc.)				
Free Wi-Fi Spot (Hotel, Café, etc.)	〇	✕	△	〇	✕
	Problem with coverage (not available in everywhere), speed (depend on data-line of the facility and the number of connected people), security				

"GLOBAL WiFi" Business　Profit Structure

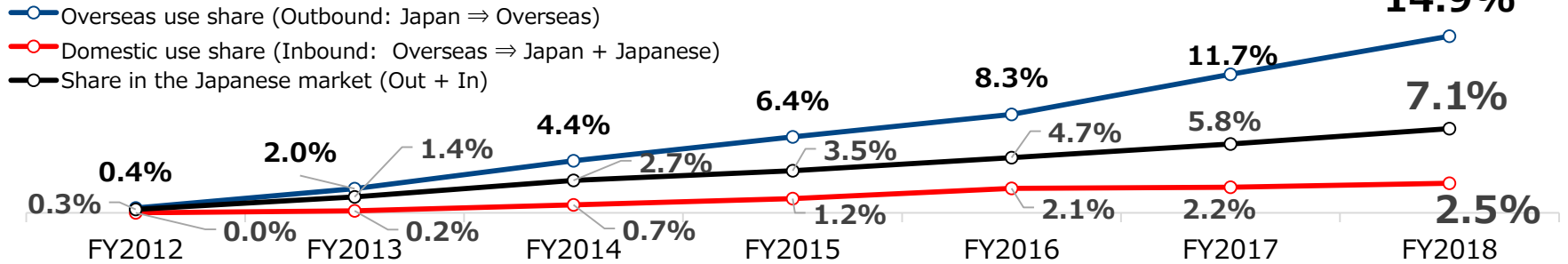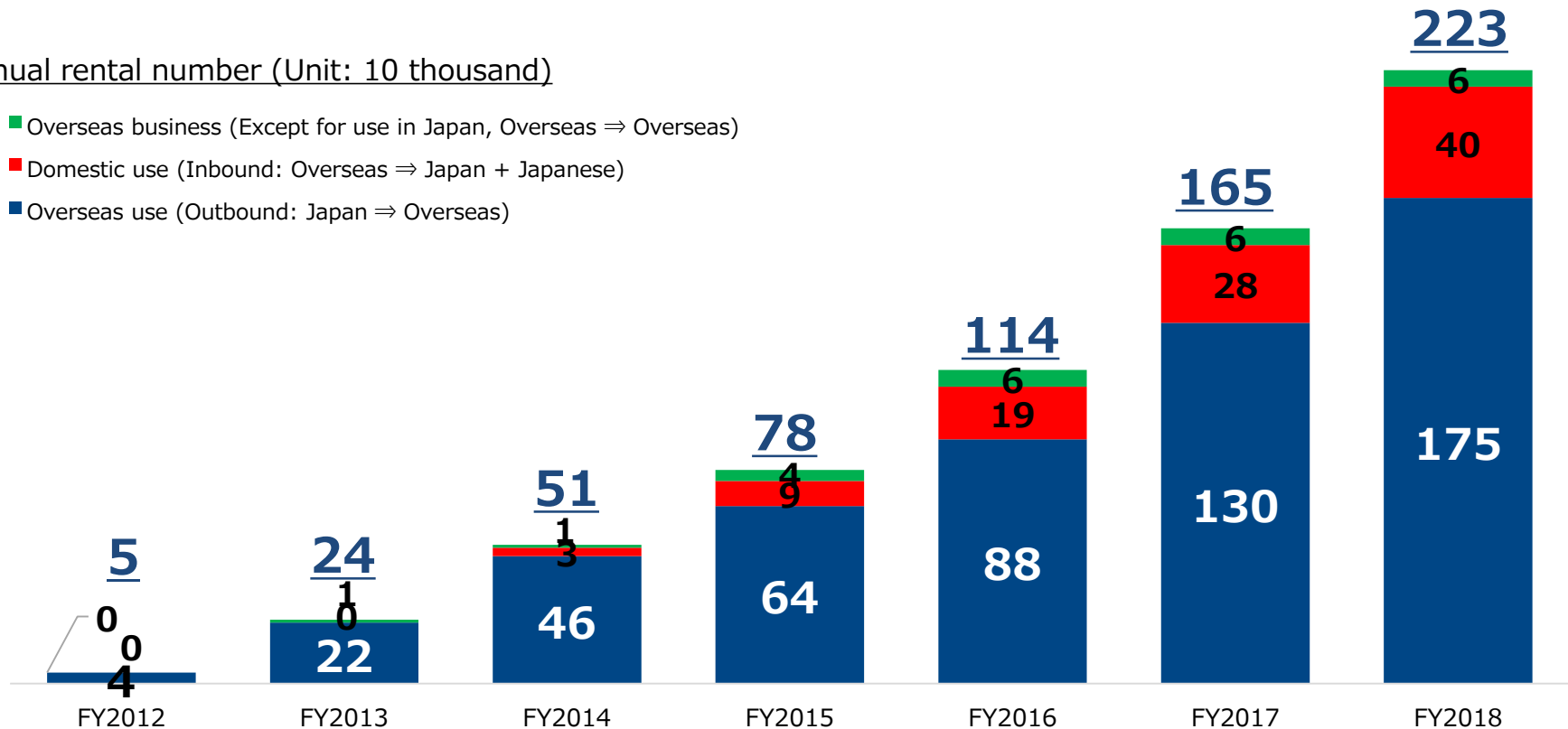| Items	Summary
Sales	①Rental price per day × number of usage days ※Average : JPY1,000/day　Average usage days : 7 days ※Options such as insurance, mobile battery etc. ②Monthly charge (JPY1,970) + data telecommunication fee (plan) × number of usage days
Cost of sales	・Usage of data telecommunication (telecom 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	・Personnel expenses ・Advertising expense ・Operation and rent of shipping center, airport counter, customer center, etc. ・Other SG&A expenses, etc.

"GLOBAL WiFi" Business Growth Story

Our Wi-Fi rental service penetration ration (Japan) ※

- Overseas use share (Outbound: Japan ⇒ Overseas)
- Domestic use share (Inbound: Overseas ⇒ Japan + Japanese)
- Share in the Japanese market (Out + In)

14.9%

11.7%

8.3%   **7.1%**

6.4%   5.8%

4.4%   3.5%

0.4%   2.0%   1.4%   2.7%   4.7%

0.3%   0.0%   0.2%   0.7%   1.2%   2.1%   2.2%   **2.5%**

FY2012 FY2013 FY2014 FY2015 FY2016 FY2017 FY2018

Annual rental number (Unit: 10 thousand)

