FY2021 Financial Results

February 14, 2022

Vision Inc.

Stock Code : 9416

FY2021 Financial Results (Consolidated)

(JPYmn, %)

Item	FY2020 Results		Change	FY2021 Results	
	Amount	Composition ratio		Amount	Composition ratio
Sales	16,654	100.0	+1,446	18,100	100.0
Gross profit	8,793	52.8	+214	9,008	49.8
Operating profit	103	0.6	+1,001	1,105	6.1
Recurring profit	227	1.4	+915	1,143	6.3
Profit or loss (-) attributable to owners of parent	-1,183	-7.1	+1,913	729	4.0

“GLOBAL WiFi” Business

Performance Change “GLOBAL WiFi” Business

Various domestic usage needs steadily acquired. Making efforts to focus on social environment with COVID-19 and post-corona world.

Used for telework, increase in the number of extensions on rental periods partially due to the reissuance of the state of emergency declaration.

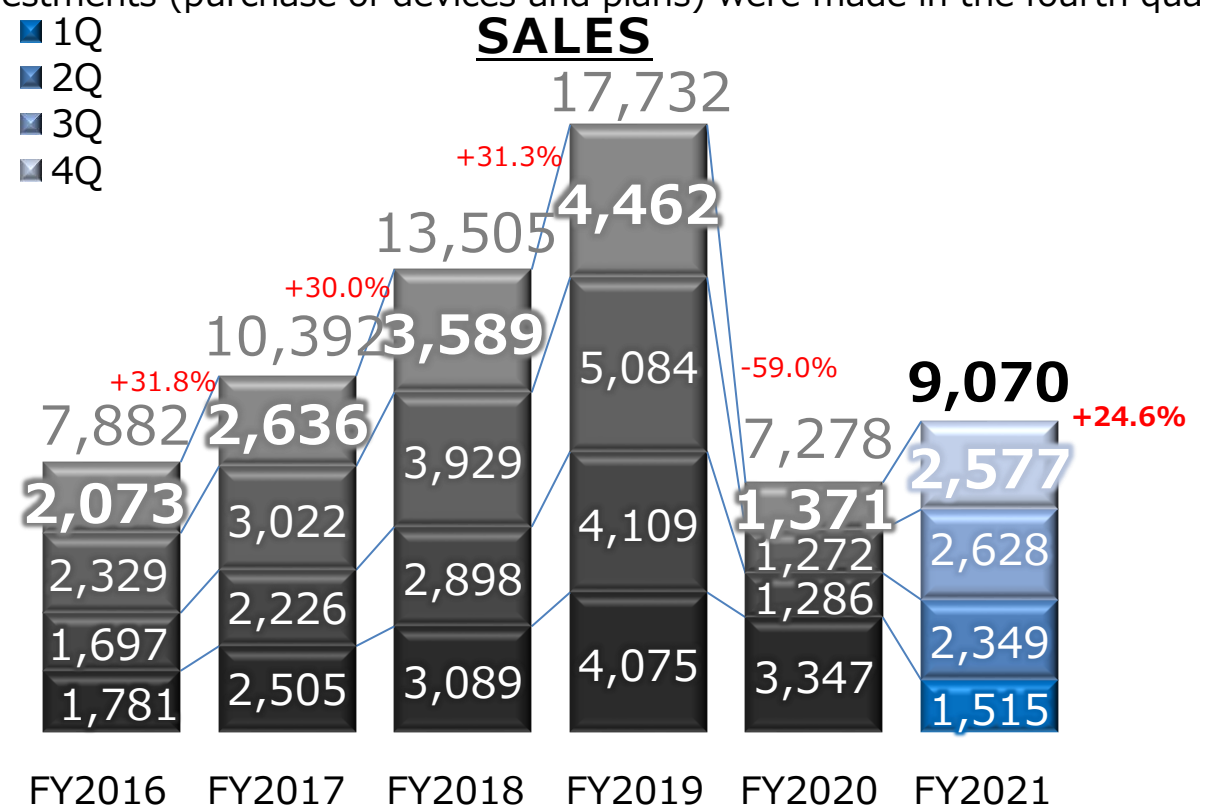
Sales of standby type “GLOBAL WiFi for Biz” for corporate customers are favorable by making a proposal for teleworking (The number of contracts and communication usage increases).

