

2nd Quarter FY2019 Financial Results

August 9, 2019
Vision Inc.

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

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 - “GLOBAL WiFi” Business Customer Attributes
(Corporate•Individual) / (New•Repeat) / (By Gender / Age•Past Cumulative Total)
 - Stock Split, Overview of Stock Options with Charge Issuance
- Business Summary

Performance Highlights and 2Q FY2019 Results

2Q FY2019 Overview of Financial Results (Consolidated)

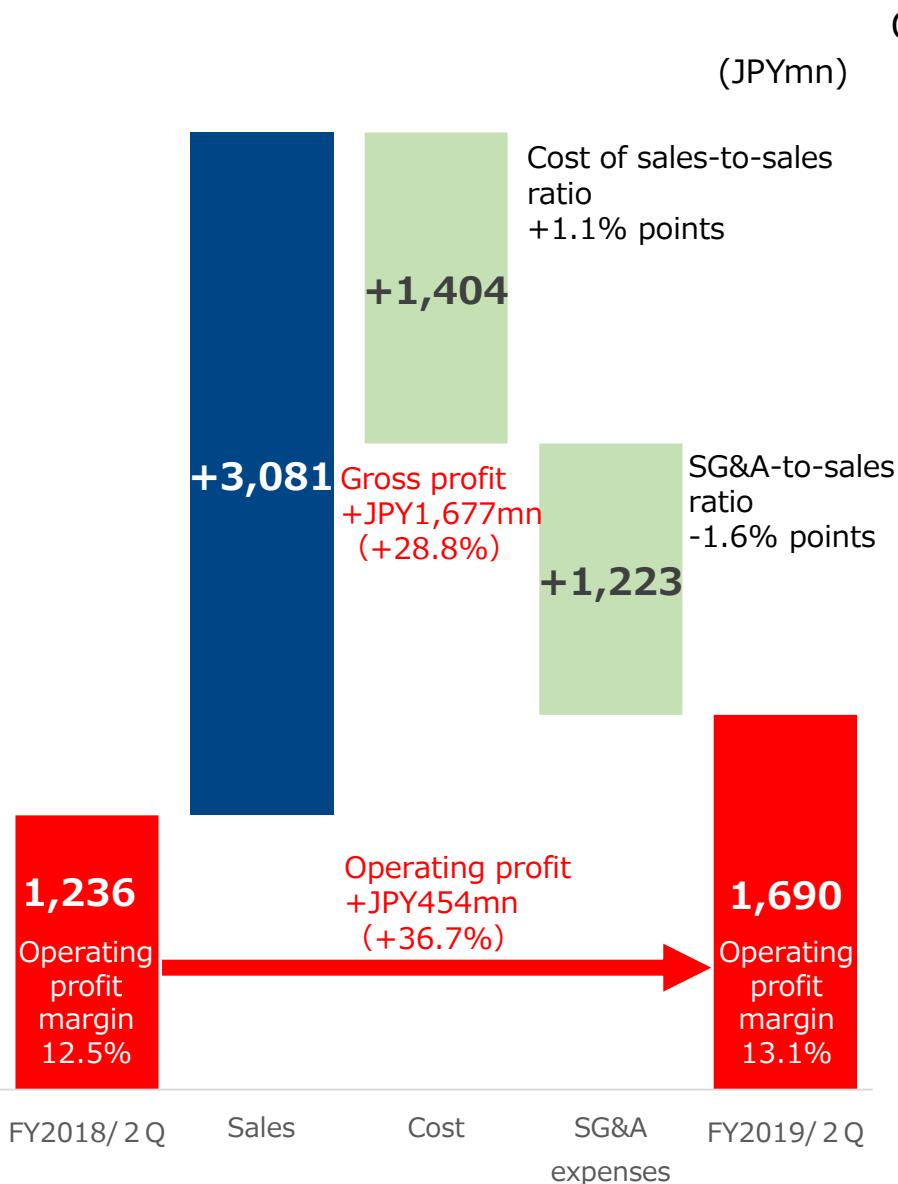


New records for both sales and each profit.

(JPYmn, %)

| Items | FY2019/2Q Result | | Change | |
|--|------------------|-------------------|---------------|--------------|
| | Amount | Composition ratio | Amount | Percentage |
| Sales | 12,937 | 100.0 | +3,081 | +31.3 |
| FY2018/2Q Result | 9,855 | 100.0 | +1,504 | +18.0 |
| Gross profit | 7,496 | 57.9 | +1,677 | +28.8 |
| FY2018/2Q Result | 5,819 | 59.0 | +967 | +19.9 |
| Operating profit | 1,690 | 13.1 | +454 | +36.7 |
| FY2018/2Q Result | 1,236 | 12.5 | +385 | +45.4 |
| Recurring profit | 1,673 | 12.9 | +428 | +34.4 |
| FY2018/2Q Result | 1,245 | 12.6 | +395 | +46.5 |
| Profit attributable to owners of parent | 1,075 | 8.3 | +265 | +32.9 |
| FY2018/2Q Result | 809 | 8.2 | +237 | +41.6 |

Factors for Increase in Operating Profit



– Sales:

- “GLOBAL WiFi” Business
 - ⇒ Increase sales because the rental number has increased.
- Information and Communications Service Business
 - ⇒ Continue to increase sales steadily by up/cross selling strategy.

– Cost of sales:

- “GLOBAL WiFi” Business
 - Improve purchasing conditions by volume discount.
 - Improve cost and operation efficiency by utilizing CLOUD WiFi. (Improve cost of sales-to-sales ratio and profit.)
- Information and Communications Service Business
 - Increase cost of sales-to-sales ratio by increasing the ratio of products that generate purchased costs, such as MFP. (Increase segment profit margin.)
- Others
 - “ProDrivers” driver labor cost (Record in cost) Start from FY2018/3Q.

– SG&A expenses:

- Improve work efficiency by utilizing AI chatbot, and RPA, etc.
 - ⇒ Reduce labor cost-to-sales. (approx. -4.3% points)

Segment Result



- “GLOBAL WiFi” Business: Sales **+36.7%** and Segment profit **+38.9%**.
- Information and Communications Service Business: Sales **+17.8%** and Segment profit **+31.2%**.

(JPYmn, %)

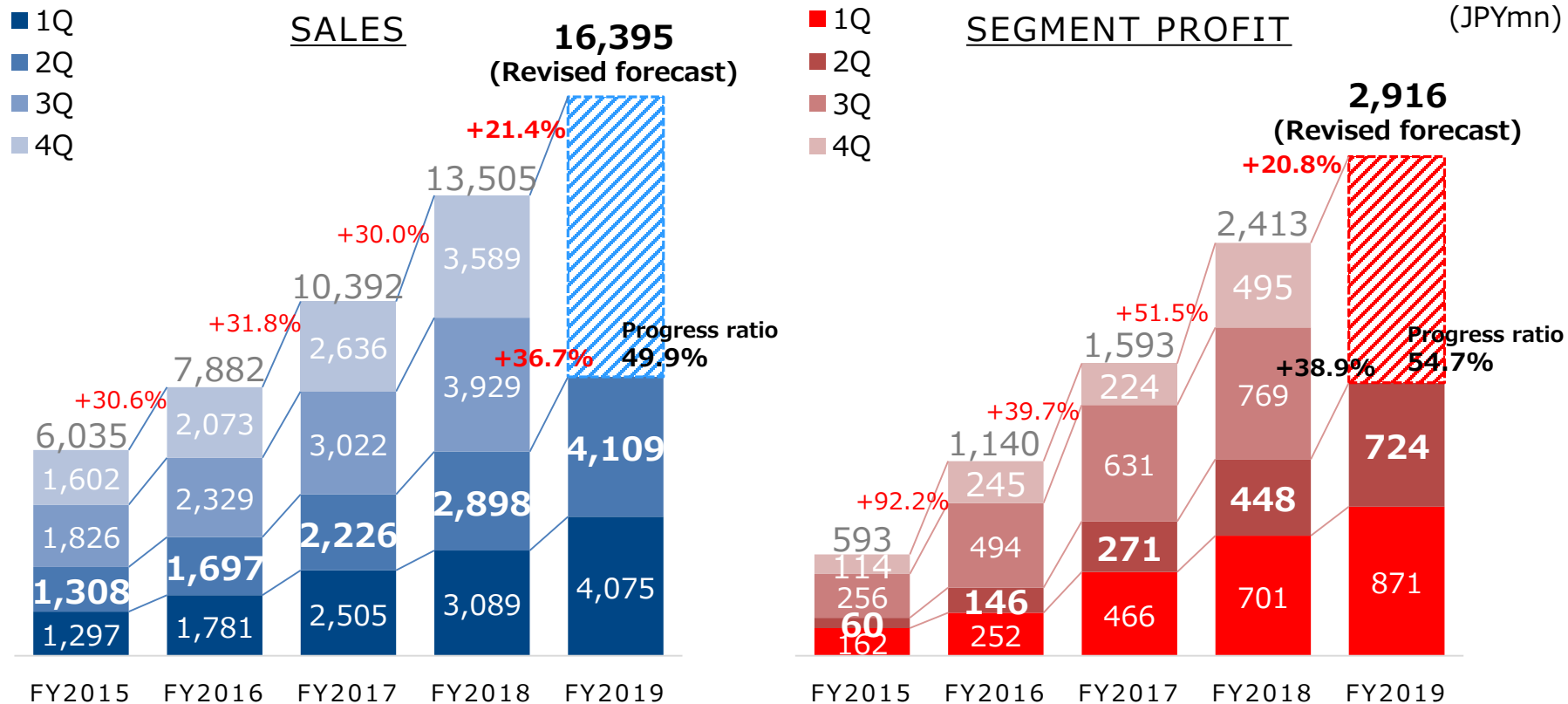
| | | FY2019/2Q | FY2018/2Q | Change | |
|----------------------|--|---------------|--------------|---------------|--------------|
| | | Result | Result | Amount | Percentage |
| | | Amount | Amount | Amount | Percentage |
| Sales | “GLOBAL WiFi” | 8,184 | 5,987 | +2,197 | +36.7 |
| | Information and Communications Service | 4,509 | 3,827 | +682 | +17.8 |
| | Subtotal | 12,694 | 9,814 | +2,879 | +29.3 |
| | Others | 247 | 40 | +206 | +509.3 |
| | Adjustments | -4 | — | -4 | — |
| | Total (Cons.) | 12,937 | 9,855 | +3,081 | +31.3 |
| Segment profit | “GLOBAL WiFi” | 1,596 | 1,149 | +446 | +38.9 |
| | Profit margin | 19.5 | 19.2 | +0.3 | — |
| | Information and Communications Service | 832 | 634 | +198 | +31.2 |
| | Profit margin | 18.5 | 16.6 | +1.9 | — |
| | Subtotal | 2,428 | 1,783 | +644 | +36.2 |
| | Others | -157 | -67 | -90 | -135.0 |
| Adjustments | -580 | -480 | -100 | -20.9 | |
| Total (Cons.) | 1,690 | 1,236 | +454 | +36.7 | |

“GLOBAL WiFi” Business Transition of Performance



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

- Improve our Wi-Fi rental service penetration ratio ※. (Improve usage share.)
FY2018 : 14.9% ⇒ FY2019 2Q : 17.9% (approx. +3.0% points)
※ The ratio of the number of people who used our Wi-Fi router to those traveling from Japan to overseas.
- Mainly for corporate customers, the unlimited plan and “GLOBAL WiFi for Biz” are popular and the number of shipments has increased.
- Continued efforts to improve profitability, such as cost efficiency and operation improvement.



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

※ Created from Japan Tourism Agency material by us

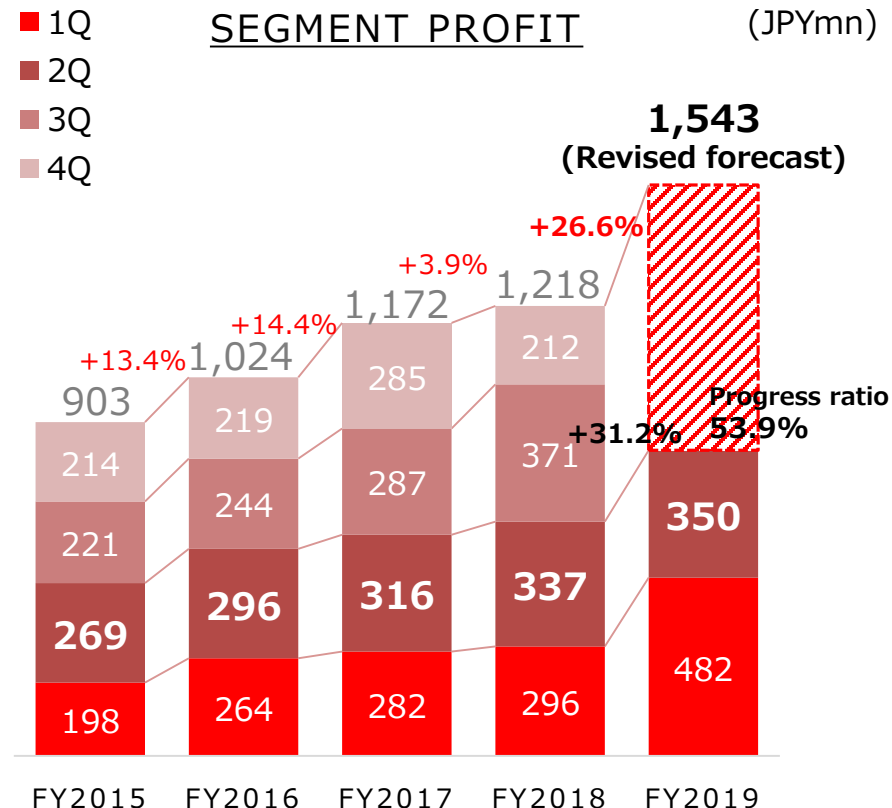
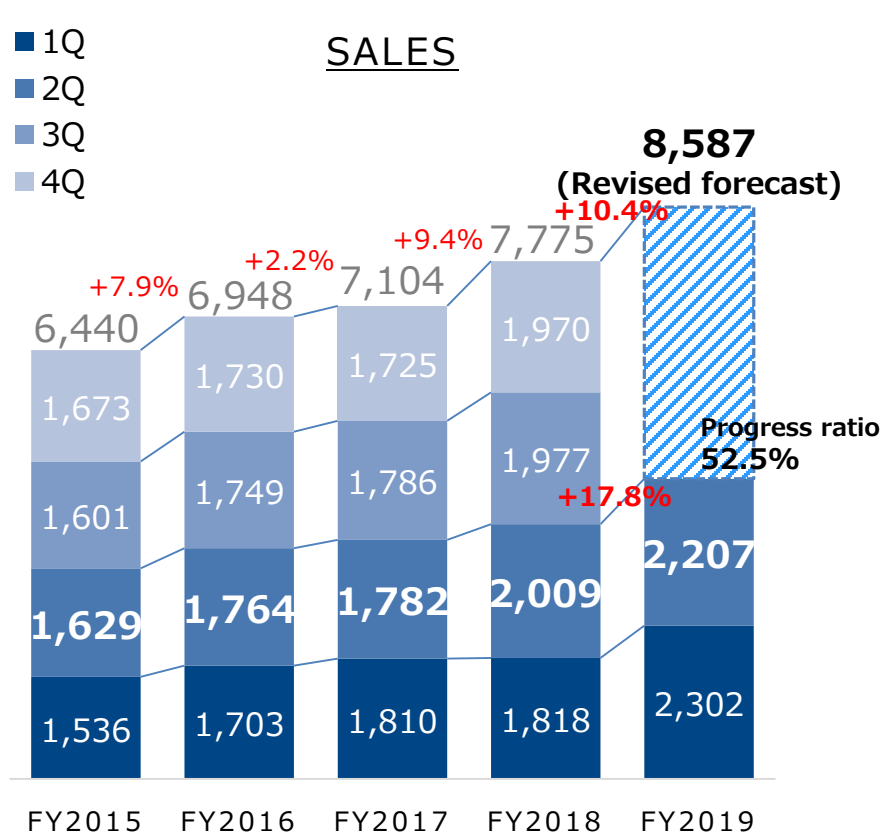
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Information and Communications Service Business Transition of Performance



Increase 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.
 - Sales have been strong in in-house services (cloud-type workflow service) and consulting services suitable for the business growth stage.