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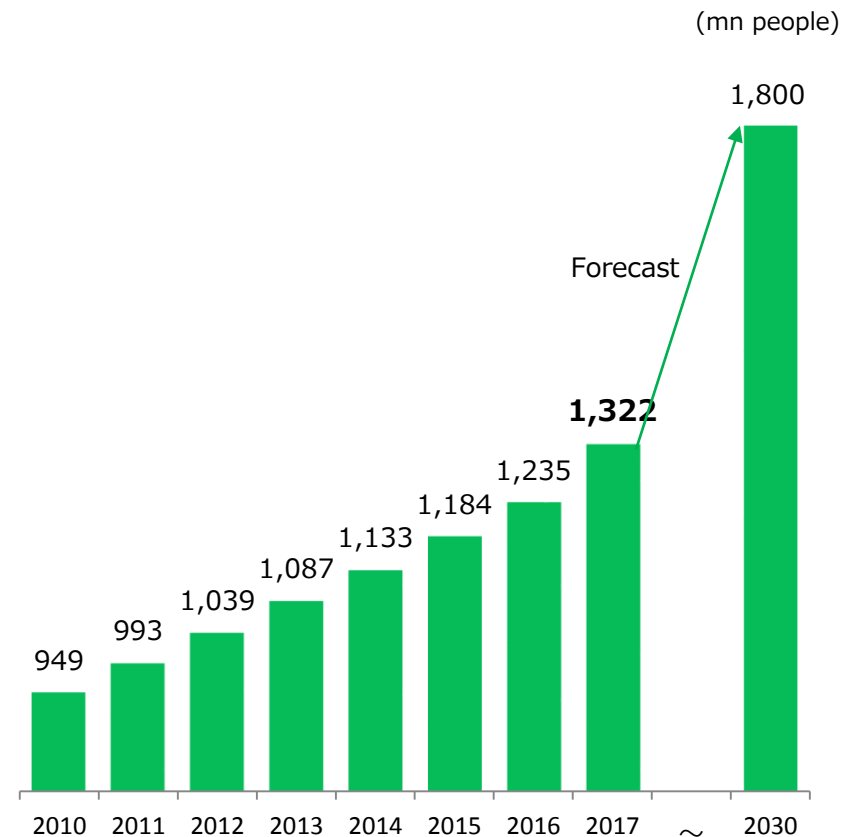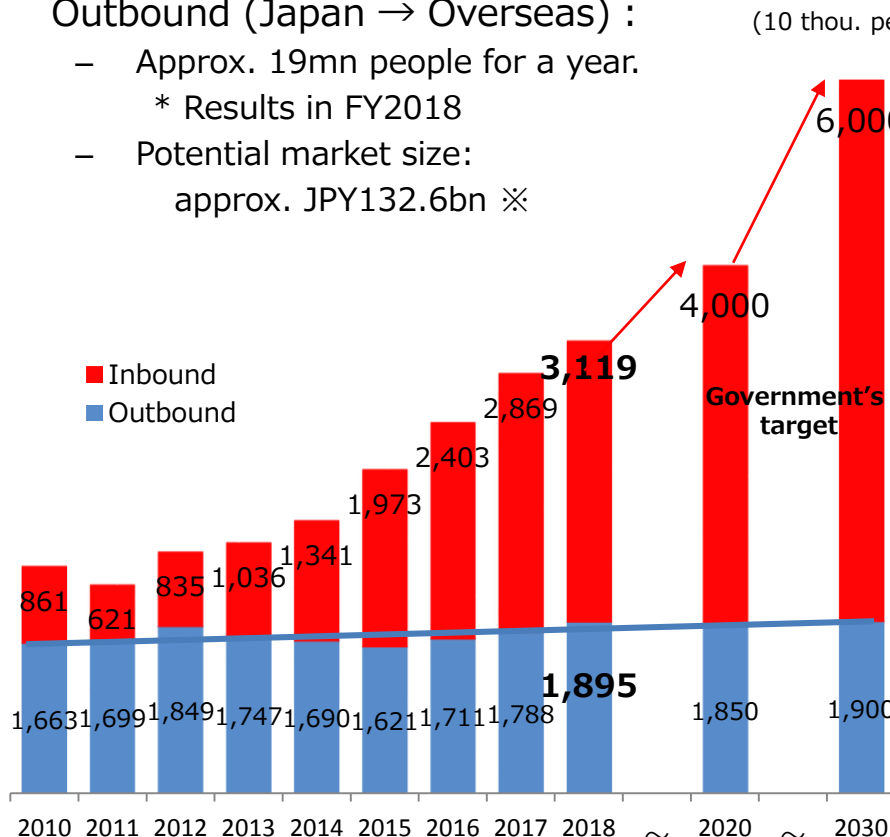- Overseas use (Outbound: Japan ⇒ Overseas)

FY	Total	Overseas business	Domestic	Overseas use
FY2012	5	0	0	4
FY2013	24	1	0	22
FY2014	51	1	3	46
FY2015	78	4	9	64
FY2016	114	6	19	88
FY2017	165	6	28	130
FY2018	223	6	40	175

<Reference> "GLOBAL WiFi" Business Market Size

- Inbound (Foreign visitors to Japan) :
  - Over 31.19mn people for a year.
    - * Results in FY2018
  - Potential market size: approx. JPY218.3bn ※
  - Government's target:
    - 40mn people in 2020
    - 60mn people in 2030

- Outbound (Japan → Overseas) :
  - Approx. 19mn people for a year.
    - * Results in FY2018
  - Potential market size:
    approx. JPY132.6bn ※

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

(10 thou. people)

■ Inbound
■ Outbound

	2010	2011	2012	2013	2014	2015	2016	2017	2018	～	2020	～	2030
Inbound	861	621	835	1,036	1,341	1,973	2,403	2,869	**3,119**		4,000		6,000
Outbound	1,663	1,699	1,849	1,747	1,690	1,621	1,711	1,788	**1,895**		1,850		1,900

Government's target

(mn people)

Forecast

2010	2011	2012	2013	2014	2015	2016	2017	～	2030
949	993	1,039	1,087	1,133	1,184	1,235	**1,322**		1,800

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

Information and Communications Service Business Growth Strategy (Competitive Advantage)

Startup Companies

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

The number of national corporate registration … 116,208 (2018)
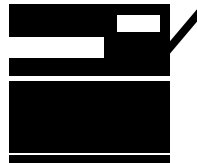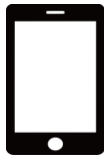
Source: Ministry of Justice

WEB Strategy

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

Customer Loyalty

CRM (customer relations/continuous dealings) 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)
The number of acquisitions will depend on the fluctuations in handling services and products.