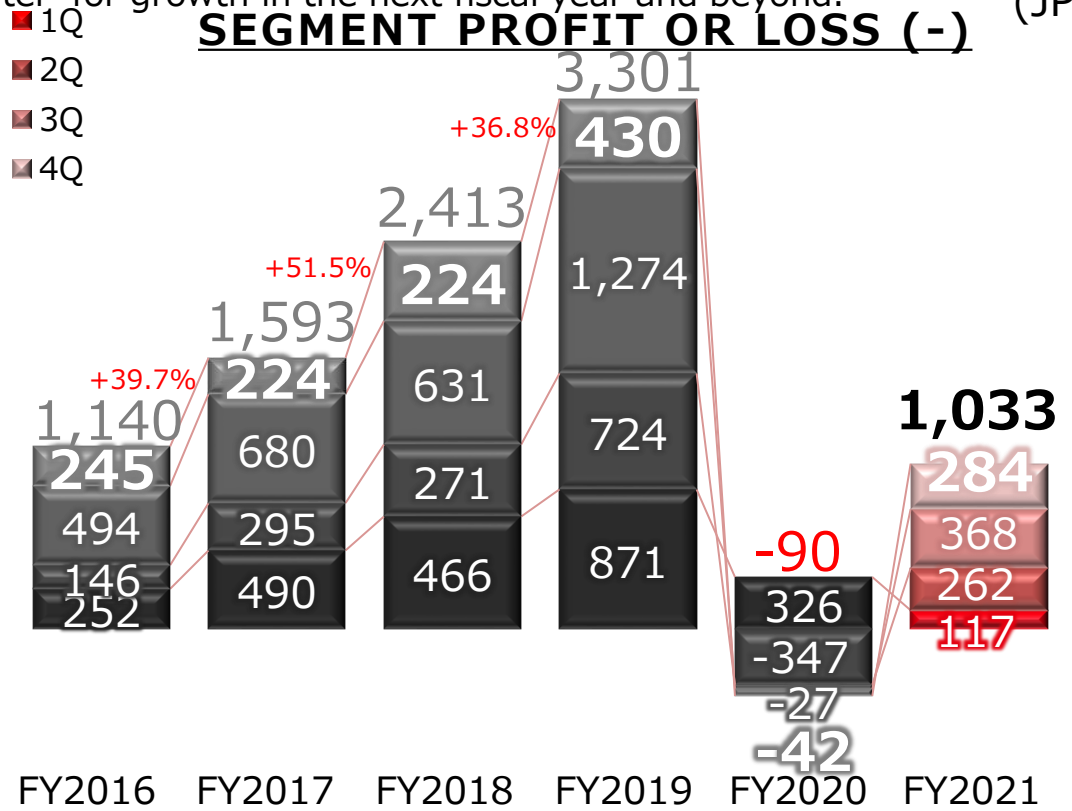
Acquire various usage needs (teleworking, moving, hospitalization, business trip, combined use with home internet, various events, etc.).

Sales and segment profit increases by entrusting the app confirmation work (from March 2021), which is part of quarantine measures work carried out by the airport quarantine station.

Investments (purchase of devices and plans) were made in the fourth quarter for growth in the next fiscal year and beyond.

(JPYmn)