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

FY2019 Forecast of Financial Results

Revise Consolidated Financial Forecast for FY2019

(Resolved by the Board of Directors' Meeting on August 9, 2019)



※Excerpt from "Notice of Revision to Financial Forecast" on Aug. 9, 2019

Upward revision

Revise consolidated financial forecast for FY2019 based on the recent performance trends.

| | Sales | Operating profit | Recurring profit | Net income attributable to owners of parent | Net income per share |
|--|---------------|------------------|------------------|---|----------------------|
| | JPYmn | JPYmn | JPYmn | JPYmn | JPY |
| Previous forecast (A) | 24,470 | 3,012 | 3,013 | 2,003 | 123.49 |
| Revised forecast (B) | 25,793 | 3,264 | 3,248 | 2,116 | 130.38 |
| Change (B – A) | 1,322 | 252 | 234 | 112 | |
| Change (%) | 5.4 | 8.4 | 7.8 | 5.6 | |
| (Reference) Previous year results (FY2018) | 21,503 | 2,484 | 2,499 | 1,529 | 94.2 |

FY2019 Forecast of Financial Results



Revise FY2019 forecast based on the results for 2Q FY2019.

Sales: **+19.9%** YoY, and Operating profit: **+31.4%** YoY.

(JPYmn, %)

| Items | FY2019 Forecast | | Change | |
|--|-----------------|-------------------|---------------|--------------|
| | Amount | Composition ratio | Amount | Percentage |
| Sales | 25,793 | 100.0 | +4,289 | +19.9 |
| FY2018 Result | 21,503 | 100.0 | +3,948 | +22.5 |
| Gross profit | 15,094 | 58.5 | +2,444 | +19.3 |
| FY2018 Result | 12,650 | 58.8 | +2,489 | +24.5 |
| Operating profit | 3,264 | 12.7 | +780 | +31.4 |
| FY2018 Result | 2,484 | 11.6 | +695 | +38.9 |
| Recurring profit | 3,248 | 12.6 | +748 | +29.9 |
| FY2018 Result | 2,499 | 11.6 | +704 | +39.3 |
| Profit attributable to owners of parent | 2,116 | 8.2 | +587 | +38.4 |
| FY2018 Result | 1,529 | 7.1 | +320 | +26.5 |

Segment Forecast



- “GLOBAL WiFi” Business: Sales **+21.4%** and Segment profit **+20.8%**.
- Information and Communications Service Business: Sales **+10.4%** and Segment profit **+26.6%**.

(JPYmn, %)

| | | FY2019 Forecast | FY2018 Result | Change | |
|----------------|--|--------------------|------------------|---------------|--------------|
| | | Amount | Amount | Amount | Percentage |
| Sales | “GLOBAL WiFi” | 16,395 | 13,505 | +2,890 | +21.4 |
| | Information and Communications Service | 8,587 | 7,775 | +811 | +10.4 |
| | Subtotal | 24,983 | 21,281 | +3,701 | +17.4 |
| | Others | 814 | 231 | +583 | +252.6 |
| | Adjustments | -4 | -8 | +3 | -46.4 |
| | Total (Cons.) | 25,793 | 21,503 | +4,289 | +19.9 |
| Segment profit | “GLOBAL WiFi” | 2,916 | 2,413 | +502 | +20.8 |
| | Information and Communications Service | 1,543 | 1,218 | +324 | +26.6 |
| | Subtotal | 4,460 | 3,632 | +827 | +22.8 |
| | Others | -69 | -194 | +125 | -64.4 |
| | Adjustments | -1,126 | -954 | -172 | +18.1 |
| | Total (Cons.) | 3,264 | 2,484 | +780 | +31.4 |

Forecast for the Full Year (Quarterly Transition)



(JPYmn, %)

| | | 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 | 6,467 | | | 25,793 |
| | Composition ratio (vs. FY) | 25.1 | 25.1 | | | – |
| | Operating profit | 980 | 710 | | | 3,264 |
| | Composition ratio (vs. FY) | 30.0 | 21.8 | | | – |
| | Operating profit margin | 15.1 | 11.0 | | | 12.7 |

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.

(Jun. 2018: approx. 77% ⇒ Jun. 2019 : approx. 93%)

- ※ Differentiate by utilizing the SIM contracted by us.
- ※ Some countries cannot 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:
 - Offer "GLOBAL WiFi for Biz".
 - Keep it at the customer's office. (No need for rental arrangement every trip.)
 - Domestic (Japan) internet connection is free up to 3GB/month. (available on a daily basis)
 - Expand inventory at each airport counter and coverage areas.
- Start the rental offer of "GW01", the world's first cloud-enabled smartphone-type Wi-Fi router (from August 1).
 - Thickness -59%, weight -25%, up to 12 hours available continuously



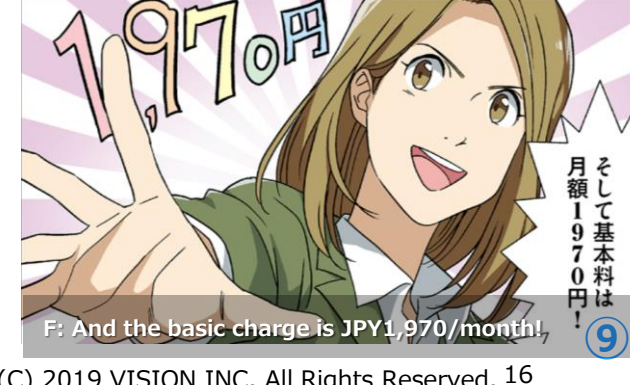
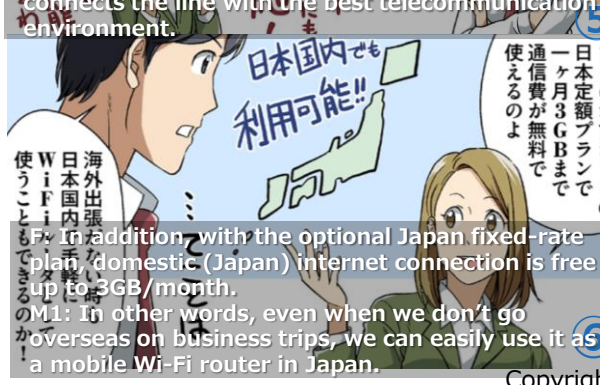
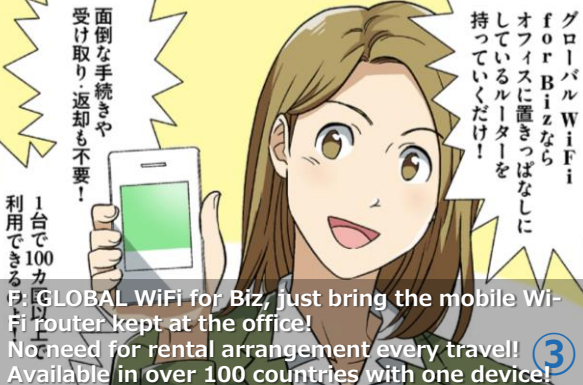
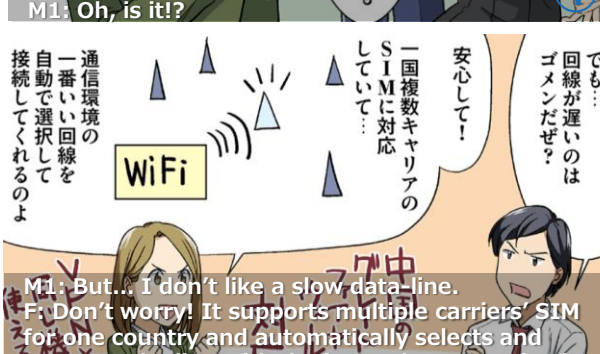
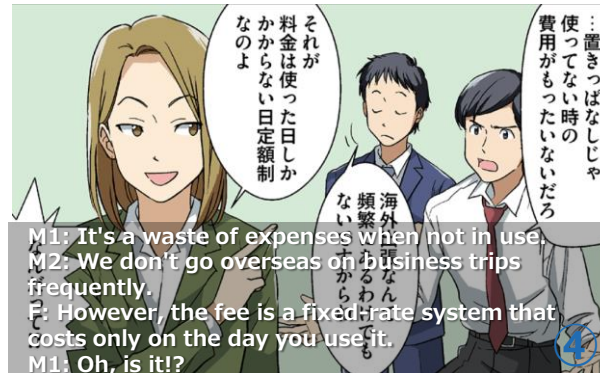
GLOBAL WiFi for Biz



If you have GLOBAL WiFi for Biz...



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



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

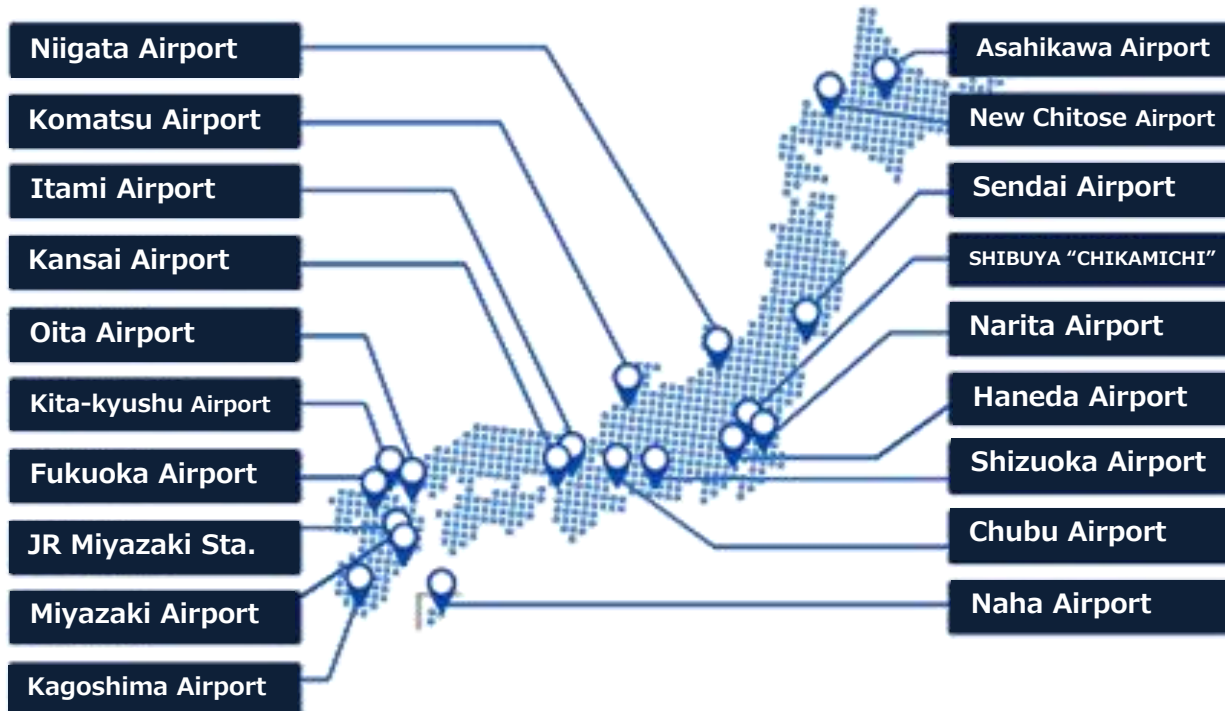
Improve CS

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.

Airport Counter and Smart Pickup

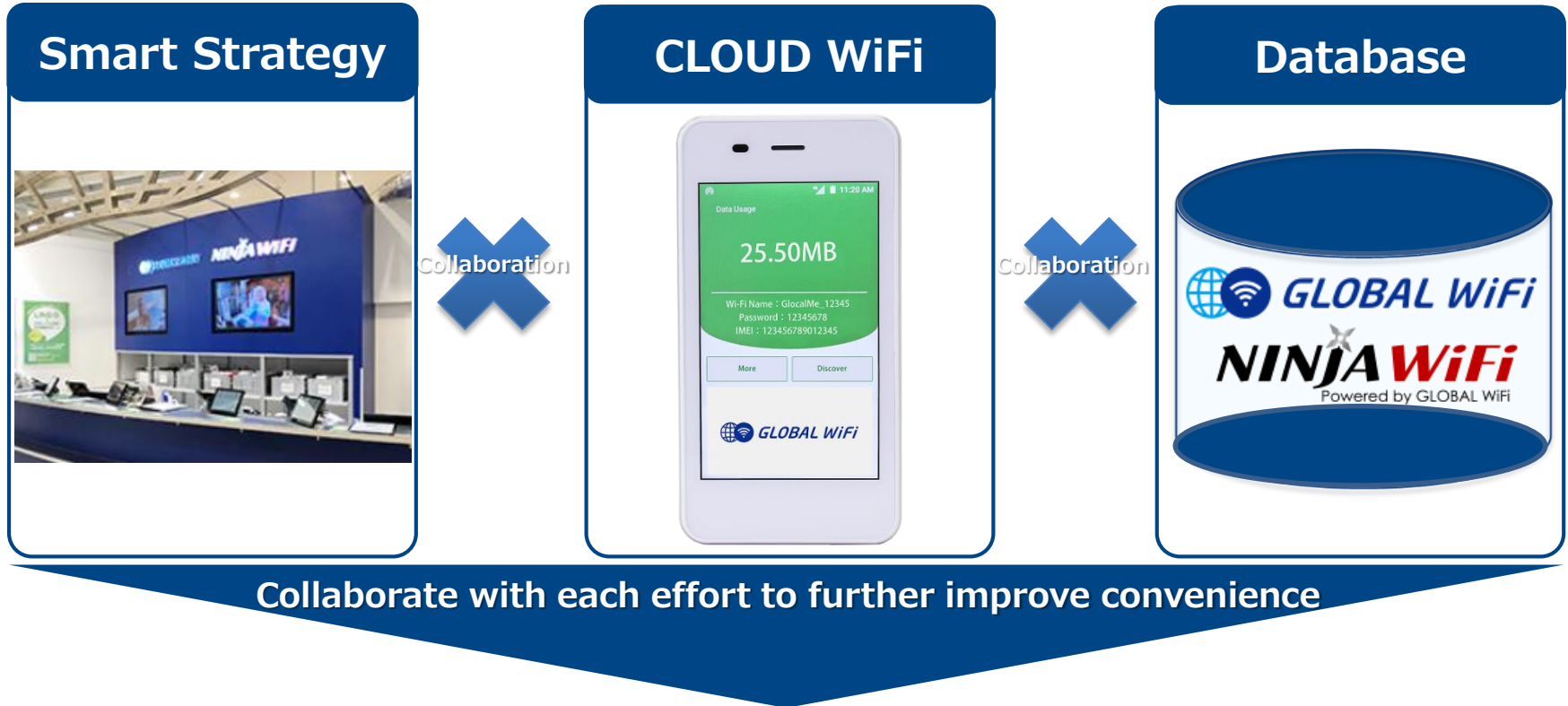
- Receive and return at 25 counters of 17 airport in Japan. (Number of airport counter is the industry's largest class.)
 - 20 automatic pick-up lockers are installed at 6 airports.
 - Enhance users' touch points such as new counter openings (Kita-kyushu Airport) and "Smart Pickup" addition (18 ⇒ 20).
 - 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, Kita-kyushu Airport: 1 (1 addition) Total: 20
- ※As of June 30, 2019



Receive and Return according to customers' needs



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.