Information and Communications Service Business Profit Structure

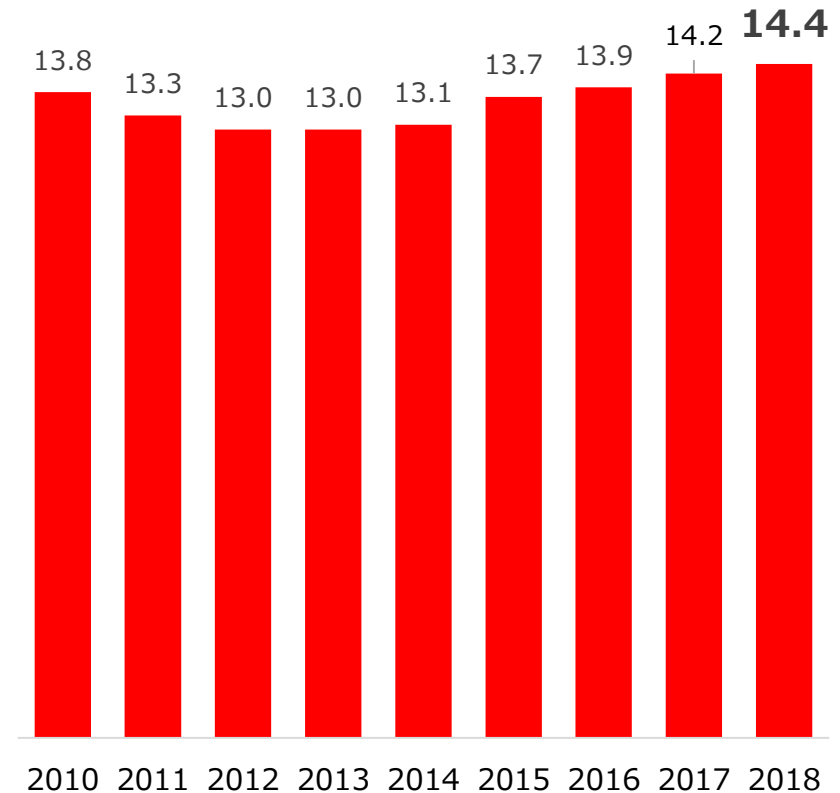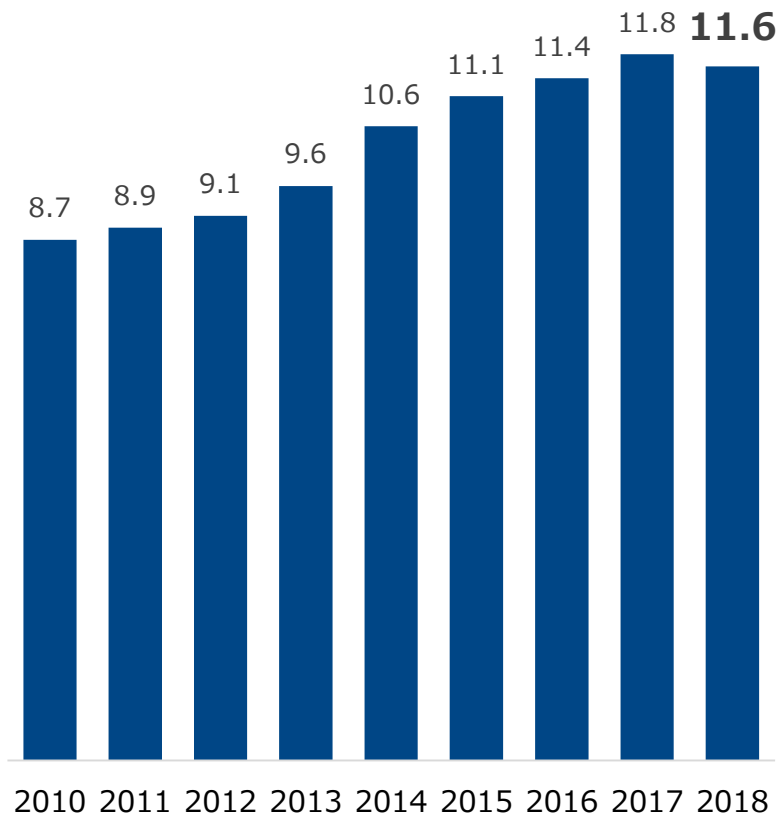| Items	Summary	
	Telephone line arrangements, cellphone, electric power, etc.	**Office automation (multifunction printer, business phone), website support, security**
Sales	·Business brokerage fee (commission) ·Continuation fee (according to customers' usage situation) ※Fee from telecom carriers and primary agents	·Sales price ※Fee from leasing company and credit company ·Maintenance fee ※Fee from the manufacturers and factoring (website maintenance)
Cost of sales	·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.	·Devices (office equipment, security) ※Payment to the manufacturers ·Outsourcing (commission paid to agents), etc.
SG&A expenses	·Personnel expenses ·Advertising expense (website, etc.) ·Rent of call center etc. ·Other SG&A expenses, etc.	

Information and Communications Service Business Market Size

- Number of incorporation registrations (total) : 116,208
    - 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.

- Number of registration of transfer of head office and branch (total) : 144,597
    - Approx. 140 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.
    - Cross/Up Selling by advanced operations of Customer Loyalty Team (CLT).
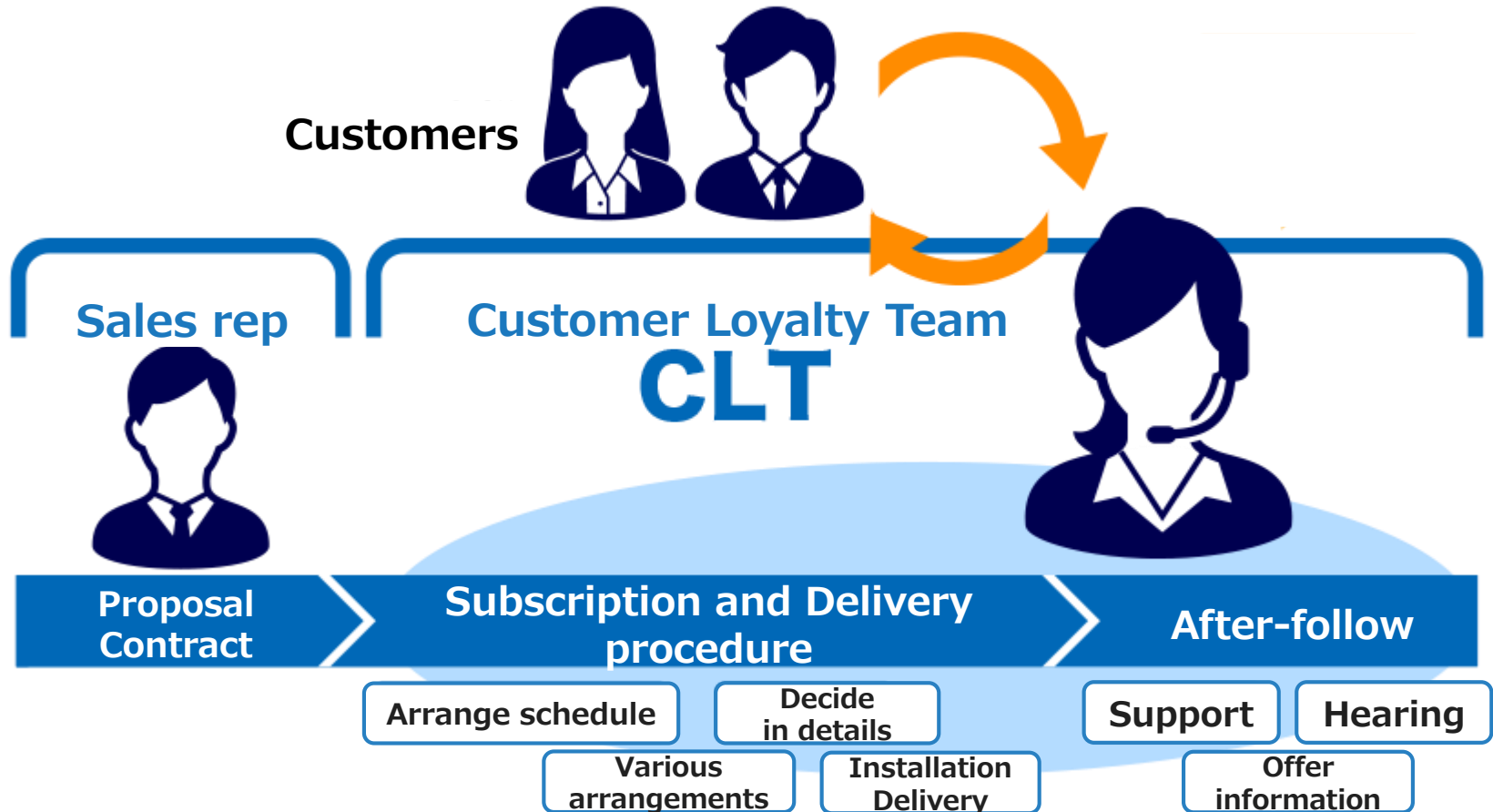
(Unit: 10 thousand)

Incorporation registrations:
2010	2011	2012	2013	2014	2015	2016	2017	2018
8.7	8.9	9.1	9.6	10.6	11.1	11.4	11.8	**11.6**

Registration of transfer of head office and branch:
2010	2011	2012	2013	2014	2015	2016	2017	2018
13.8	13.3	13.0	13.0	13.1	13.7	13.9	14.2	**14.4**