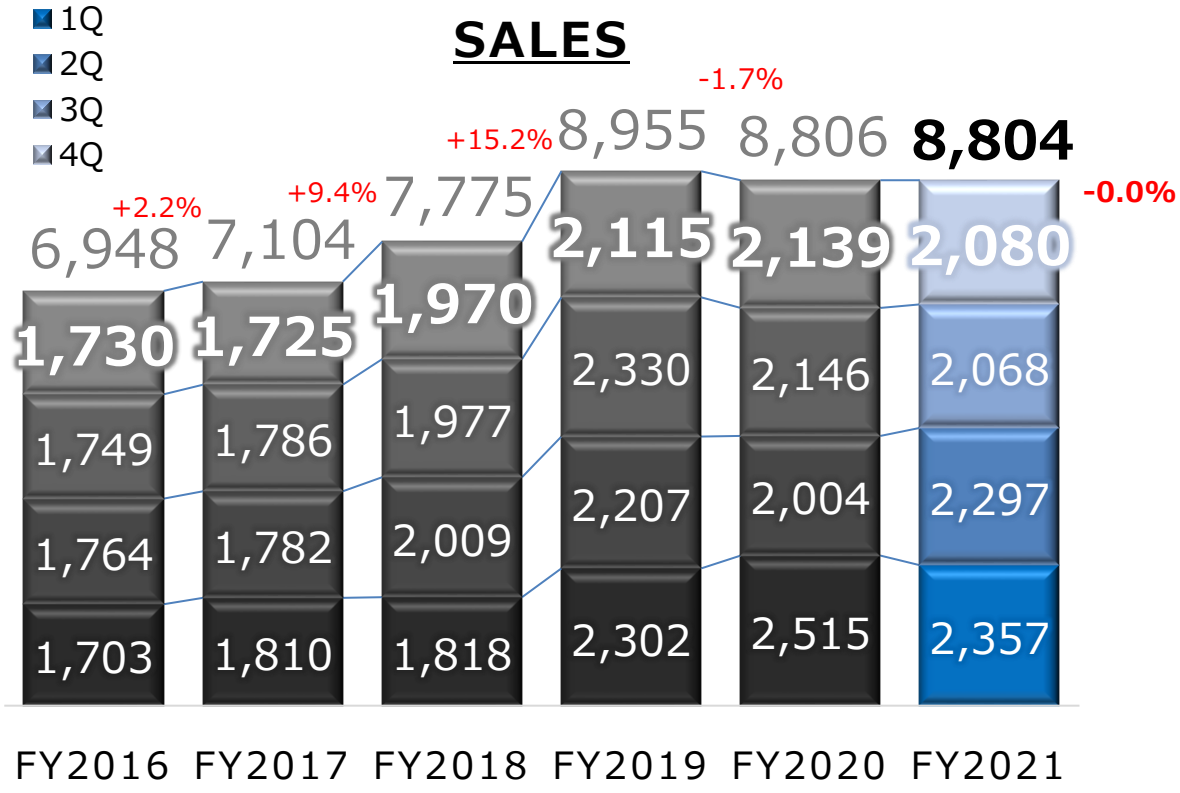
Information and Communications Service Business