Install Unmanned Shops and Vending Machines

(Prepaid SIM for Japan)

- New style shop (the first shop)
 - Kita-kyushu airport
 - Kyushu's only 24-hour airport.
 - Install the first prepaid card SIM vending machine at the airport.
 - Unmanned shops available to receive and return devices.
 - Install pre-paid SIM for Japan vending machines (first in our group) mainly for foreign travelers visiting Japan and those who are temporarily back to Japan.
 - Respond to customers early in the morning and late at night, when securing human resources is difficult even if there are needs.
 - Accelerate to add touch points with space-saving and low-cost. Improve convenience and increase profits.



Offer an Unlimited Plan (Expand available areas)

- There is a tendency to consume large data, such as diversification of 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.
- ⇒ Respond to a request for the plan that can be used without worrying about data capacity, and expand the service area.
- ⇒ Popular for business use. (Improve ARPU.)



Start offering an unlimited plan



Further expanded the coverage area. Available in **71 countries**



What's an unlimited plan?

From the voice of customers who want to use without worrying about the data capacity, “unlimited plan” with unlimited data capacity was born.

○ 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.

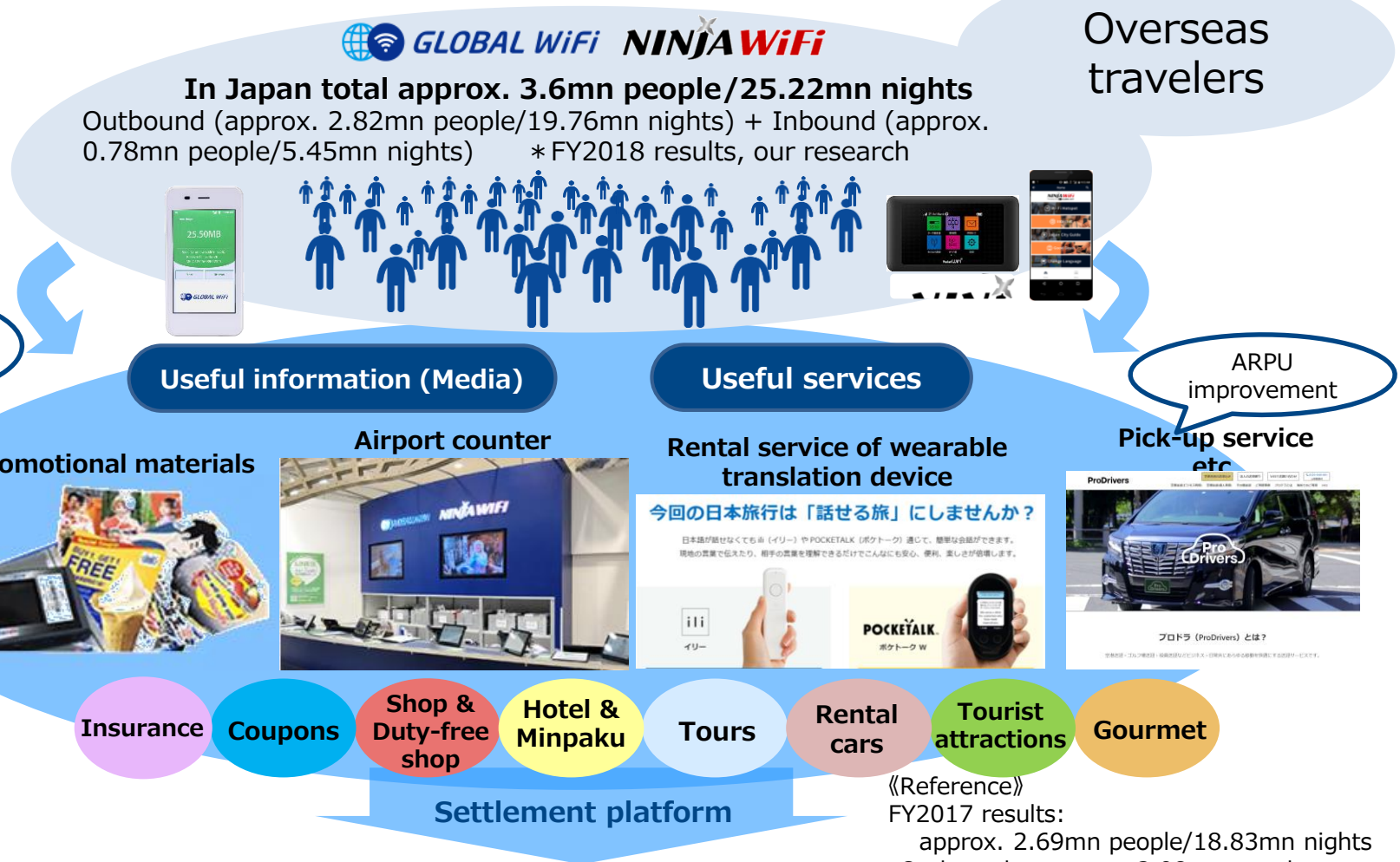
○ Sell in-house developed services (Enhance products, services, and business models)

- “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.



Guide customers to allied partners

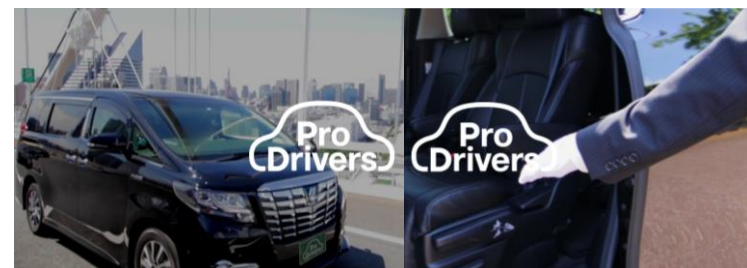
《Reference》
 FY2017 results:
 approx. 2.69mn people/18.83mn nights
 •Outbound... approx. 2.08mn people /14.56mn nights
 •Inbound... approx. 0.61mn people /4.27mn nights


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)



- 
- ✓ 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)



Growth Strategy

Medium-Term Growth Image

Steadily promote the growth strategies.

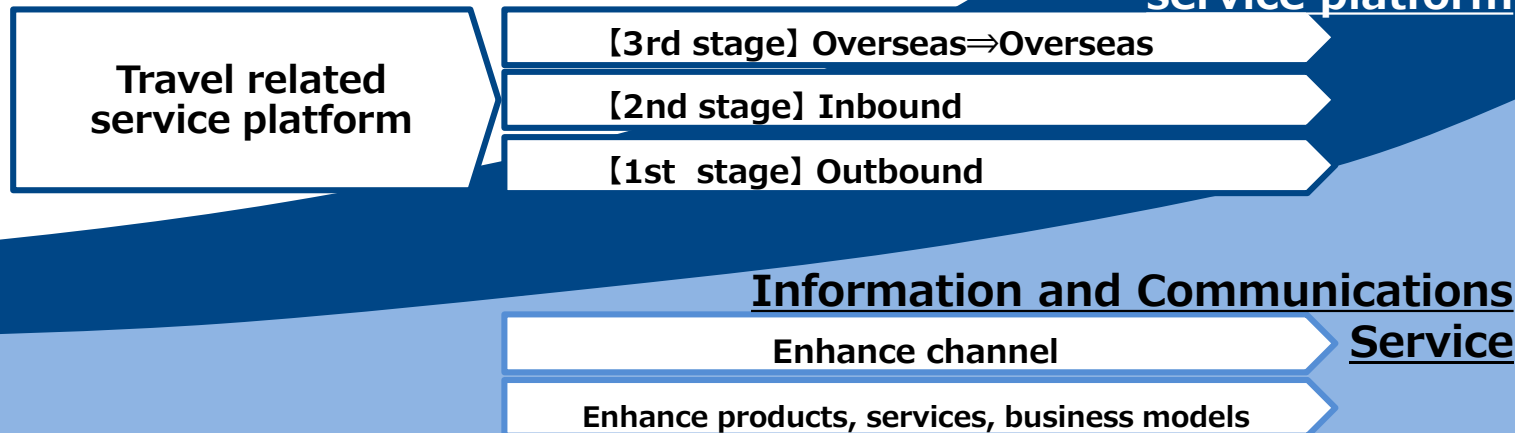
- “GLOBAL WiFi” Business

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" Business Model/Competitive Advantage



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

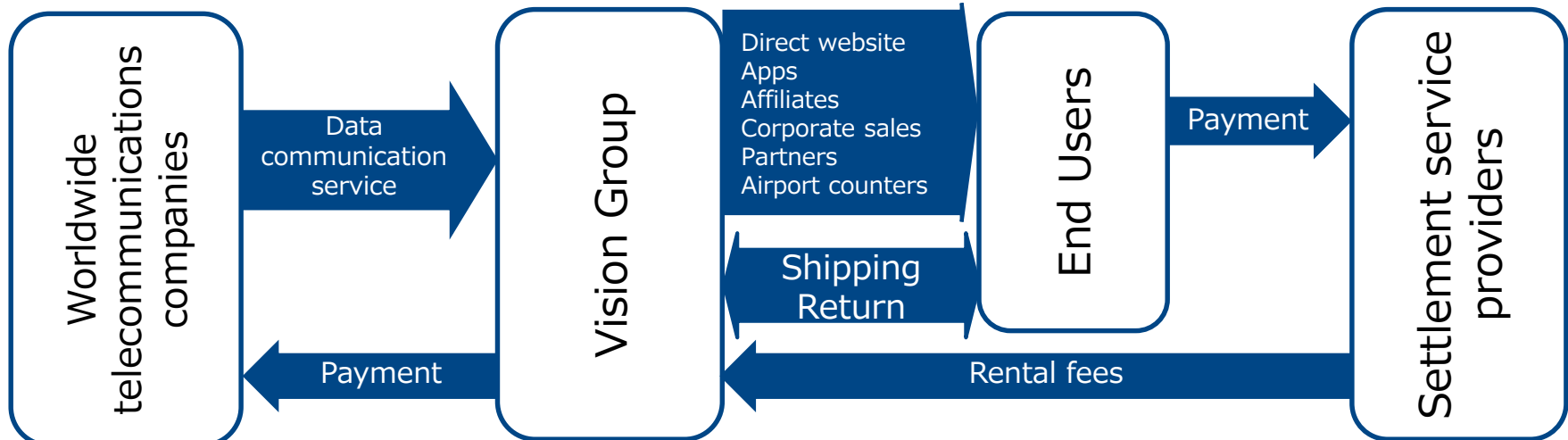
Uptake ability of corporate needs

Customers

Number of users is the largest in the industry




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



Compare How to Connect the Internet Abroad ①

- “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 |
|--|---|------|-------|------------|----------|
|  | ○ | ○ | ○ | ○ | ○ |
| | 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 | | | | |

| Wi-Fi router rental | Table | Roaming (Telecom carriers' fixed-rate) | Free Wi-Fi Spot / Hotel Wi-Fi |
|---|-------------------------|---|---|
| <p>JPY300-1,970/day Apply through the website.</p> | <p>Price</p> | <p>JPY980-2,980/day Contract according to the plan Need to check in advance the compatible models and settings. ※Depend on your mobile carrier</p> | <p>Free Wi-Fi spot free Hotel Wi-Fi including accommodation fee or JPY500-3,000</p> |
| <p>Fixed-rate and high-speed Substantial security and compensation Use without worry due to the fixed-rate. Choose the data-volume according to the situation.</p> | <p>Merit</p> | <p>Easy to connect ※Tethering is also available.</p> | <p>Easy to use Limited use area, but many places are provided for free, and connection is easy.</p> |
| <p>More luggage Need to carry a Wi-Fi router in addition to your smartphone.</p> | <p>Demerit</p> | <p>Expensive Price setting is more expensive than Wi-Fi rental. Misconfiguration of data-roaming may result in expensive charges.</p> | <p>Be careful about unauthorized access Easy to use, but there is a risk of virus infection and personal information may be stolen by unauthorized access.</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) Internet availability anywhere. No worry about busy access and difficulty to connect.</p> | <p>Recommend</p> | <p>If you want to use the internet easily with your own device</p> | <p>Want to save money, although the coverage area is limited. If it is enough for you to use the internet abroad within a limited time</p> |

"GLOBAL WiFi" Business Profit Structure

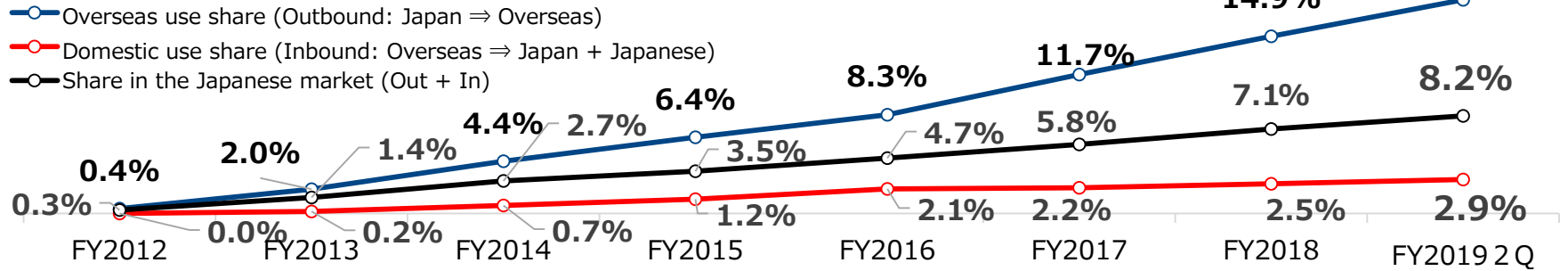


| Items | Summary |
|--------------------------|--|
| Sales | <p>① Rental price per day × number of usage days</p> <p>※Average : JPY1,000/day Average usage days : 7 days</p> <p>※Options such as insurance, mobile battery etc.</p> <p>② Monthly charge (JPY1,970) + data telecommunication fee (plan) × number 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) <ul style="list-style-type: none"> ※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. |