Information and Communications Service Business Growth Strategy (Customer Service)

○ **Create values with advanced operations**

Customer Loyalty Team (CLT)

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

Customers

Sales rep

Customer Loyalty Team
CLT

Proposal Contract	Subscription and Delivery procedure	After-follow

Arrange schedule　**Decide in details**

Various arrangements　**Installation Delivery**

Support　**Hearing**

Offer information

Information and Communications Service Business Growth Strategy (Marketing)

○ **Web marketing × Sales rep × CLT Trinity "high efficiency" marketing**

New customers

Existing customers

Acquire highly reliable actual demand

Hear customers' problems and needs

Proposal with high precision

Cooperation

Cooperation

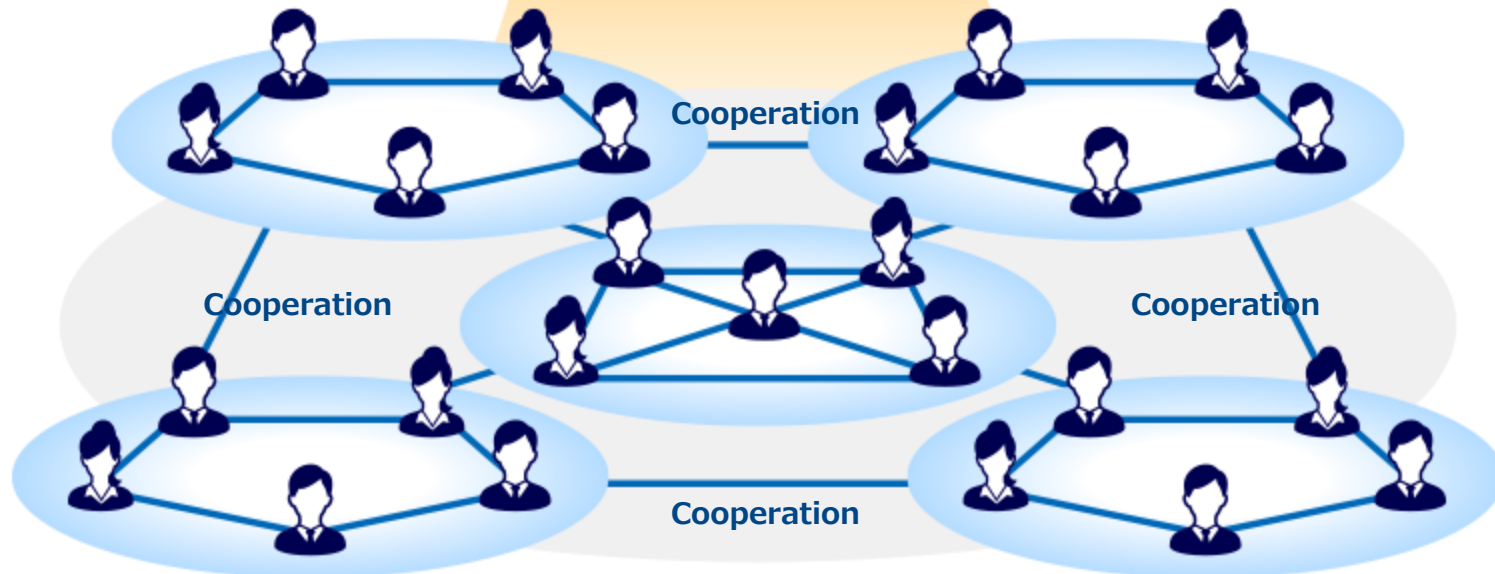**Web marketing team**

Sales rep

Customer Loyalty Team (CLT)
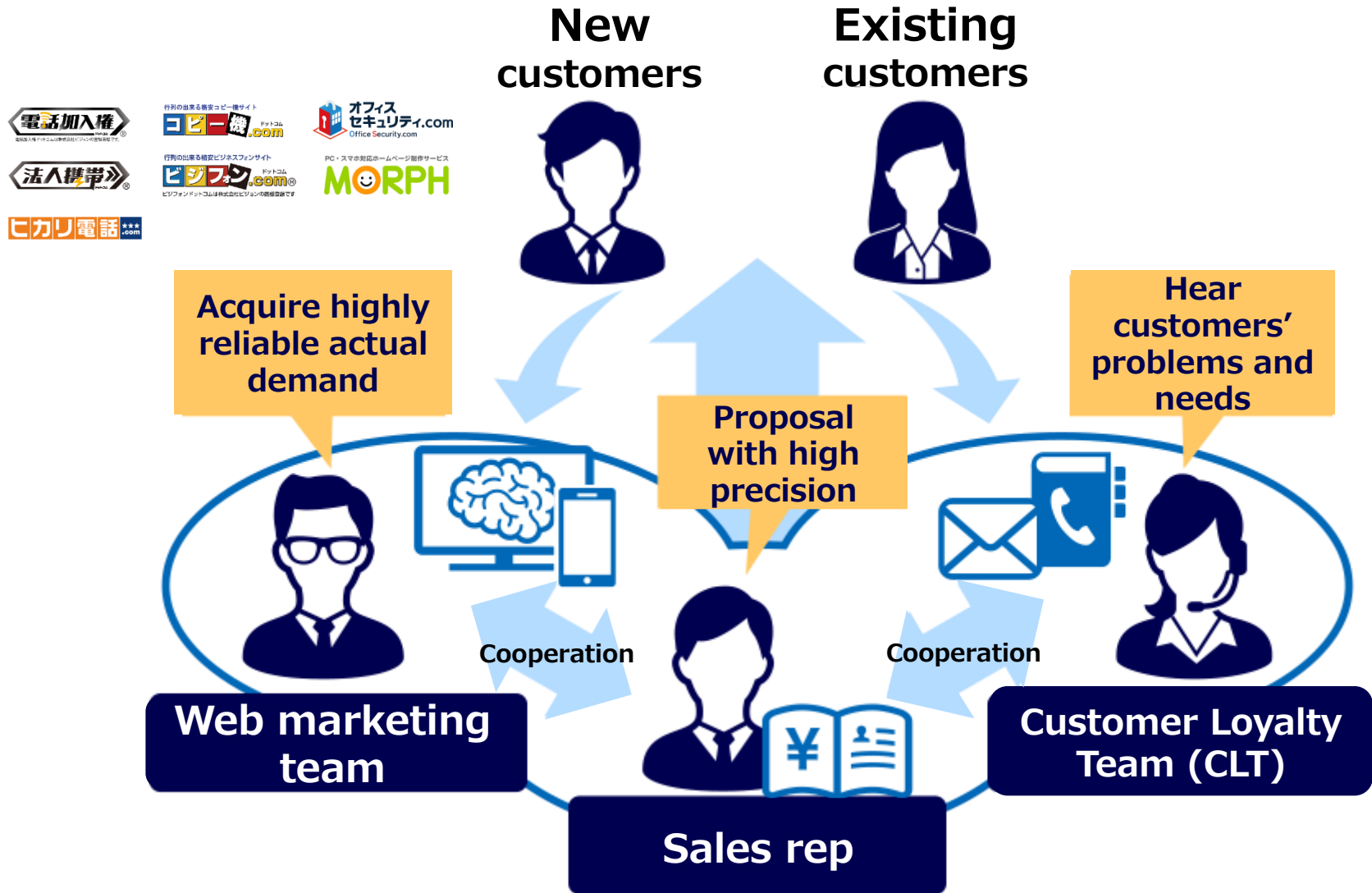
○ **Organization culture that creates continuous evolution**

High productivity created by cooperation between divisions (escalation)