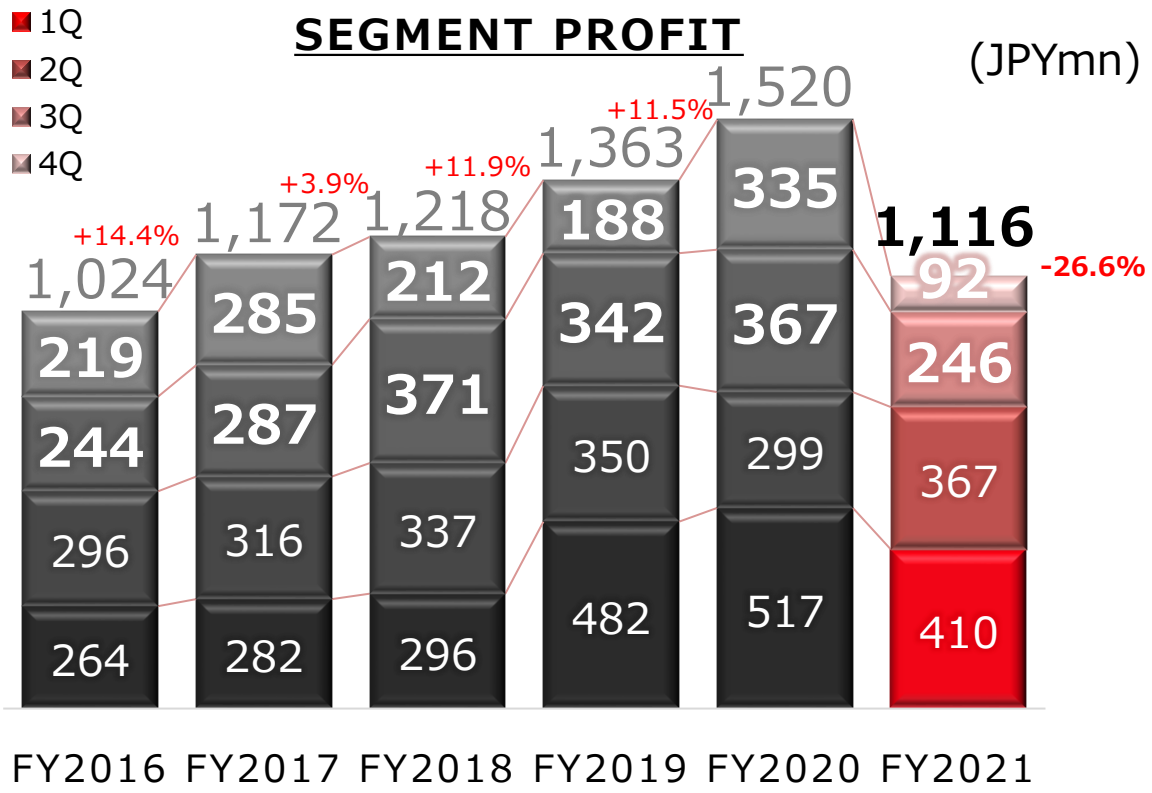
Performance Change

Utilizing the strength of having multiple businesses (products/services) and sales channels, strong sales have been recorded by responding flexibly to changes in the external environment.

Sales and segment profit decreased due to a decrease in the unit price of business consignment fee (agency fee) associated with the rise in electricity retail prices, strengthened sales of in-house services (monthly fee), and launch of Vision Denki, investments for growth in the next fiscal year and beyond, and prolonged order-to-completion period due to customers' and suppliers' year-end and New Year's operations.

We reached 1 billion yen in annual gross profit from stock revenue and in-house (monthly) services.





Assumptions for full-year earnings forecasts

Assumptions for full-year earnings forecasts

External environment and business policies (overall)

There is a great deal of uncertainty about the impact of COVID-19, and it is difficult to foresee the future. While aiming to improve profitability and profit margin through flexible business operations co-existing with COVID-19, we will aggressively develop new businesses and new services (including those for improved convenience) in anticipation of the post-pandemic world and carry out business activities to achieve growth that exceeds the growth potential before the spread of COVID-19.

“GLOBAL WiFi” Business

The following can be assumed for overseas travelers (outbound and inbound) and other matters.
January-September: Same level as each month in 2021; October-December: 25% recovery compared to the same period in 2019.
Contracted application verification work, which is part of the countermeasures conducted by airport quarantine offices, will continue through December.
Domestic and "Global WiFi for Biz“ demand continued to be strong.

Information and Communications Service Business

Although the impact on the purchase of goods-related products (e.g., office automation equipment due to the shortage of semiconductors) is expected to continue, we can flexibly respond to changes in the external environment by taking advantage of our strength in multiple businesses (products and services) and sales channels that do not depend on a single business or sales channel, and business will remain strong.
In view of the sharp rise in wholesale electricity prices, we have suspended the acquisition of new customers for "Vision Denki" (launched in August 2021) and shifted to existing subscription agency services.
We are strengthening sales of in-house services (monthly fee) and continue to build a stable revenue base over the long term.

FY2022 Financial Forecast

Items	FY2022 Forecast	FY2021 Result	Change	Ratio of change
Sales	22,736	18,100	+4,636	+25.6
Cost of sales	12,033	9,092	+2,941	+32.3
Gross profit	10,703	9,008	+1,695	+18.8
Gross profit margin	47.1	49.8	-2.7	–
SG&A expenses	9,295	7,903	+1,392	+17.6
SG&A-to-sales ratio	40.9	43.7	-2.8	–
Operating profit	1,407	1,105	+302	+27.4
Operating profit margin	6.2	6.1	+0.1	–
Recurring profit	1,404	1,143	+260	+22.8
Profit attributable to owners of parent	921	729	+191	–