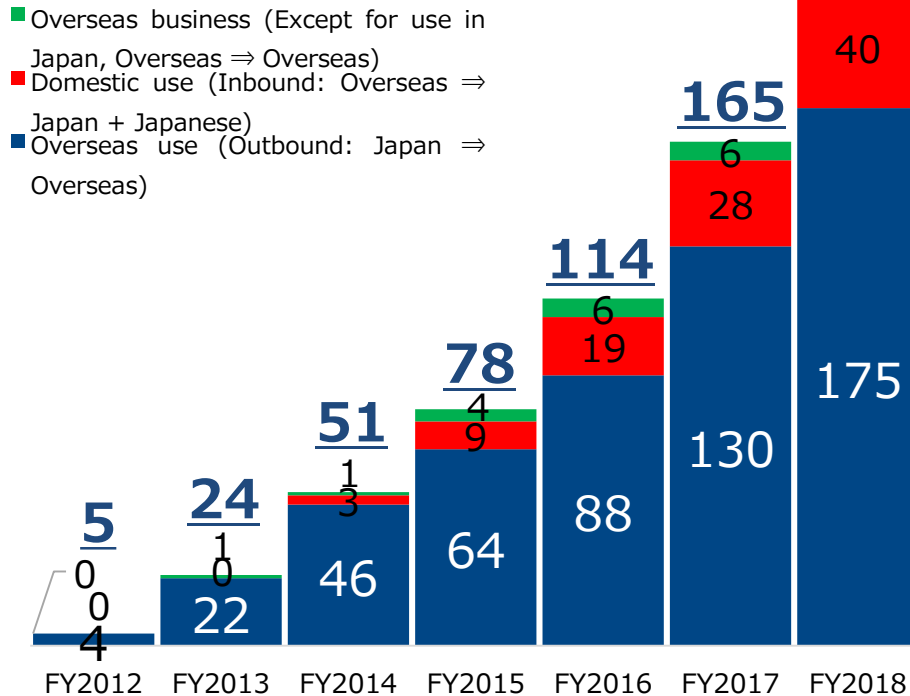
"GLOBAL WiFi" Business Growth Story



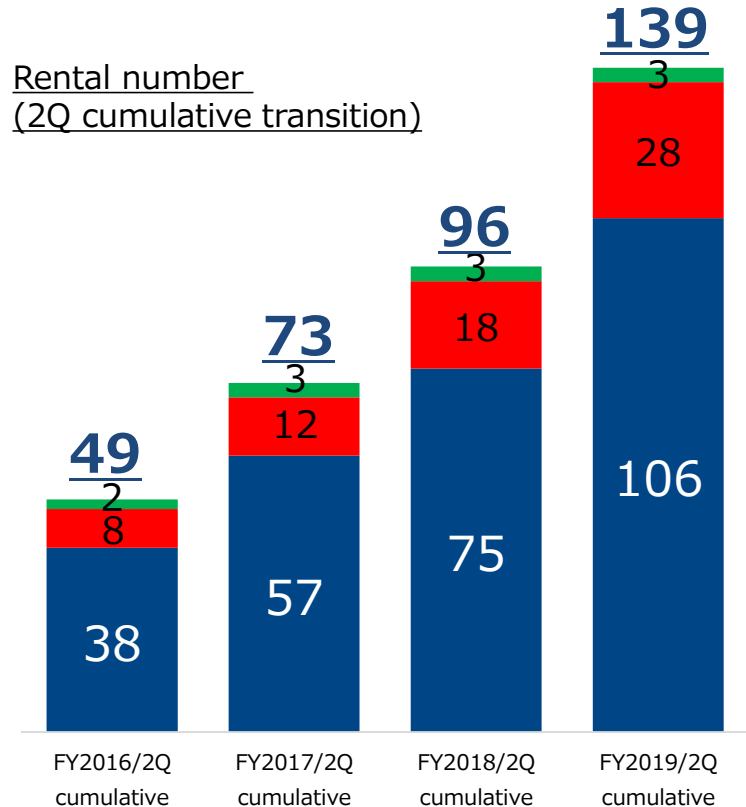
Our Wi-Fi rental service penetration ratio (Japan) ※



Annual rental number (Unit: 10 thousand)



Rental number (2Q cumulative transition)



※ Created from Japan Tourism Agency material by us

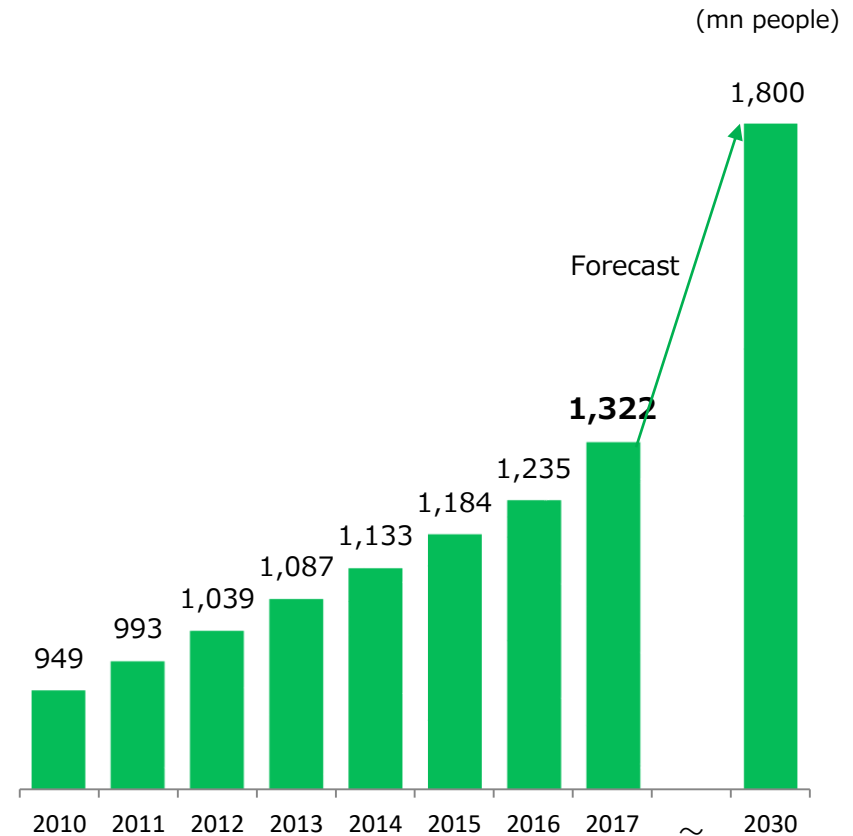
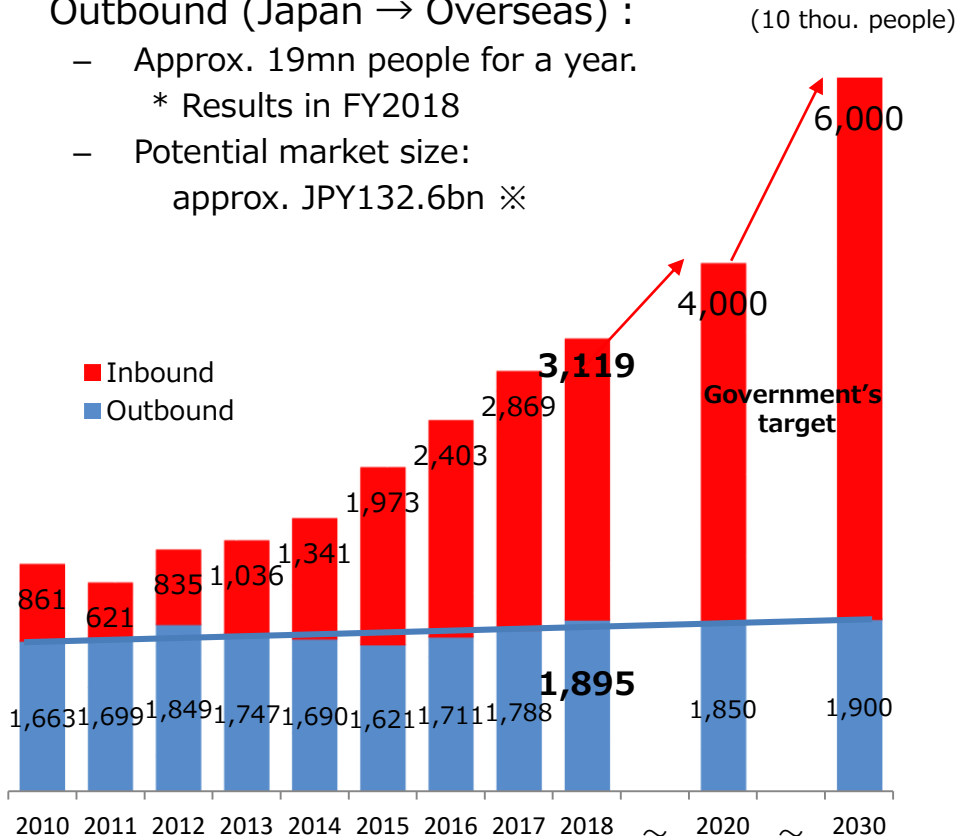
"GLOBAL WiFi" Business Market Size



- 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

- 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 ※

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



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

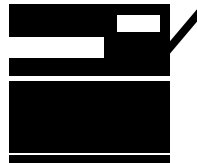
Ability to attract customers due to **our own WEB marketing** (Internet media strategy)

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 | <ul style="list-style-type: none"> • Business brokerage fee (commission) • Continuation fee (according to customers' usage situation) ※ Fee from telecom carriers and primary agents | <ul style="list-style-type: none"> • Sales price ※ 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. | |

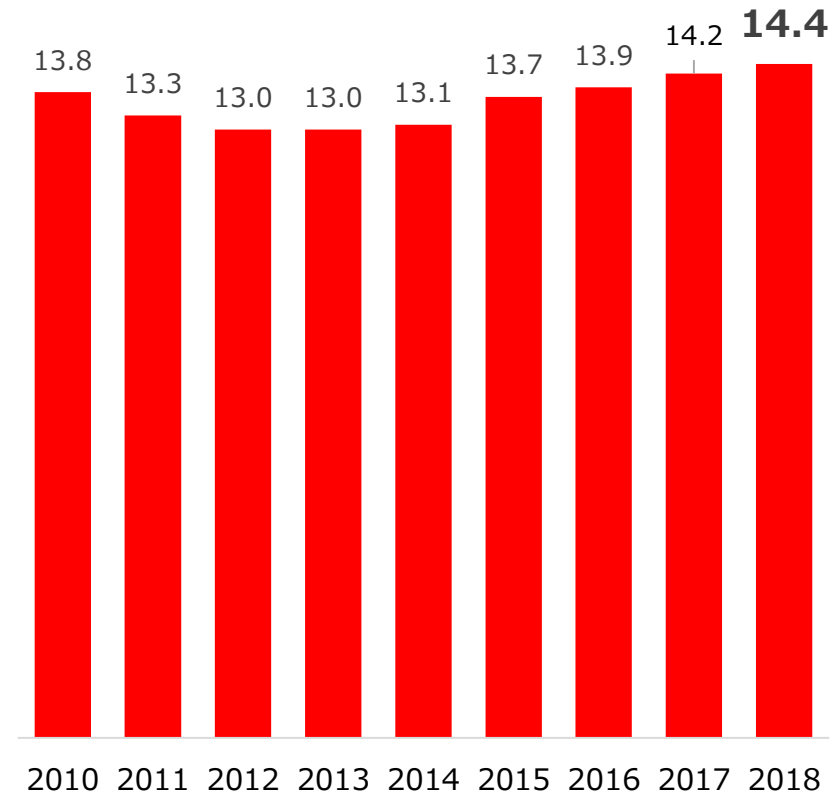
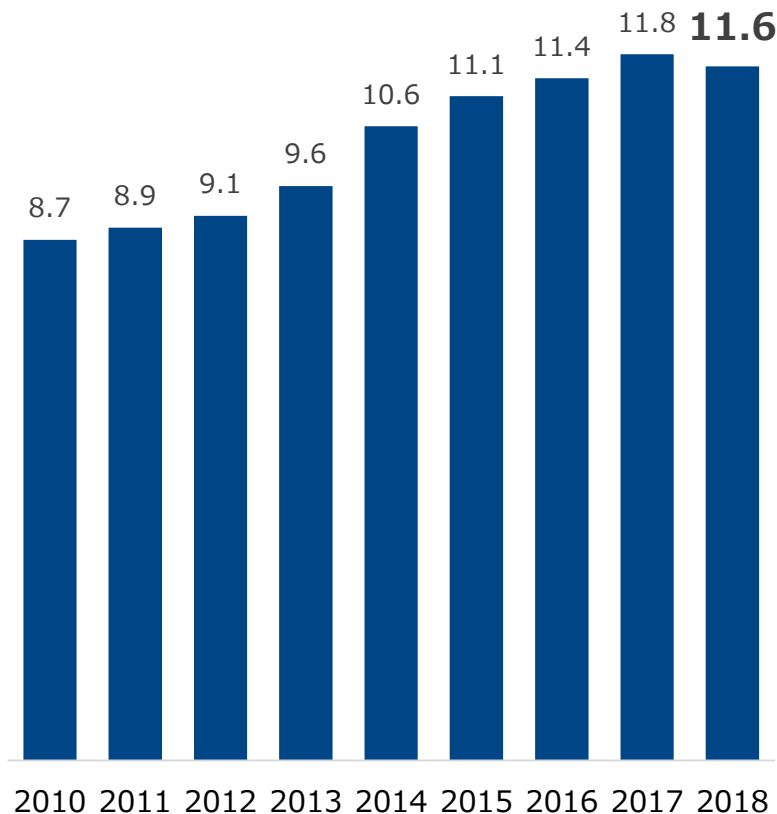
Information and Communications Service Business Market Size



- 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)