Customers
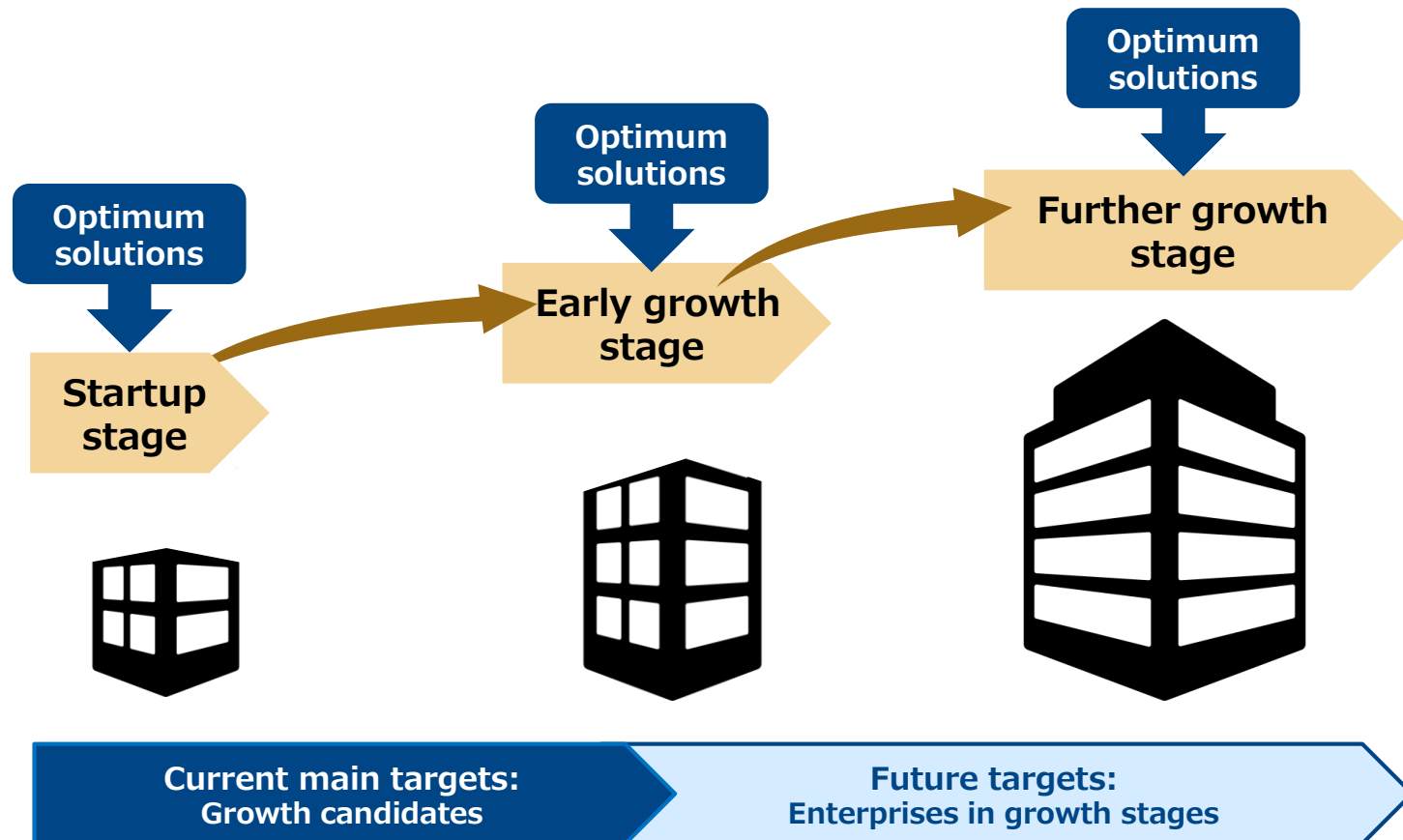
Improve productivity due to flat and open culture,

promoting cooperation between divisions "escalation system"

Cooperation

Cooperation

Cooperation

Cooperation

Information and Communications Service Business Growth Strategy (Business Model)

○**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).
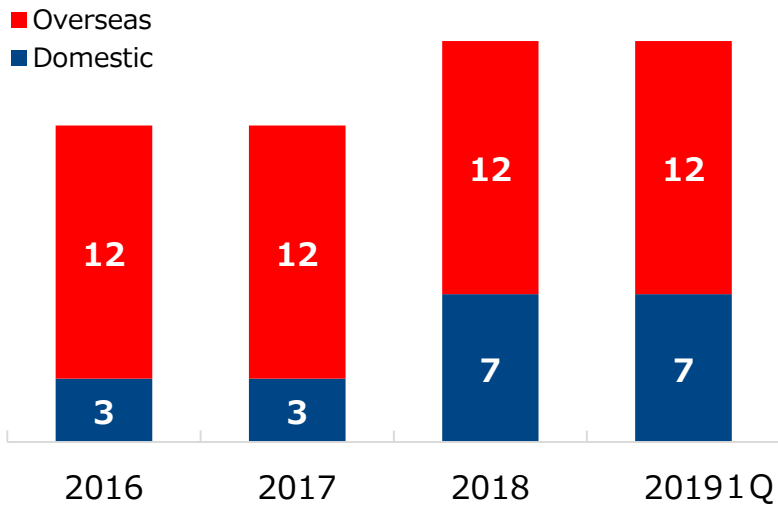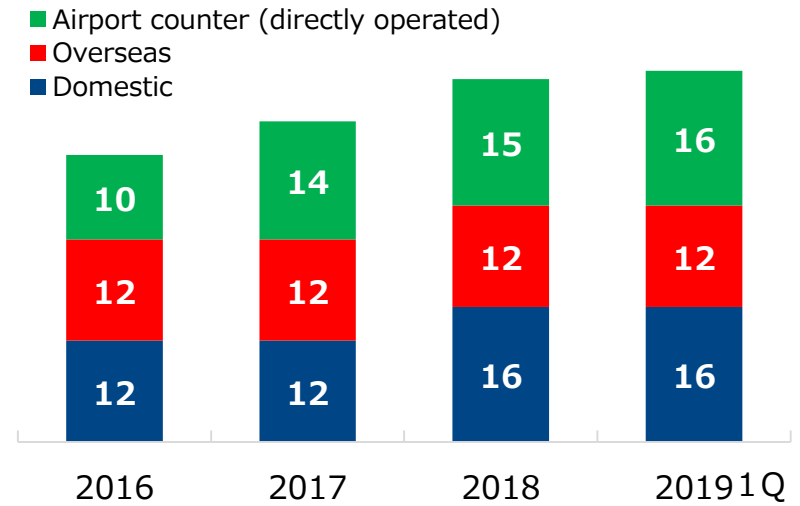
APPENDIX