FY2022 Segment Forecast

Segment Forecast		FY2022 Forecast	FY2021 Result	Change	Ratio of change
Sales		**22,736**	**18,100**	**+4,636**	**+25.6**
	"GLOBAL WiFi"	10,815	9,070	+1,744	+19.2
	Information and Communications Service	11,137	8,804	+2,332	+26.5
	Subtotal	21,952	17,875	+4,077	+22.8
	Others	784	235	+548	+233.2
	Adjustments	–	-10	+10	–
Segment profit		**1,407**	**1,105**	**+302**	**+27.4**
	"GLOBAL WiFi"	1,021	1,033	-11	-1.1
	Segment profit margin	9.4	11.4	-1.9	–
	Information and Communications Service	1,426	1,116	+309	+27.8
	Segment profit margin	12.8	12.7	+0.1	–
	Subtotal	2,448	2,149	+298	+13.9
	Others	127	-94	+221	–
	Adjustments	-1,167	-950	-217	–

Glamping Business
- Develop a New Business as a Third Pillar -

In addition to the GLOBAL WiFi and Information and Communications Services businesses, we will open the third pillar glamping business, “Vision Glamping Resort & SPA,”.

First, we will renovate and reopen the newly acquired “Koshikano Onsen” (Kirishima City, Kagoshima Prefecture), which is well regarded for its excellent hot springs.

Koshikano Onsen, Japan's first glamping facility with outdoor hot spring baths in each room, has been renovated and **will open sequentially from February** onward and **have a grand opening in April 2022** as a large-scale glamping facility.

Construction has started on a facility in Yamanakako Village (Yamanashi Prefecture), a location with a spectacular view of Mt. Fuji, and is **expected to open in the summer of 2022**.

Mobile communication business

Providing products and services that meet the needs of customers/the times

Strong sales of mobile communication devices (corporate cell phones) and related services.

The spread of COVID-19 has led to a change in work styles.

Business growth by accurately grasping the needs of customers, markets, and the times, acquiring new customers, and increasing ongoing revenue by up-selling and cross-selling according to the growth stage of companies.

Various needs

Introduction of corporate cell phones

New and additional cell phones plans

and upgrading from cell phones to smartphones

Introduction of related services

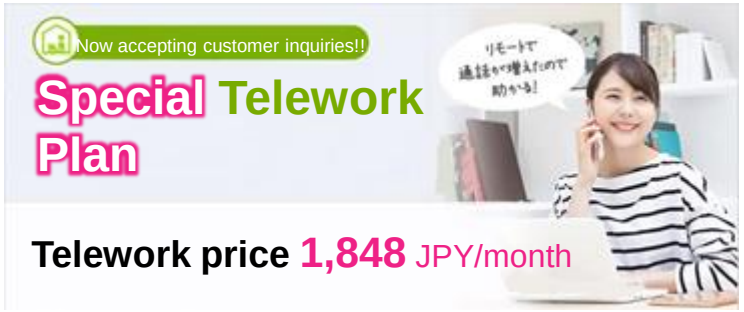
Special compensation plan for corporate customers

available only at our company, “Gara Support”

In-house service (monthly fee), "VWS series"