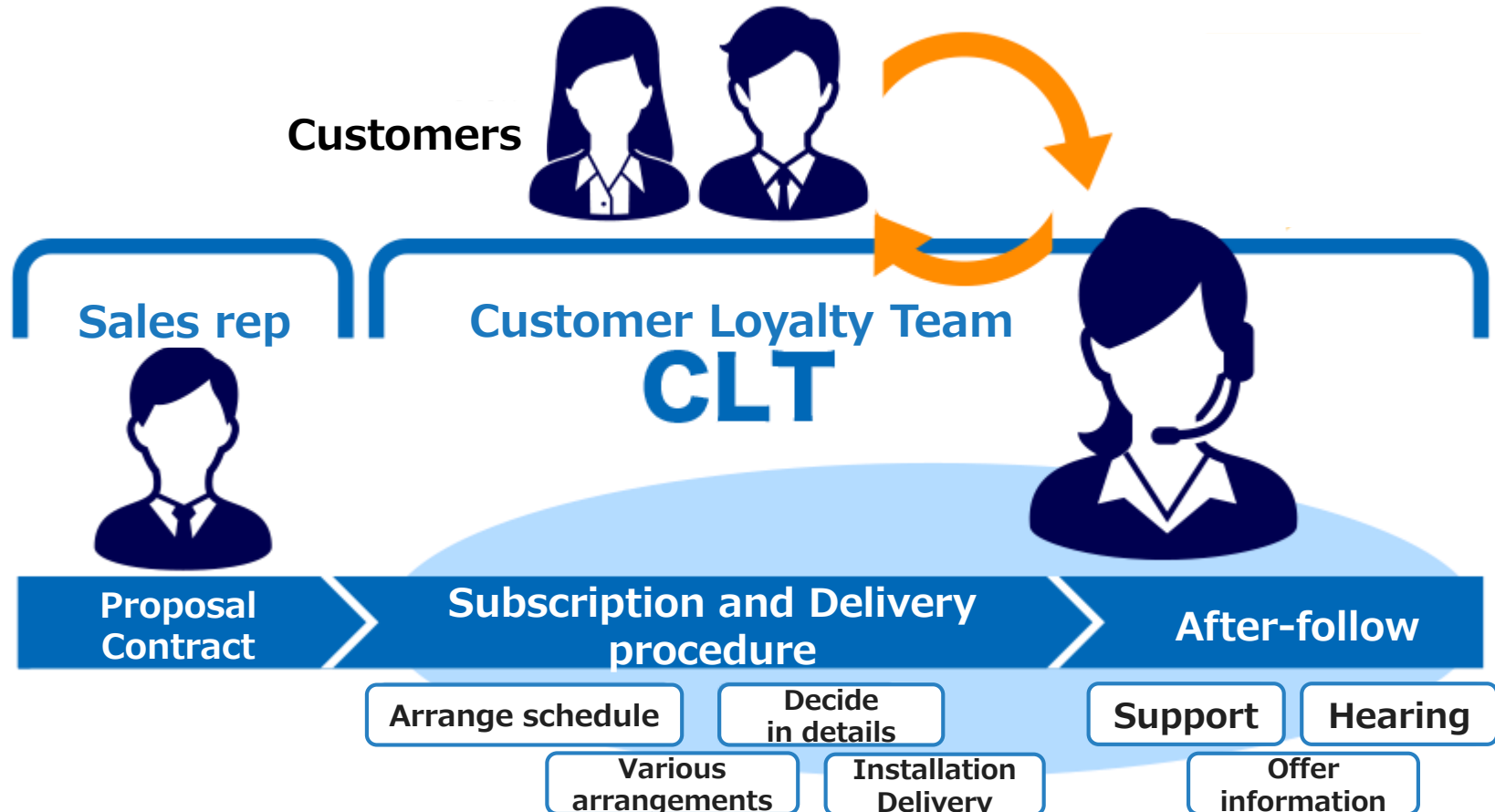


○ Create values with advanced operations

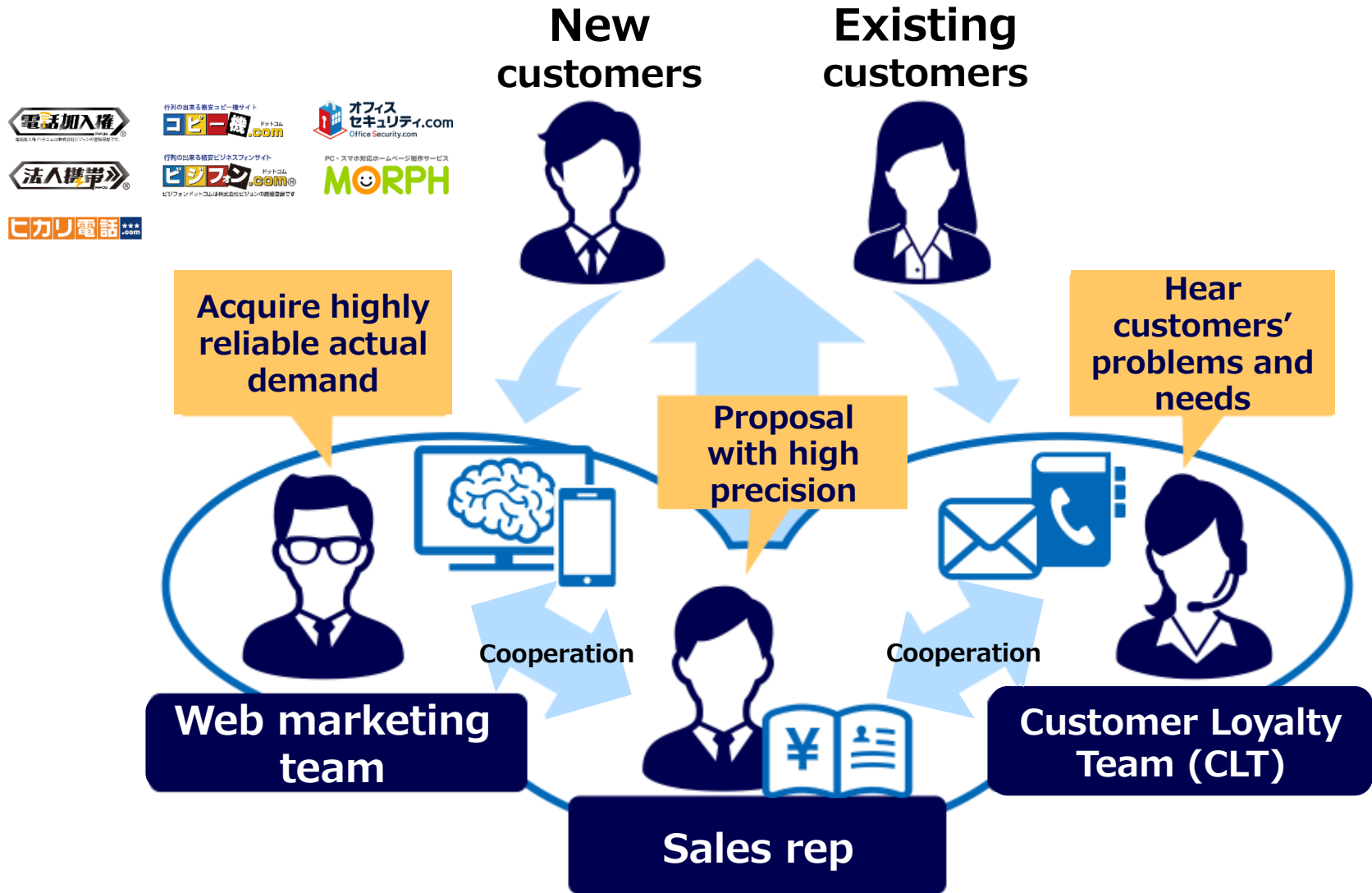
Customer Loyalty Team (CLT)

From delivery procedure to after-follow

Covers a wide range of operations



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

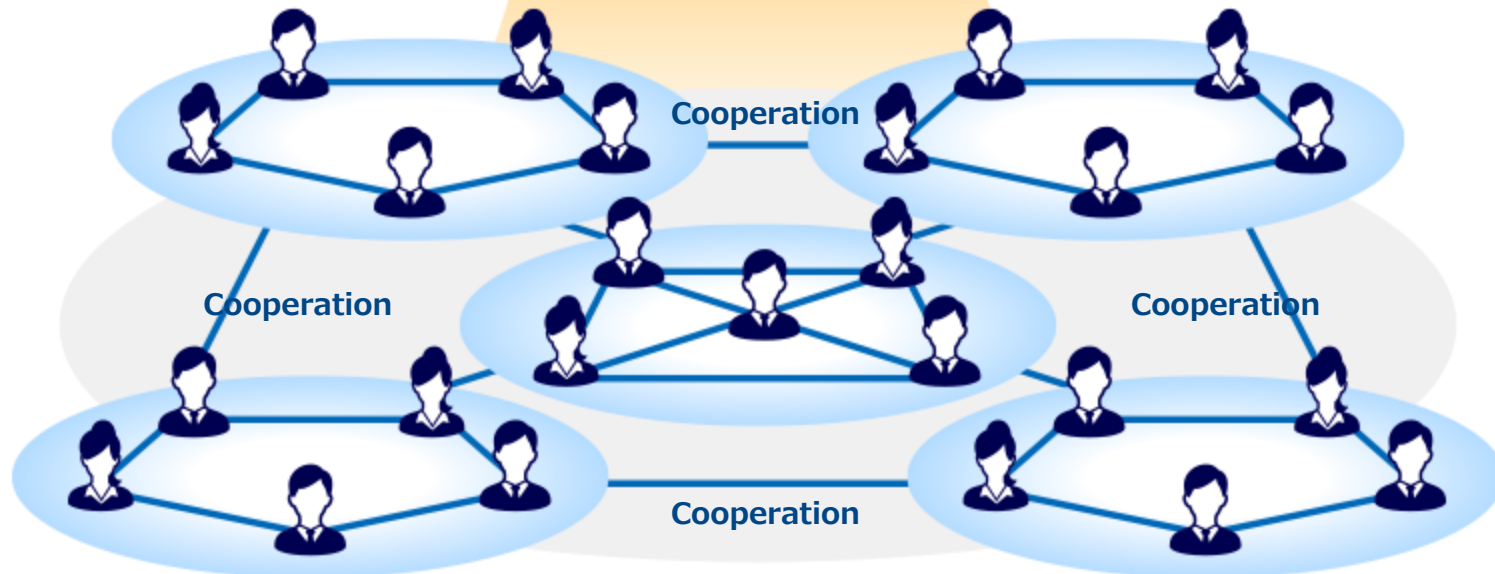


○ Organization culture that creates continuous evolution

High productivity created by cooperation between divisions (escalation)



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

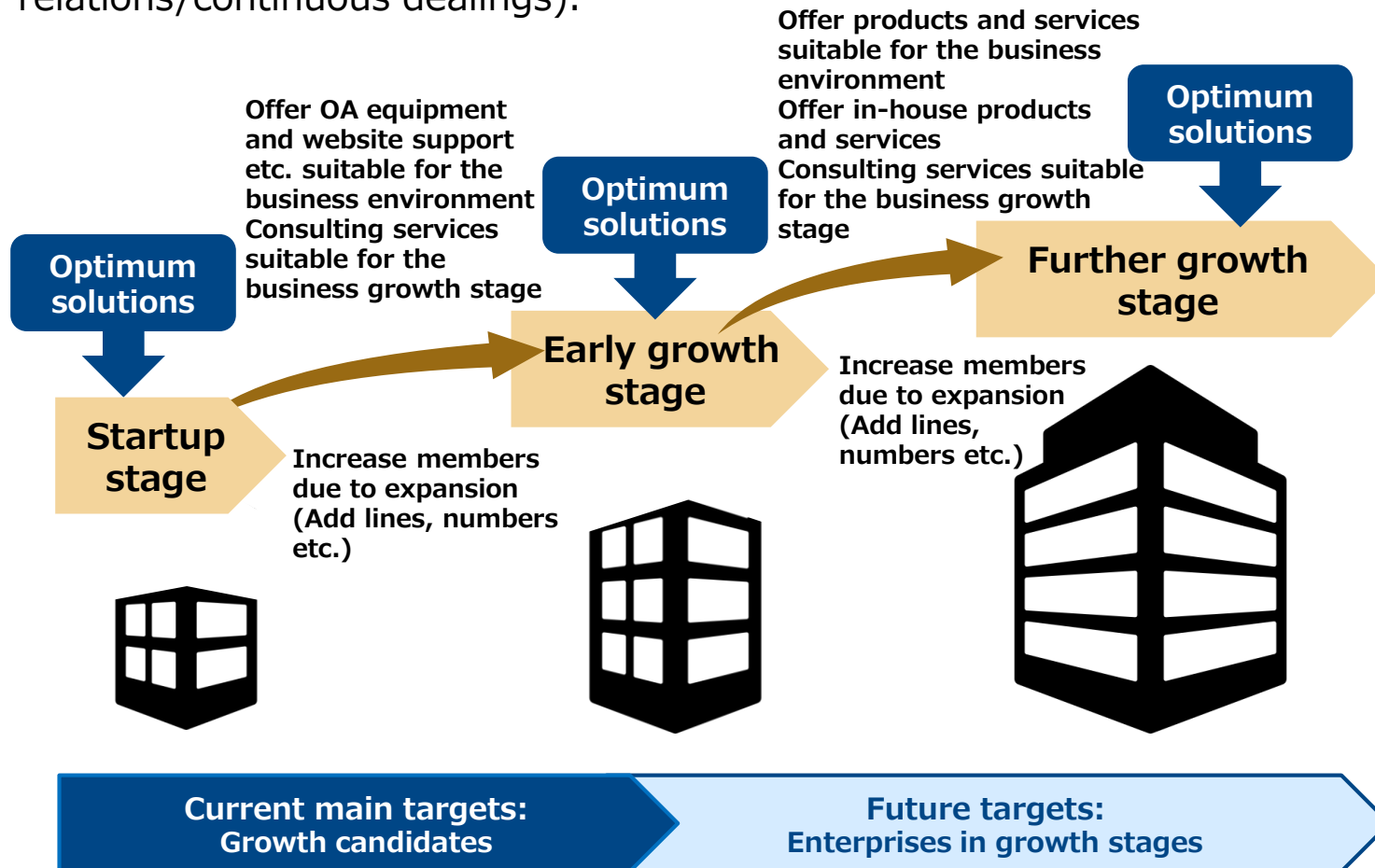


Information and Communications Service Business Growth Strategy (Business Model)



○ 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).



Sustainable Growth and Corporate Value Improvement ~ ESG Activities

Environment

Measures against global warming
Promote ECO and recycling
Activities to support disaster areas

Corporate Governance

Strengthen corporate governance
Promote risk management
Strengthen compliance

Relationship with SDGs



| | |
|--|--|
| 3 GOOD HEALTH AND WELL-BEING | 11 SUSTAINABLE CITIES AND COMMUNITIES |
| 5 GENDER EQUALITY | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION |
| 8 DECENT WORK AND ECONOMIC GROWTH | 13 CLIMATE ACTION |
| 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE | 14 LIFE BELOW WATER |
| 10 REDUCED INEQUALITIES | 15 LIFE ON LAND |

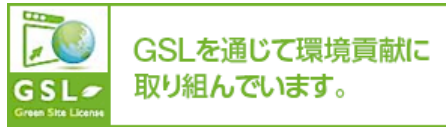
Recruitment/Employment

Various recruitment channels
Recruitment advantages

Work-style Reform

Personnel system suitable for the times
Unique benefits

Approach to Environment



Acquire a “Green Site License” to offset the carbon footprint of our website.

※ **Support the environment with “Green Electricity”** for our website's CO2 reduction.

Support and cooperate with “Shinsai Regain”, which provides information, supports activities in disaster areas, and provides assistance to various activities to “realize a society where people can support each other in times of earthquake disasters.”

Offer reasonable LED by rental.