Group Structure

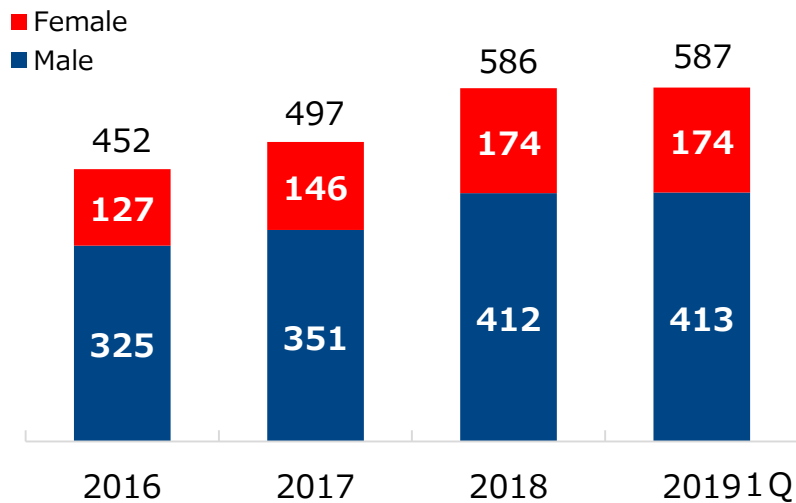## Number of affiliated companies

Legend:
- Overseas
- Domestic

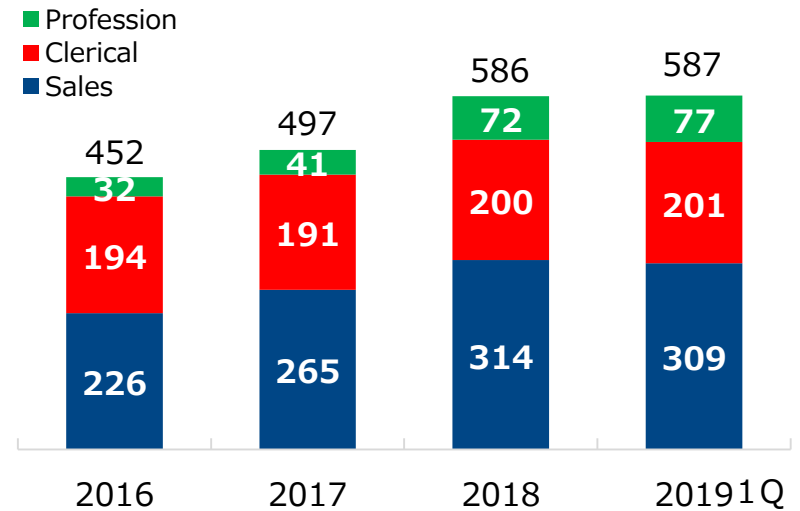| Year	Domestic	Overseas
2016	3	12
2017	3	12
2018	7	12
2019 1Q	7	12

Number of operation bases

Legend:
- Airport counter (directly operated)
- Overseas
- Domestic

Year	Domestic	Overseas	Airport counter (directly operated)
2016	12	12	10
2017	12	12	14
2018	16	12	15
2019 1Q	16	12	16

Number of employees (Full-time)

Legend:
- Female
- Male

Year	Male	Female	Total
2016	325	127	452
2017	351	146	497
2018	412	174	586
2019 1Q	413	174	587

Personnel classification

Legend:
- Profession
- Clerical
- Sales

Year	Sales	Clerical	Profession	Total
2016	226	194	32	452
2017	265	191	41	497
2018	314	200	72	586
2019 1Q	309	201	77	587

Performance Data

Sales

Compound Average Growth Rate (CAGR) approx. 15 %

	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019 (Forecast)
Sales	9,203	10,185	12,485	14,843	17,554	21,503	24,470

Gross profit

(JPYmn, %)

	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019 (Forecast)
Gross profit	5,198	5,651	6,909	8,622	10,160	12,650	14,640
Gross profit ration	56.5	55.5	55.3	58.1	57.9	58.8	59.8

SG&A expenses

	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019 (Forecast)
SG&A expenses	5,188	5,365	6,105	7,332	8,372	10,165	11,628
SG&A expenses ratio	56.4	52.7	48.9	49.4	47.7	47.3	47.5

Operating profit

	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019 (Forecast)
Operating profit	10	286	804	1,290	1,788	2,484	3,012
Operating profit ratio	0.1	2.8	6.4	8.7	10.2	11.6	12.3

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

1Q FY2019
(Jan.-Mar.) Result
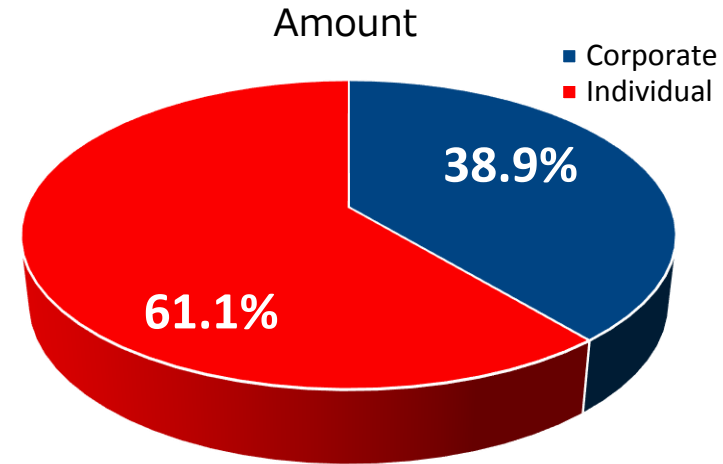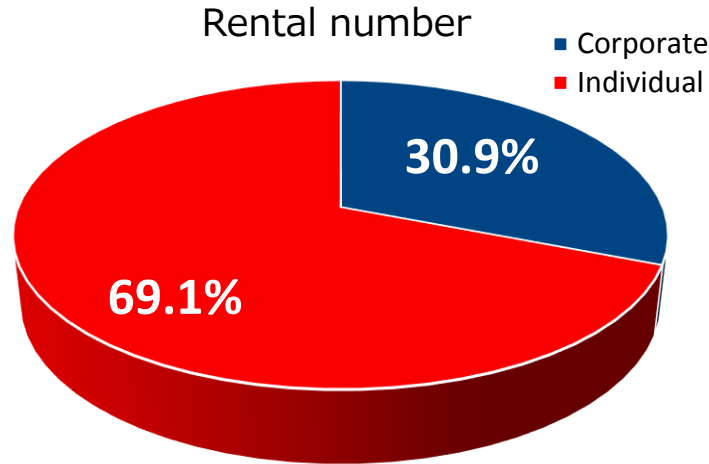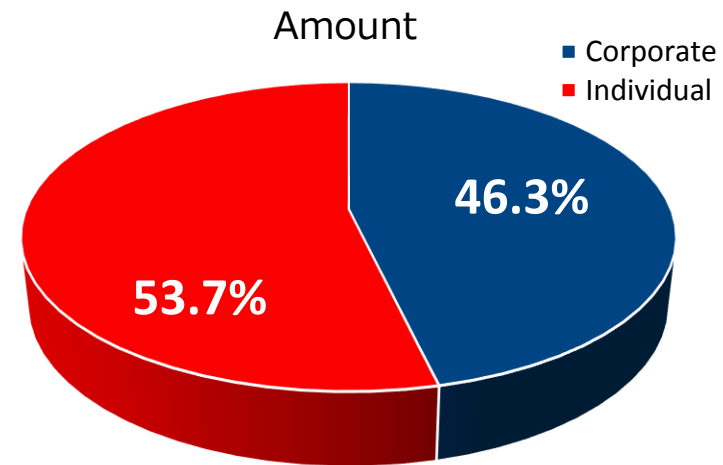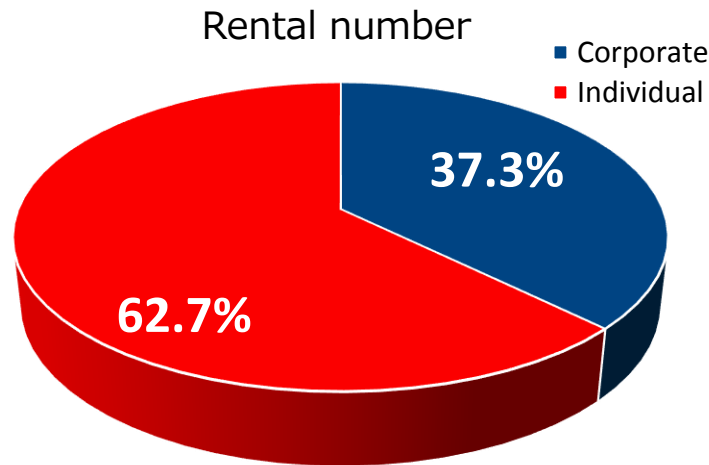
Rental number
- Corporate
- Individual