Introduction of other products and services

OA equipment, electricity, website creation, Wi-Fi routers



Changes in Monthly Cost and Segment Profit

“GLOBAL WiFi” Business

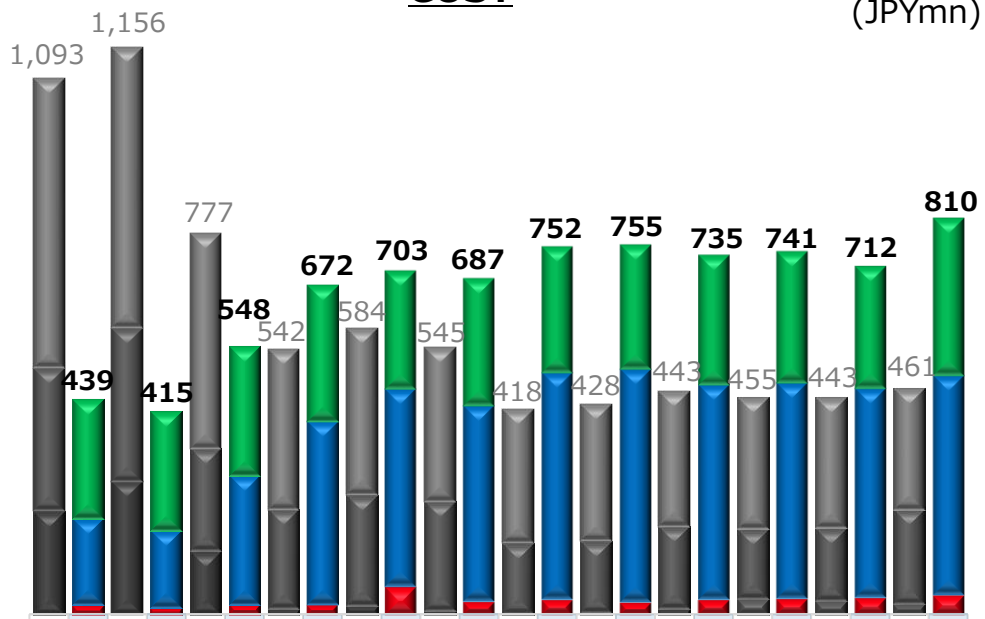
Profits are gradually recovered by continuing low-cost operation and acquiring various usage needs.

Acquires actively various needs for using mobile Wi-Fi routers (Domestic Wi-Fi and “GLOBAL WiFi for Biz”, etc.).

Build a business structure that will generate higher profits and profit margins after overseas travel recovery than those before the spread of COVID-19 (FY2019) by reviewing various costs and expenses and improving operational efficiency.

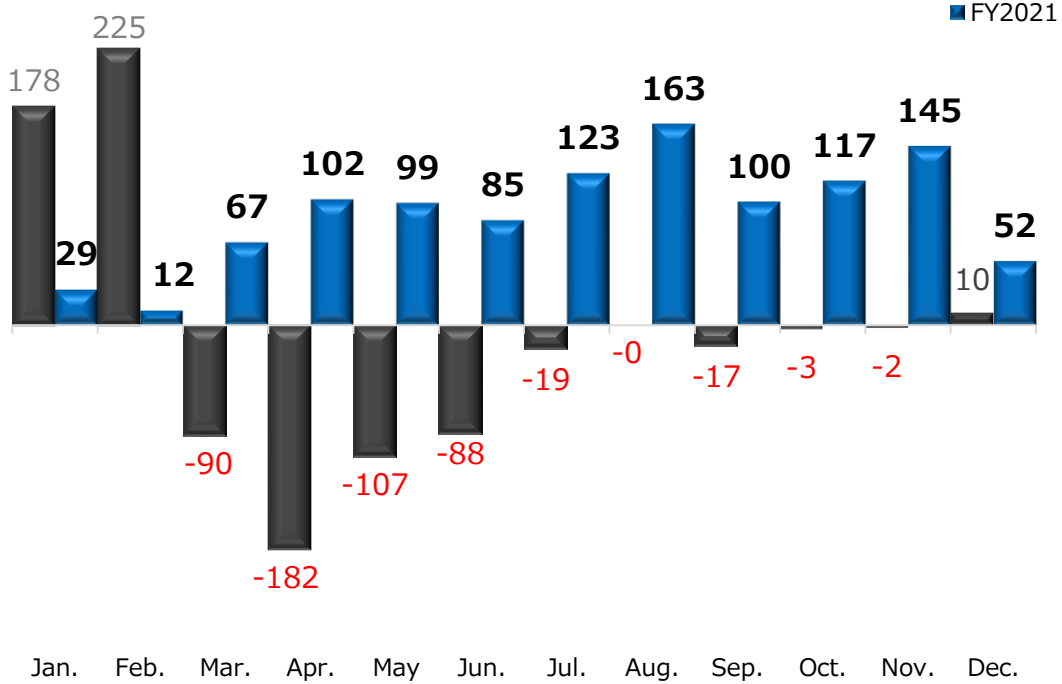
Investments (purchase of devices and plans) were made in the fourth quarter for growth in the next fiscal year and beyond.