Paperless efforts

FY2017 ⇒ FY018: -9.6% (Copy fee + paper fee)

- Provide iPad to sales staff, etc.
- Utilize electronic forms and internal SNS actively.
- Select recyclable suppliers.
- Utilize video conference (reduce unnecessary traveling).

Provide iPad



Video conference



Electronic form (workflow)
Utilize internal SNS





Various recruitment channels

Fair recruitment, referral recruitment, employ women actively
Hire multinational employees (Foreign employees: 18.5% (full-time))
Hire disabled people (Local group to support disabled people “Meiro-juku”, continuously awarded since 2015.)



Personnel system suitable the times, introduce unique benefits.

- Shorter working hours, shift work, flextime
- Half-day leave/hour leave (paid leave), spouse birthday leave (special leave)
- Drink benefit (summer, influenza vaccination subsidy)

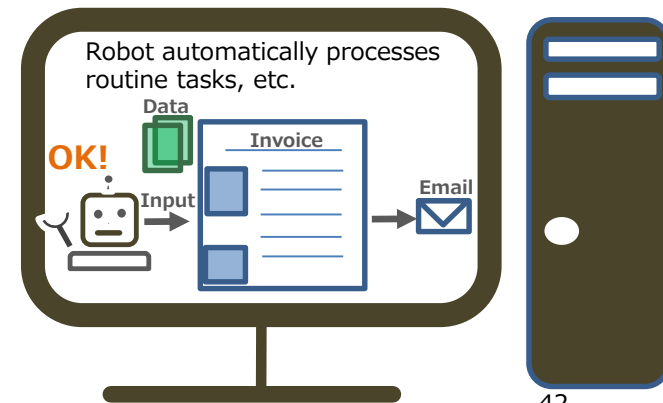
Average annual income continues to increase.

Improve work efficiency.
※ Utilize AI chatbot, RPA, etc., actively.
⇒ Improve productivity.
⇒ Shift to high-value-added work.
⇒ Commission, achievement allowance,
performance-linked bonus
⇒ Increase average annual income.

AI chatbot
Despite the order number +40%, the incoming call ratio -9%



R P A
(Effects: approx. JPY110mn)



○ “Vision Kids Nursery” opened as company-led childcare business

- In childbirth and childcare, which are life events of employees, implement measures to make work rules more flexible, expand leave systems, and promote taking leave (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**





Independent officer system

Directors Total number: 6

(including independent outside directors: 3 / Male: 5, Female: 1)

⇒ Business owners, and possess rich experience in web marketing, inbound business, and the financial industry/global business.

Audit & Supervisory Board Members Total number: 4

(including independent outside auditors: 4)

⇒ CPA, prosecutor/lawyer, and business owners.

Strengthen information security

ISMS certification

Certified under the the international standard for information security management system (ISMS), ISO/IES 27001.

Establish and operate the Information Security Committee.



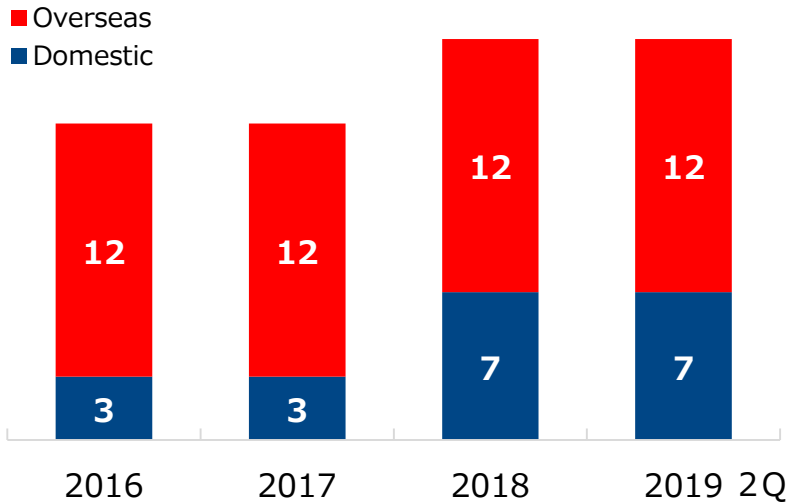
Compliance, risk management, internal control activities

Conduct regular training.

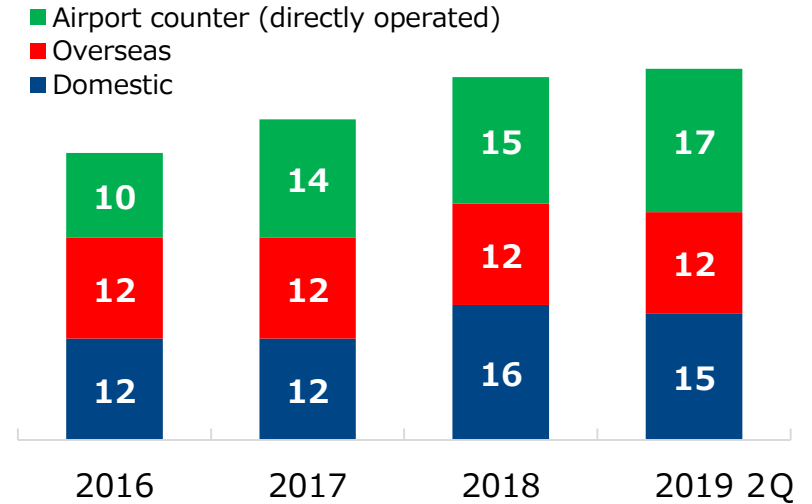
APPENDIX

Group Structure

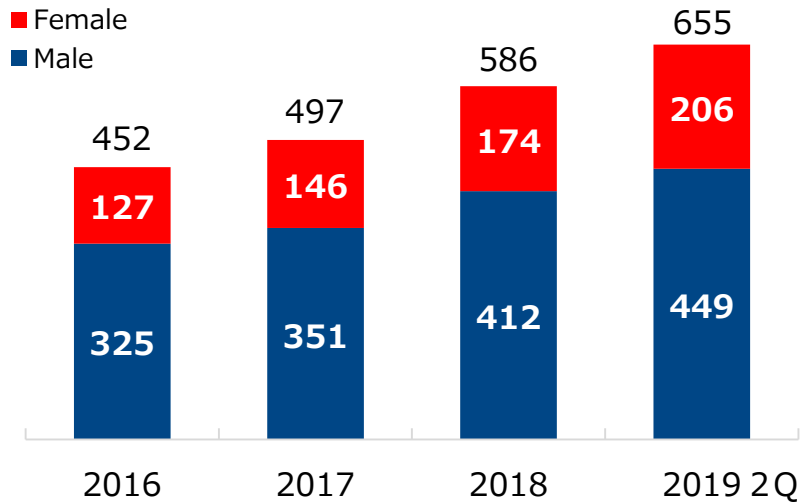
Number of affiliated companies



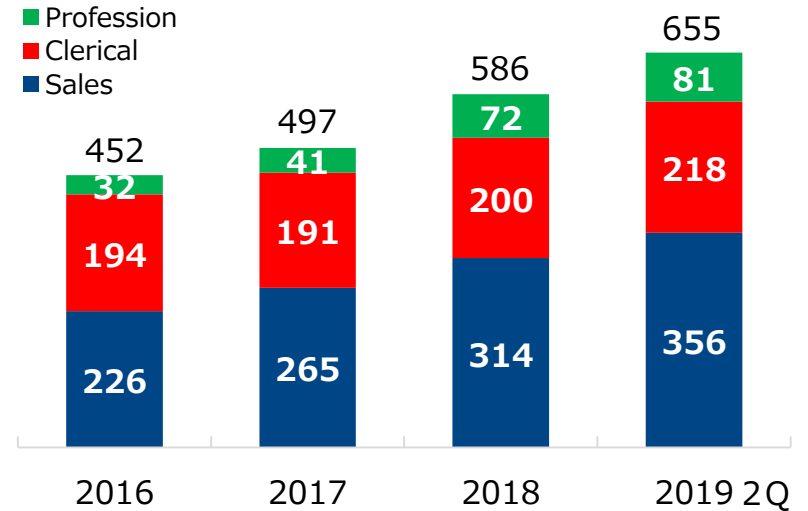
Number of operation bases



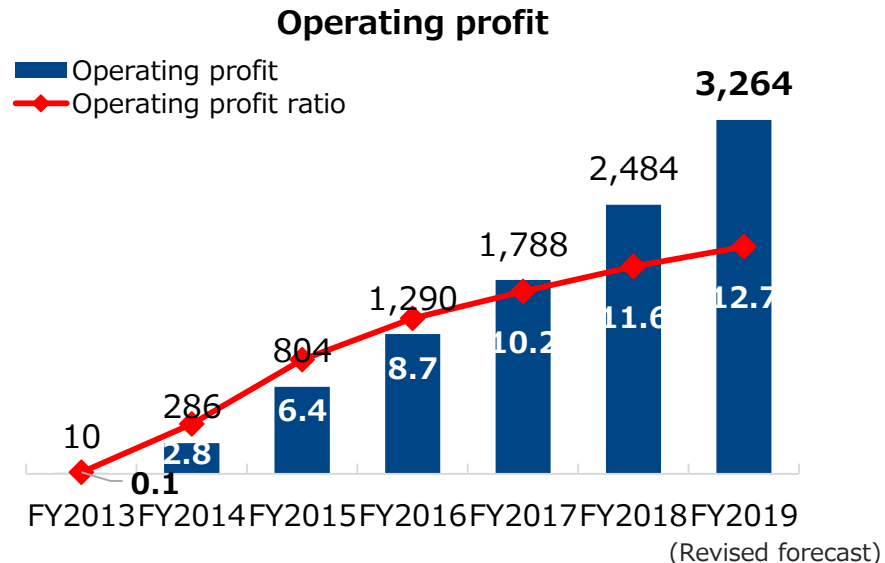
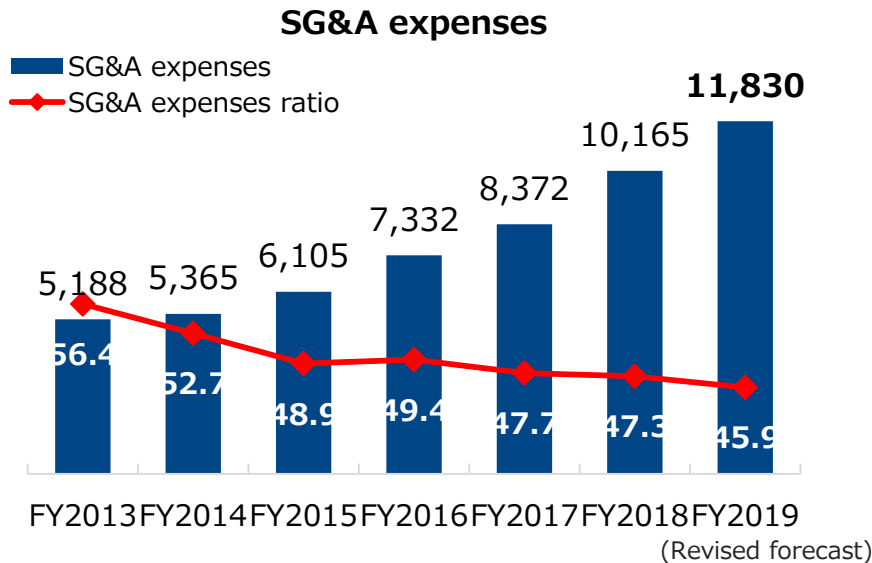
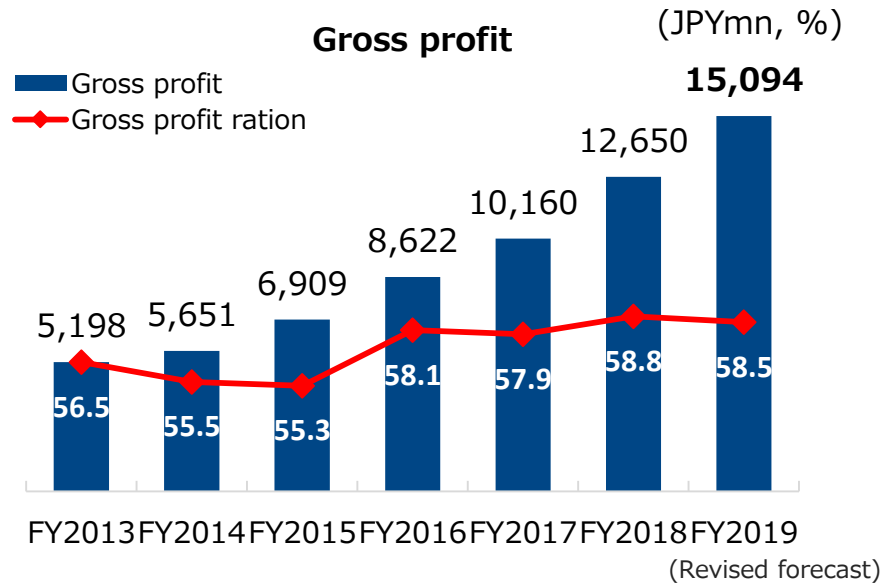
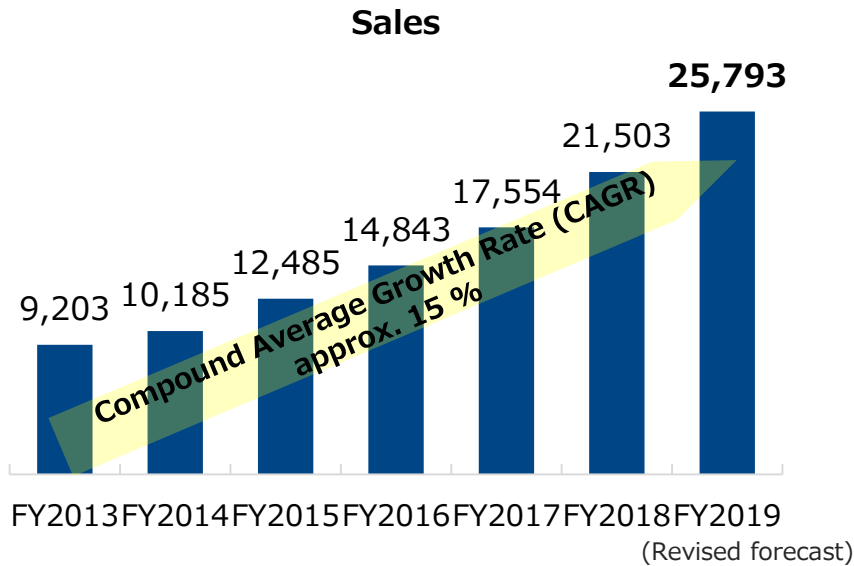
Number of employees (Full-time)