30.9%
69.1%

Amount
- Corporate
- Individual

38.9%
61.1%

1Q FY2018
(Jan.-Mar.) Result

Rental number
- Corporate
- Individual

37.3%
62.7%

Amount
- Corporate
- Individual

46.3%
53.7%

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

"GLOBAL WiFi" Business　Customer Attributes
(New/Repeat)

1Q FY2019
(Jan.-Mar.) Result

Rental number
- Repeat
- New

51.4%　48.6%

Amount
- Repeat
- New

50.0%　50.0%

1Q FY2018
(Jan.-Mar.) Result

Rental number
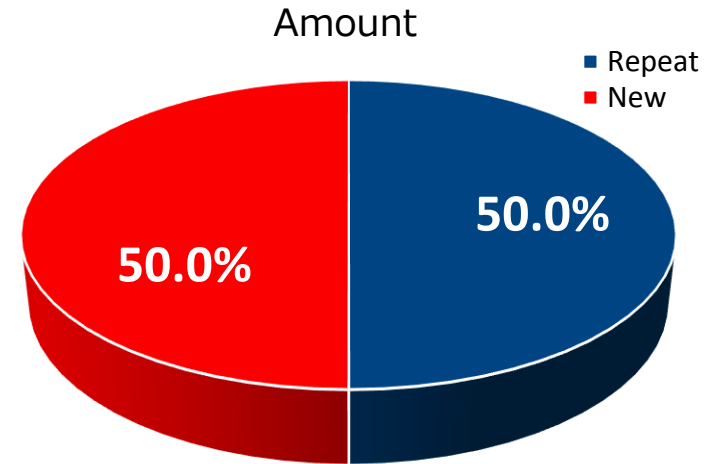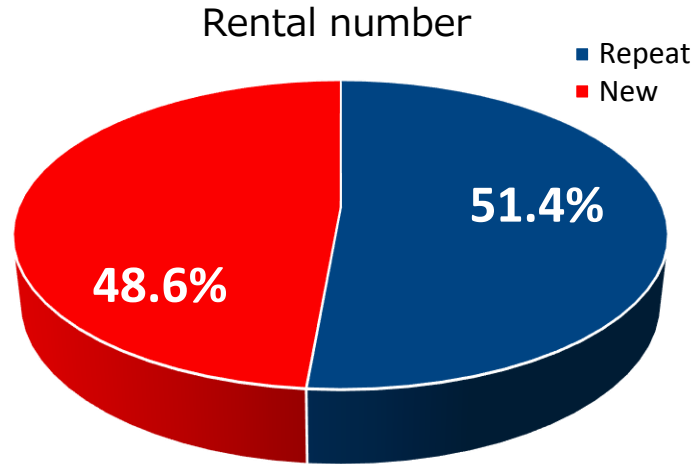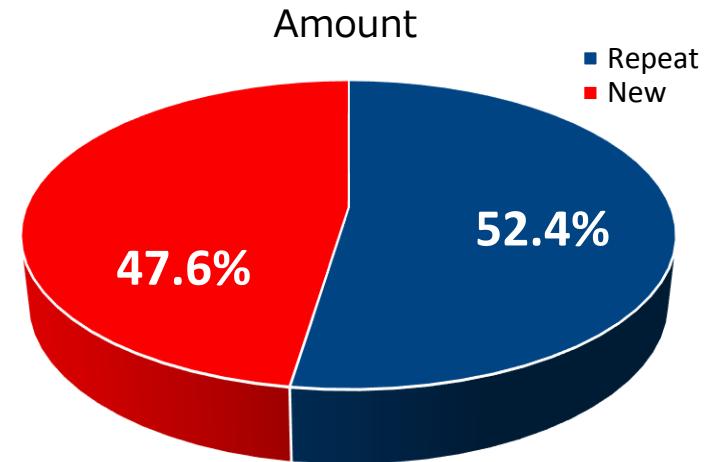- Repeat
- New

52.1%　47.9%

Amount
- Repeat
- New

52.4%　47.6%

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

"GLOBAL WiFi" Business   Customer Attributes
(Gender/Age/Past Cumulative Total)

Age

- Under 18
- 19-24
- 25-29
- 30-34
- 35-39
- 40-44
- 45-49
- 50-54
- 55-59
- Over 60
- Unknown

1.4%, 1.4%, 5.7%, 5.8%, 8.6%, 11.3%, 10.9%, 11.8%, 13.5%, 14.0%, 15.6%

Gender/Corporate or individual

- Individual / Female
- Individual / Male
- Corporate / Female
- Corporate / Male

43.8%, 32.0%, 6.8%, 17.4%

Age (Male)

- Under 18
- 19-24
- 25-29
- 30-34
- 35-39
- 40-44
- 45-49
- 50-54
- 55-59
- Over 60
- Unknown

2.3%, 0.9%, 7.9%, 9.2%, 11.0%, 6.8%, 9.6%, 13.2%, 13.2%, 12.8%, 13.2%

Age (Female)

- Under 18
- 19-24
- 25-29
- 30-34
- 35-39
- 40-44
- 45-49
- 50-54
- 55-59
- Over 60
- Unknown

0.6%, 1.9%, 3.6%, 7.5%, 4.9%, 9.5%, 9.0%, 10.4%, 13.8%, 17.0%, 21.8%
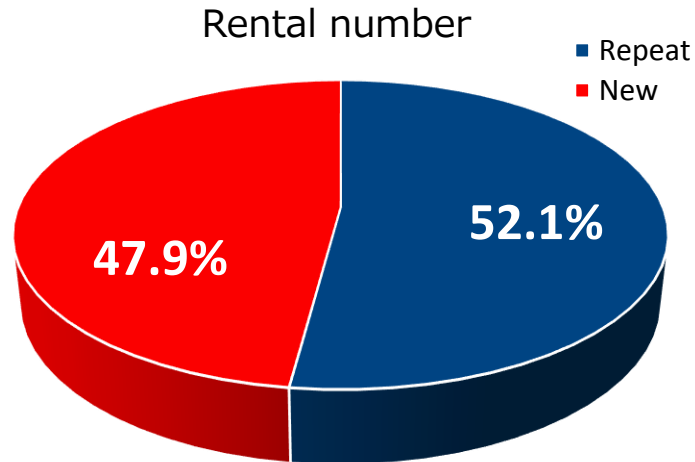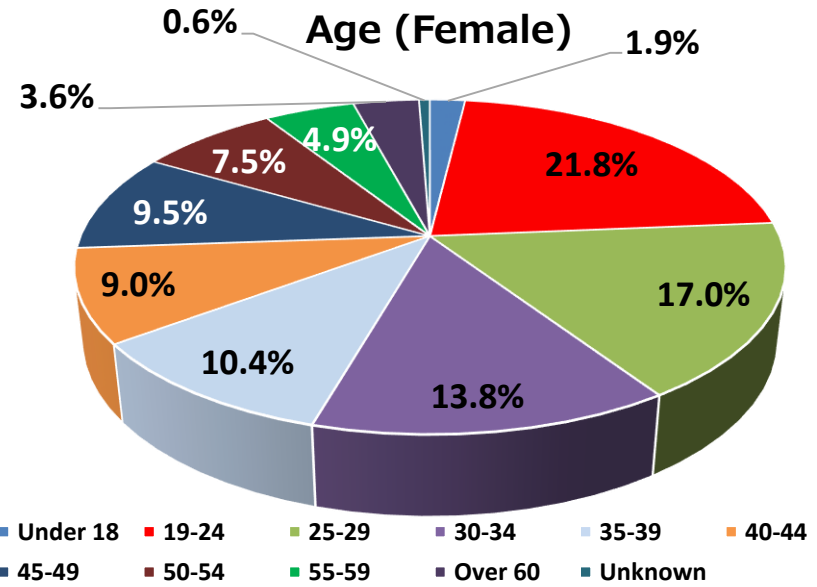
※It is the ratio of overseas use (outbound: Japan ⇒ overseas).