Personnel classification



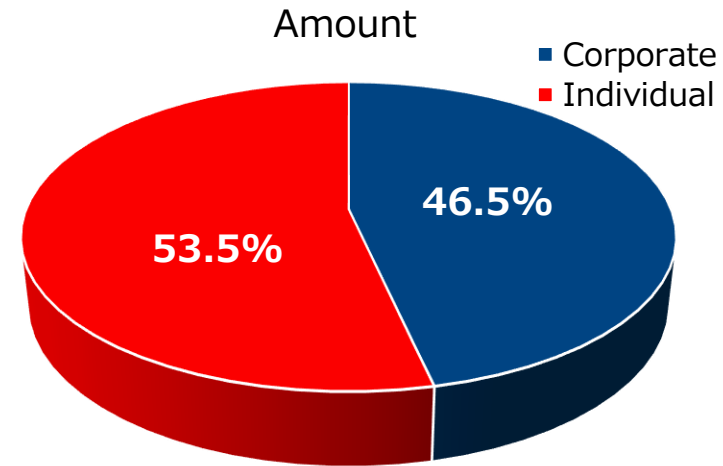
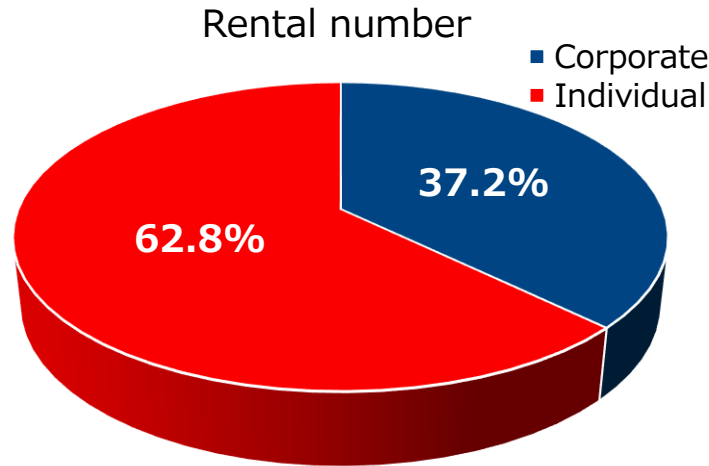
Performance Data



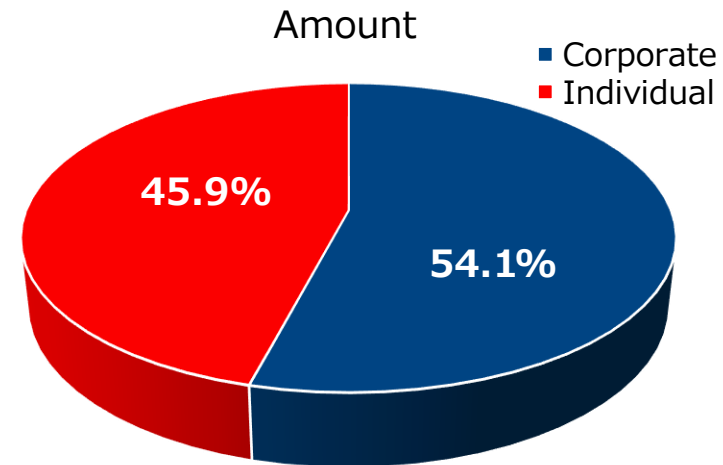
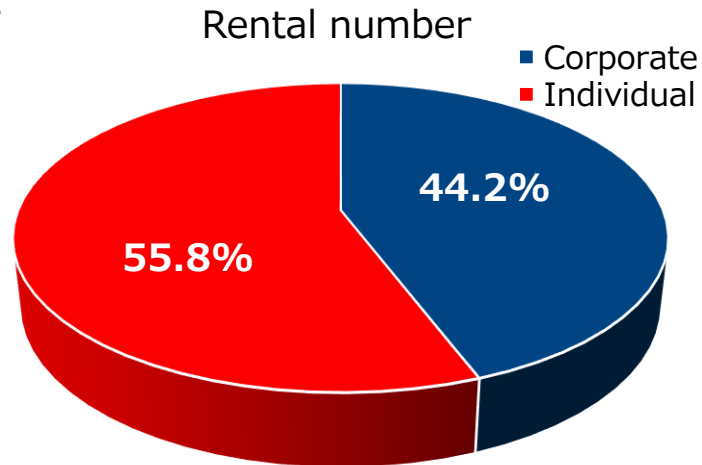
“GLOBAL WiFi” Business Customer Attributes (Corporate/Individual)



2Q FY2019 ※Fiscal period
(Apr.-Jun.) Result



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

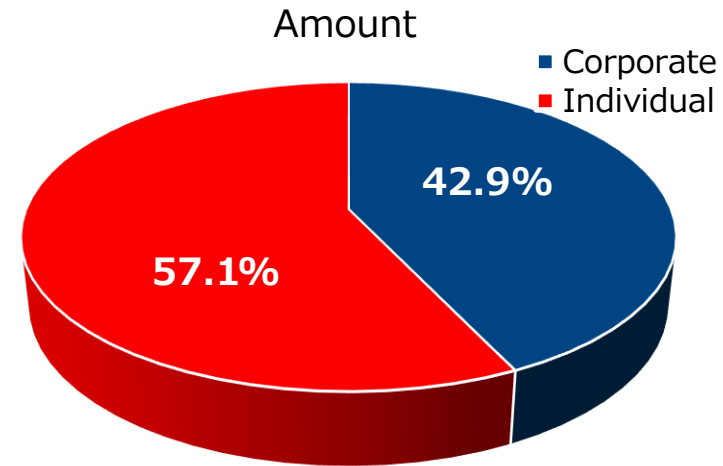
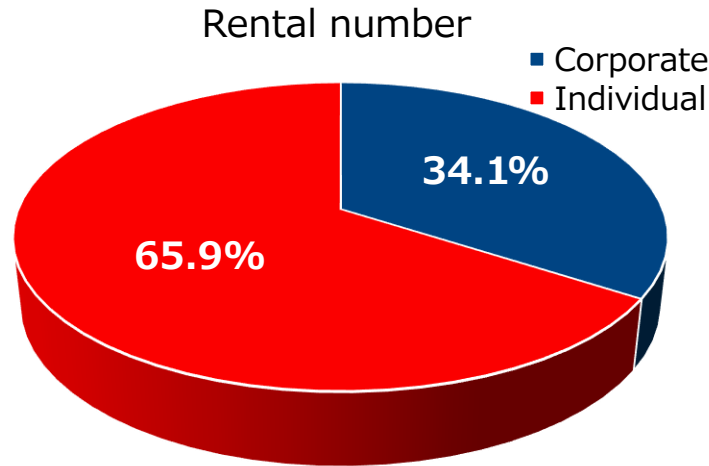


※It is the ratio of overseas use (outbound: Japan ⇒ overseas).

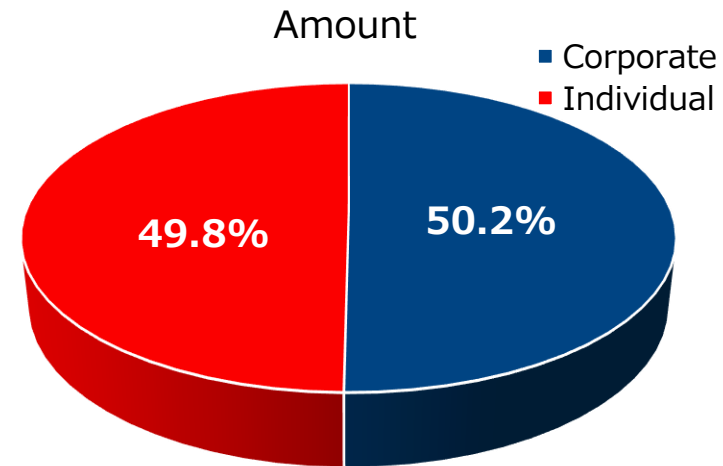
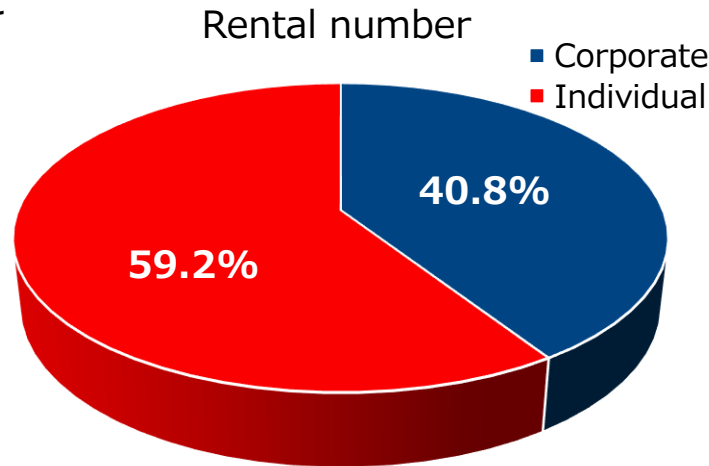
"GLOBAL WiFi" Business Customer Attributes (Corporate/Individual)



2Q FY2019 ※Cumulative period
(Jan.-Jun.) Result



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

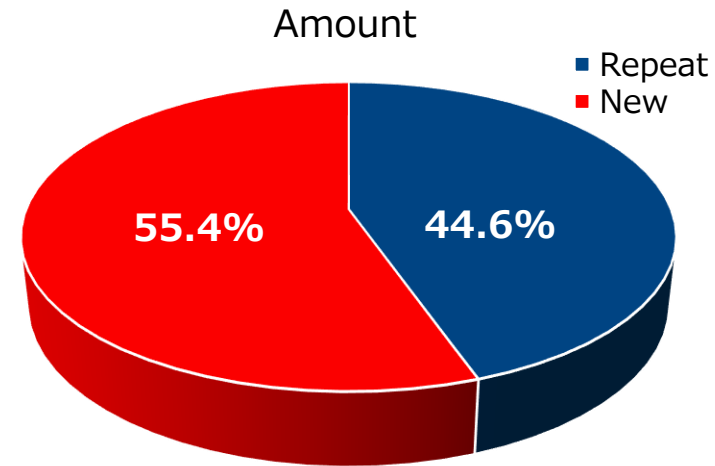
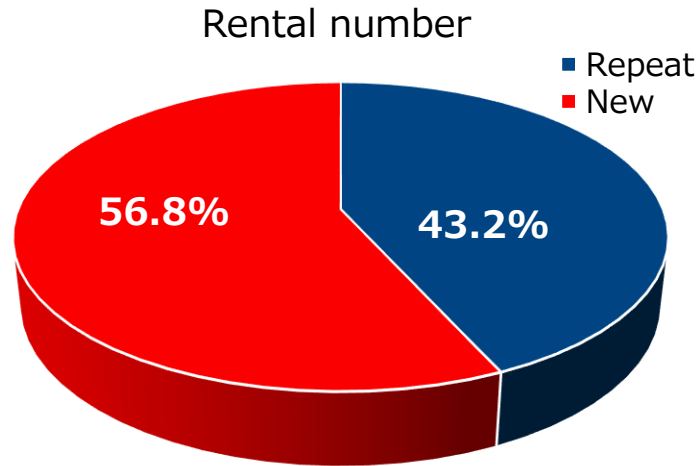


※It is the ratio of overseas use (outbound: Japan ⇒ overseas).

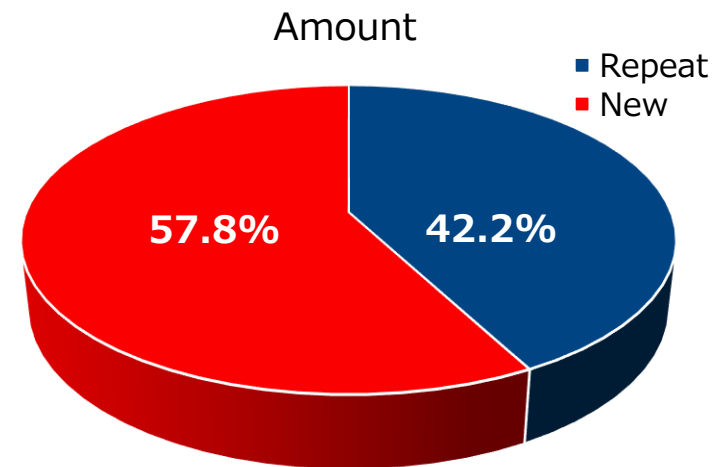
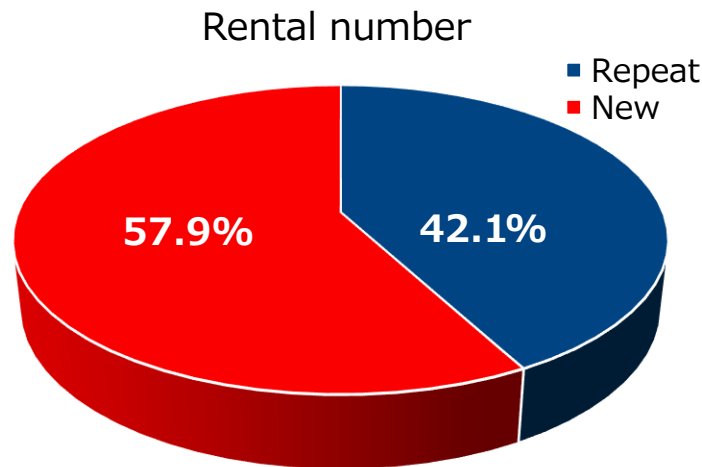
“GLOBAL WiFi” Business Customer Attributes (New/Repeat)



2Q FY2019 ※Fiscal period
(Apr.-Jun.) Result



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

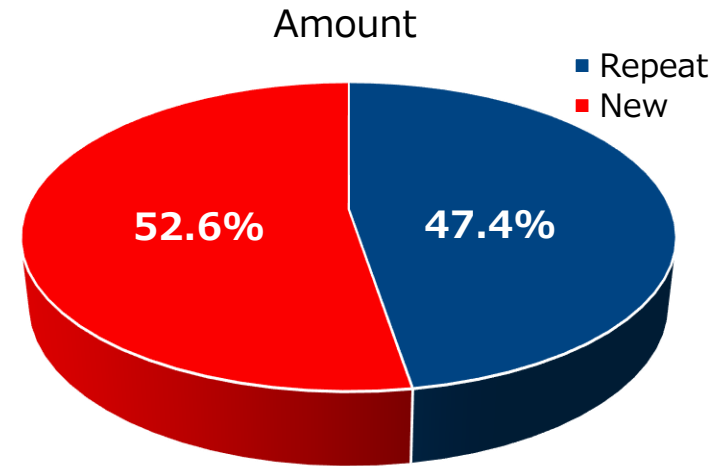
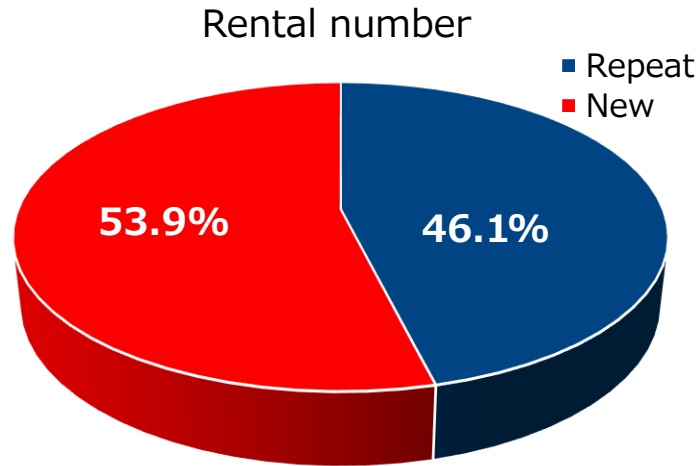


※It is the ratio of overseas use (outbound: Japan ⇒ overseas).

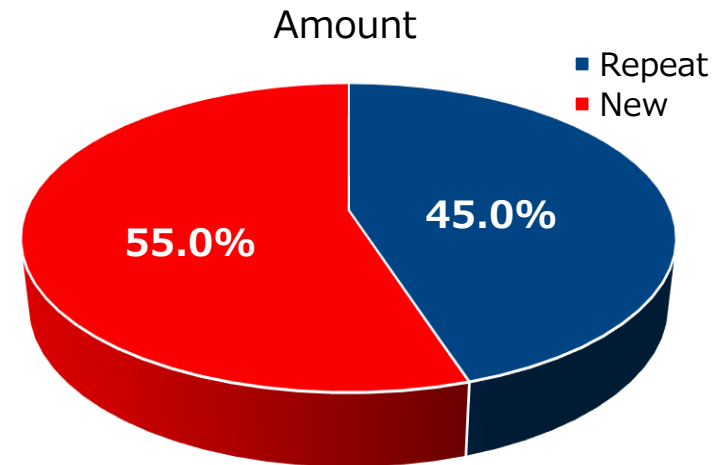
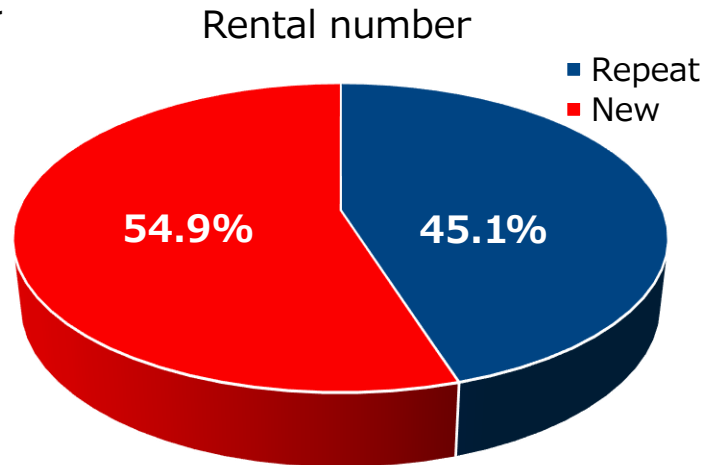
“GLOBAL WiFi” Business Customer Attributes (New/Repeat)



2Q FY2019 ※Cumulative period
(Jan.-Jun.) Result

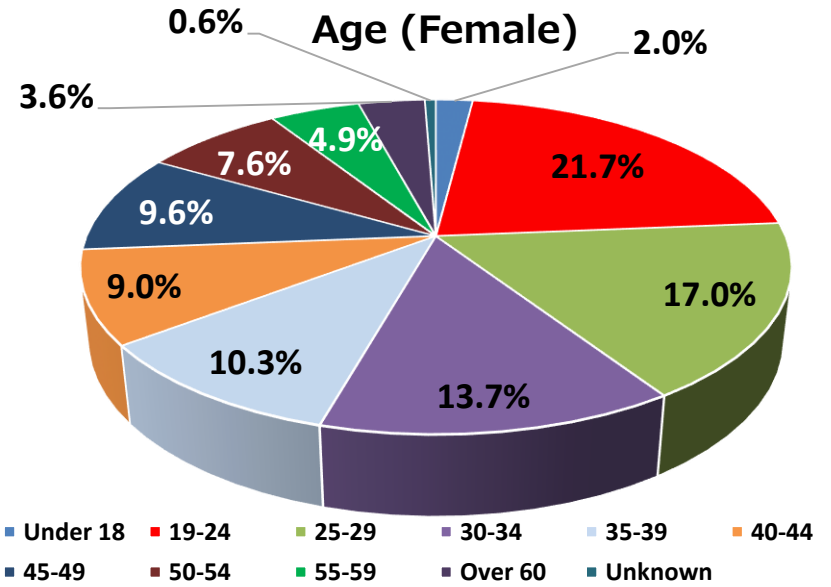
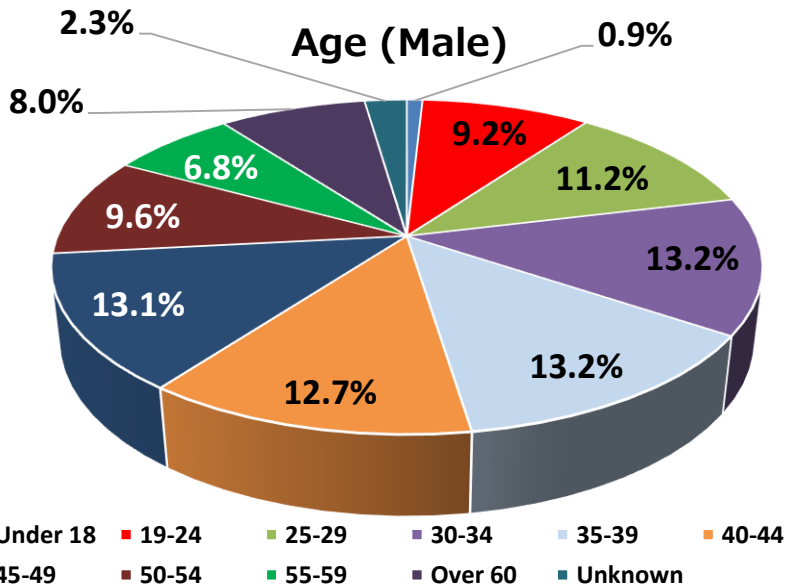
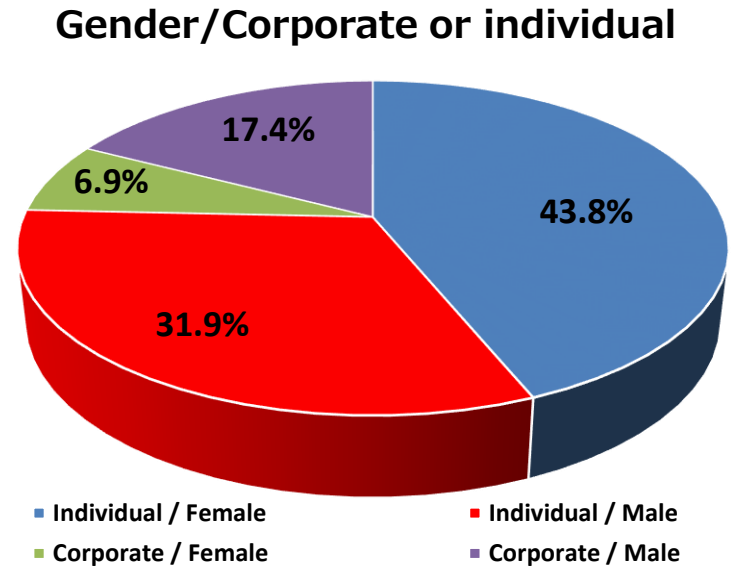
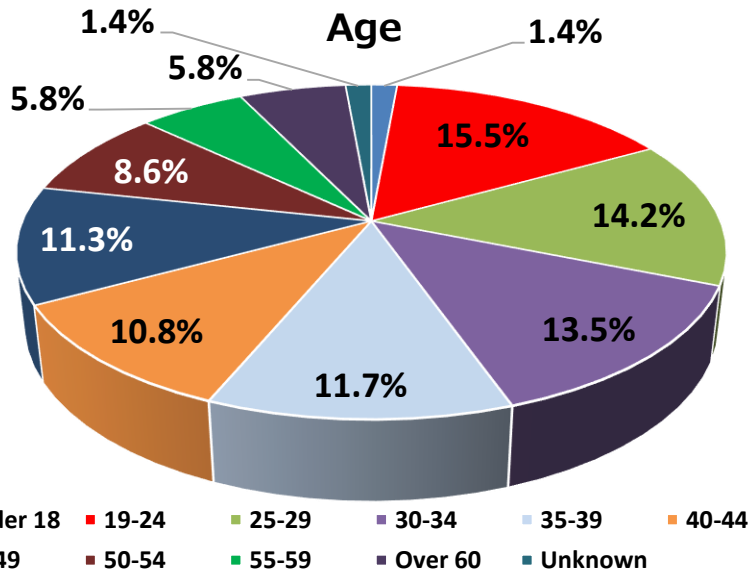


2Q FY2018 ※Cumulative period
(Jan.-Jun.) Result



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

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



Stock Split

(Resolved by the Board of Directors' Meeting on August 9, 2019)



※Excerpt from "Notice of Stock Split" on Aug. 9, 2019

Purpose

The stock split will be conducted with the aim of creating an environment in which investors can easily invest, expanding its investor base, and increasing the liquidity of the Company's stock by reducing the price of share-trading units.

Overview

Method of stock split

The stock split shall have a record date of Monday, September 30, 2019 and shall involve the splitting of common stocks held by shareholders whose names are recorded in the latest Registry of Shareholders on the record date at a ratio of 1:3.

Number of increase in shares by stock split

Total number of issued shares before stock split: 16,341,000 shares
Number of increase in shares by stock split: 32,682,000 shares
Total number of issued shares after stock split: 49,023,000 shares
Total number of authorized shares after stock split: 123,000,000 shares

Schedule of stock split

Public notice date of the record date: Friday, September 13, 2019
Record date: Monday, September 30, 2019
Effective date: Tuesday, October 1, 2019

Shareholder benefits

Substantial expansion of shareholder benefit

The changes will be applied from the shareholders whose names are recorded in the Registry of Shareholders as of December 31, 2019. After the stock split, we will present a "shareholder benefit coupon" according to the same number of shares as the standard before the split.

Others

Changes in capital

The stock split will not result in changes in capital.

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

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 : 15
- Domestic Airport Counter : 17
- Global Affiliated Companies : 12
Korea, USA (Hawaii), Hong Kong, Singapore, Taiwan, UK, Vietnam, China (Shanghai), France, Italy, USA (California), New Caledonia

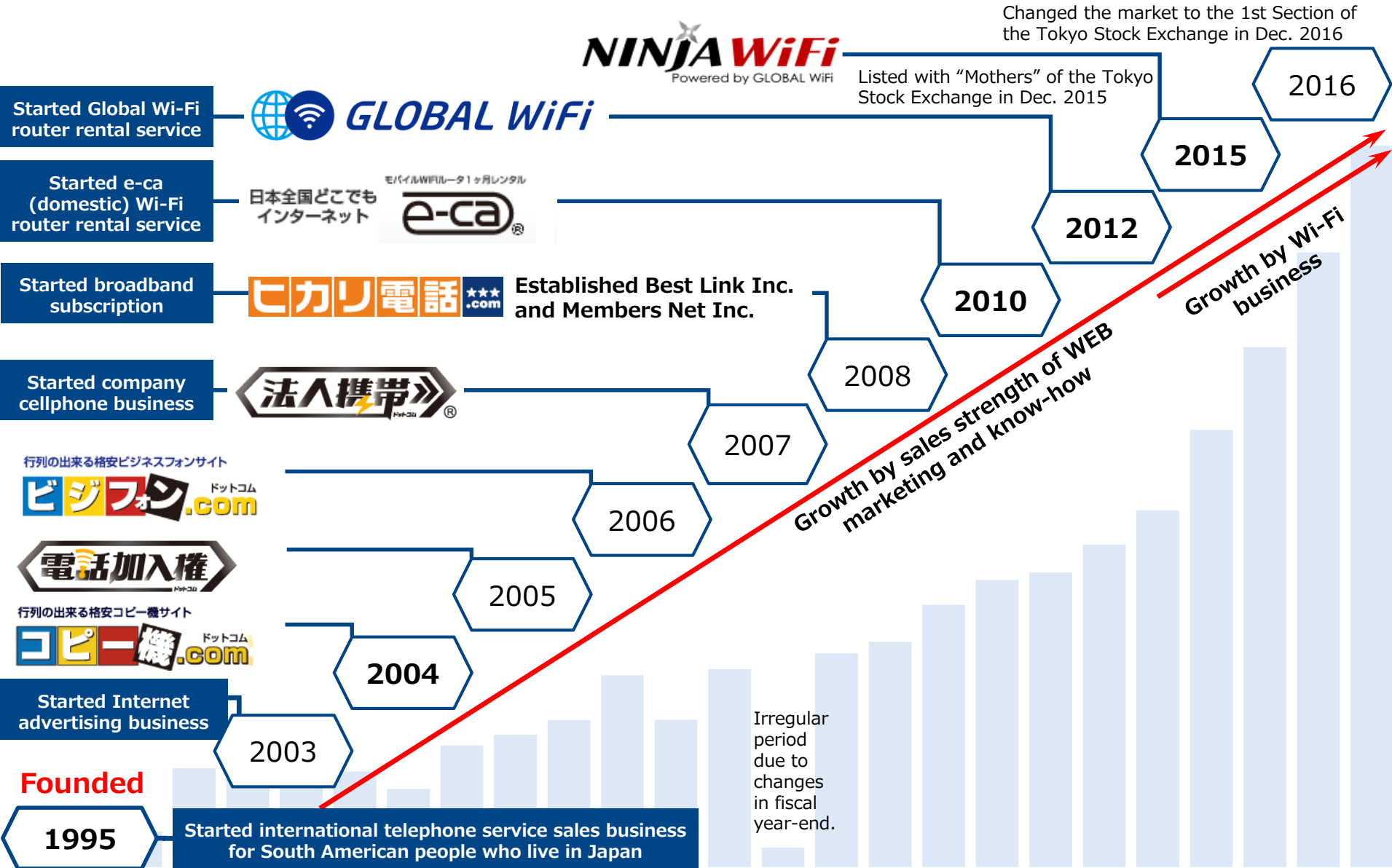
Number of Consolidated Employees 798 (146)
Domestic: 706 (136)
Global: 92 (10)
(Average temporary employees) (As of June 30, 2019)

Affiliated Companies Domestic: 6
Global: 12
(As of June 30, 2019)

Business GLOBAL WiFi Information and Communications Service



History and Evolution of Sales



Niche & Focus strategy



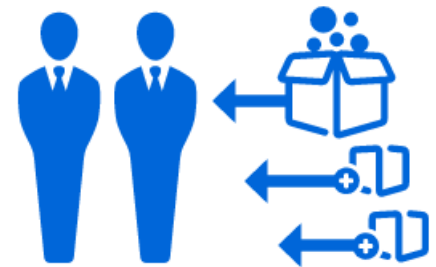
- **Discover the challenges** born in the niches of the evolution in information and communications, and **develop new markets.**
- **Focus management resources on carefully selected targets, and refine our services.**

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.**

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.**

- ✓ Overseas travelers
- ✓ Startup companies

- ✓ Productivity, price advantage
- ✓ Service quality evaluation

- ✓ 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)





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 shall not be obligated to update and revise the “forward-looking statements” included in this announcement.

Vision Inc.

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