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

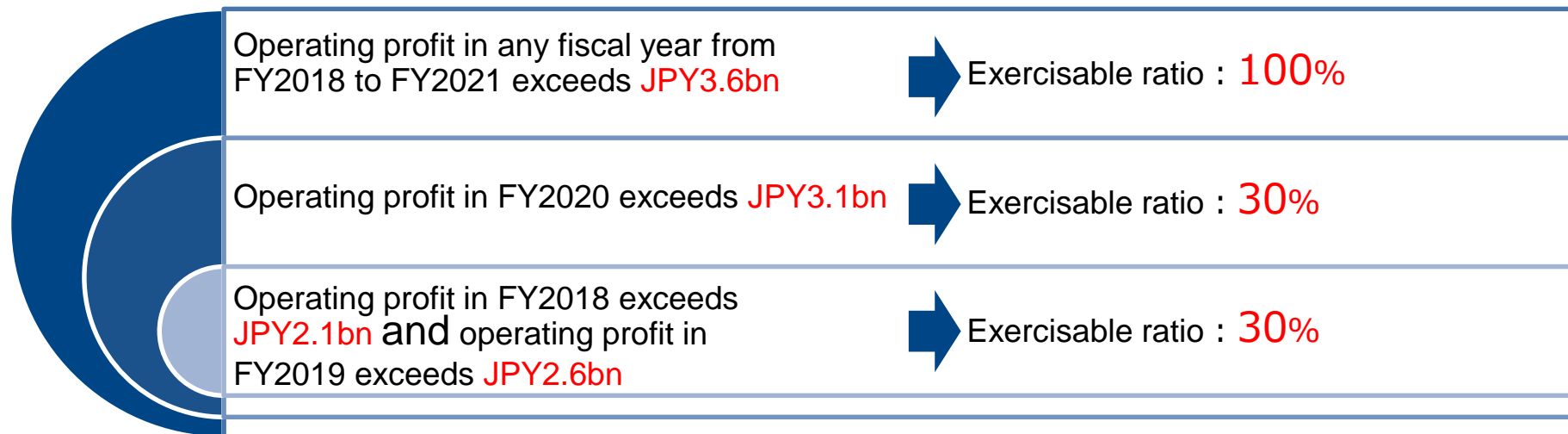| Item	Details
Name	Vision Inc. Third Series Stock Acquisition Rights
Number of issues	13,560 units (100 shares per stock acquisition right, 1,356,000 shares of common stock)
Issue price	JPY1,600 per stock acquisition right
Total issue price	JPY3,510,684,000
Target	Directors (excluding outside directors),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

VISION INC.

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

Number of Consolidated Employees
(Average temporary employees) | 737 (145)
Domestic: 652 (136)
Global: 85 (9)
(As of March 31, 2019)

Affiliated Companies | Domestic: 6
Global: 12
(As of March 31, 2019)

Business | GLOBAL WiFi Information and Communications Service

Operation Bases and Affiliates

- Domestic Affiliated Companies : 6
- Domestic Operation Bases : 16
- Domestic Airport Counter : 16
- Global Affiliated Companies : 12
  Korea, USA (Hawaii), Hong Kong, Singapore, Taiwan, UK, Vietnam, China (Shanghai), France, Italy, USA (California), New Caledonia

GLOBAL WIFI.UK LTD
Global WiFi France SAS
Vision Mobile Italia S.r.I.
上海高効通信科技有限公司
Vision Mobile Hong Kong Limited
VISION VIETNAM ONE MEMBER LIMITED LIABILITY COMPANY
無限全球通移動通信股份有限公司（台湾）
GLOBAL WIFI.COM PTE. LTD.
VISION MOBILE NEW CALEDONIA

Vision Inc.
Best Link Inc.
Members Net Inc.
Alphatechno Inc.
BOS Inc.
RaPid Corp.
Vision Ad Inc.
Vision Mobile Korea Inc.

VISION MOBILE USA CORP.
Vision Mobile Hawaii Inc.

- Affiliates, Purchasing / Operation Bases
- Purchasing / Operation Bases
- System Development Center (Offshore)

History and Evolution of Sales

Started Global Wi-Fi router rental service

Started e-ca (domestic) Wi-Fi router rental service

Started broadband subscription

Started company cellphone business

Started Internet advertising business

Founded

1995 — **Started international telephone service sales business for South American people who live in Japan**

2003

2004

2005

2006

2007

2008

2010

2012

2015

2016

Established Best Link Inc. and Members Net Inc.

Listed with "Mothers" of the Tokyo Stock Exchange in Dec. 2015

Changed the market to the 1st Section of the Tokyo Stock Exchange in Dec. 2016

Growth by sales strength of WEB marketing and know-how

Growth by Wi-Fi business

Irregular period due to changes in fiscal year-end.
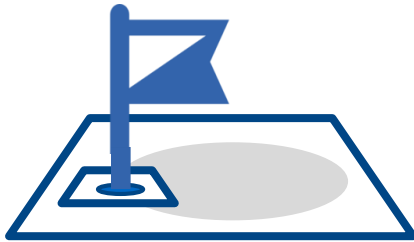
NINJA WiFi — Powered by GLOBAL WiFi

GLOBAL WiFi

Our Core Strategies

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

RIGHT PRICE

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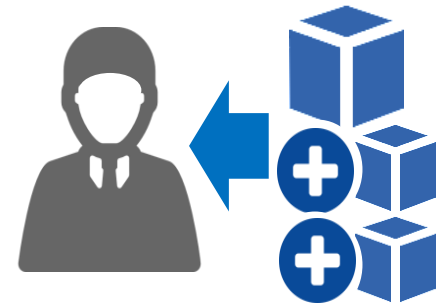
- Pick up new needs for information and communications services and **continuously offer** services **at reasonable prices at the right time.**
- Build a **long-term relationship with customers**.

✓ 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
  - Connectable with multiple users and multiple devices (companion, smartphone, laptop, 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 since starting business.
- Our own sales structure, CRM
  - Web marketing × Sales rep × CLT (Customer Loyalty Team)

Step 1 — Order and payment
Order through the web. Payment is made by credit card at the time of order.

Step 2 — Receive router
Collect the router at an airport in Japan or receive it by delivery, or in your destination country.

Step 3 — Use overseas
Enjoy the Internet while you are overseas. The Wi-Fi settings are easy to configure.

Step 4 — Return router
Return the router at an airport in Japan or by delivery, or in your destination country.

Before traveling | While traveling | After traveling

Telephone Line Arrangements | Cellphone Support | Office Automation | Website Support | Security | Electric Power

Contributing to the Information and Communications Revolution

Notes on the Future Outlook

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 obligated to update and revise the "forward-looking statements" included in this announcement.

Vision Inc.

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