COST (JPYmn)



	Jan 20	Jan 21	Feb 20	Feb 21	Mar 20	Mar 21	Apr 20	Apr 21	May 20	May 21	Jun 20	Jun 21	Jul 20	Jul 21	Aug 20	Aug 21	Sept 20	Sept 21	Oct 20	Oct 21	Nov 20	Nov 21	Dec 20	Dec 21
SG&A expenses	591	244	572	243	439	264	328	278	340	242	314	260	273	258	279	255	276	266	269	269	267	250	247	322
Cost of sales	292	176	313	158	209	263	203	373	226	404	223	400	143	463	146	475	168	438	143	440	149	427	193	448
Overseas telecom cost	210	19	271	13	129	20	10	20	17	56	7	26	2	30	3	25	11	30	31	32	27	34	21	39

SEGMENT PROFIT OR LOSS (-) (JPYmn)



(Note) The figures are different from those of the segment results because they are monthly changes in profit and loss which do not include closing settlement.

Gross Profit Composition

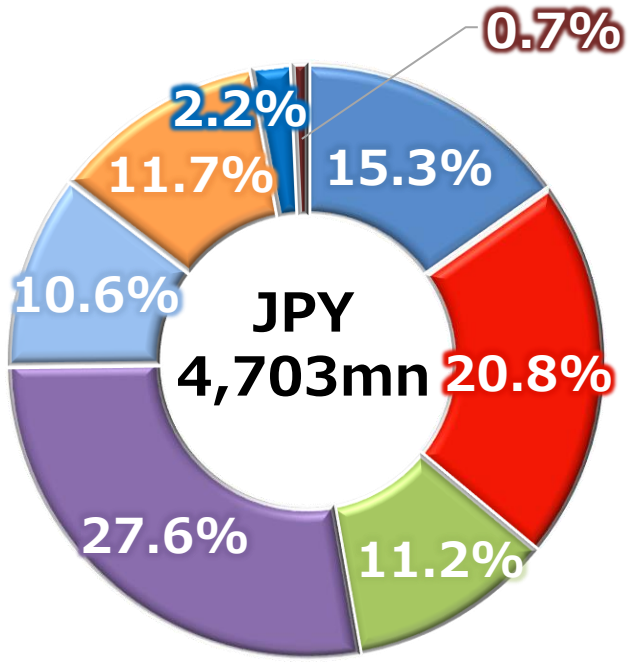
Information and Communications Service Business

Utilizing the strength of having multiple businesses (products/services) and sales channels, we have responded flexibly to changes in the external environment to record strong sales.

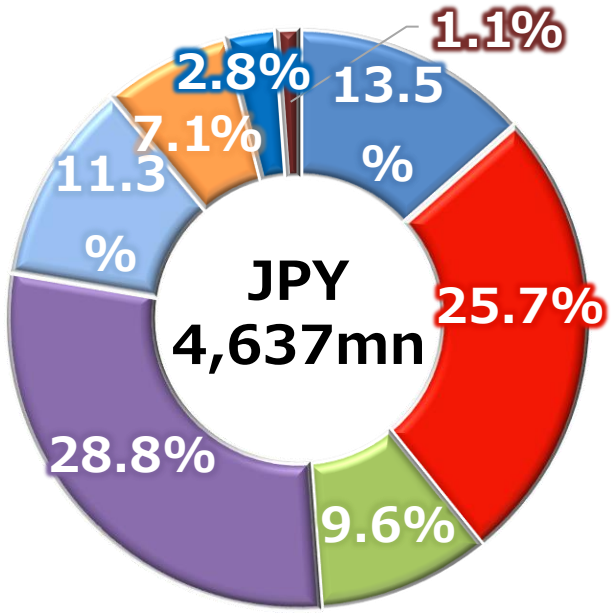
Sales of mobile communication devices (for telework or switching over to smartphones, etc.) are strong.

The composition ratio of eco-solution business decreased because the unit consignment fees (agency fee) went down following the temporary rise in electricity prices and the launch of our electricity service “Vision Denki” (stock earnings).

FY2020 Cumulative



FY2021 Cumulative



Fixed-line communication | Mobile communication | Broadband | Office automation equipment | Internet media | Eco-solution | Construction related | Other

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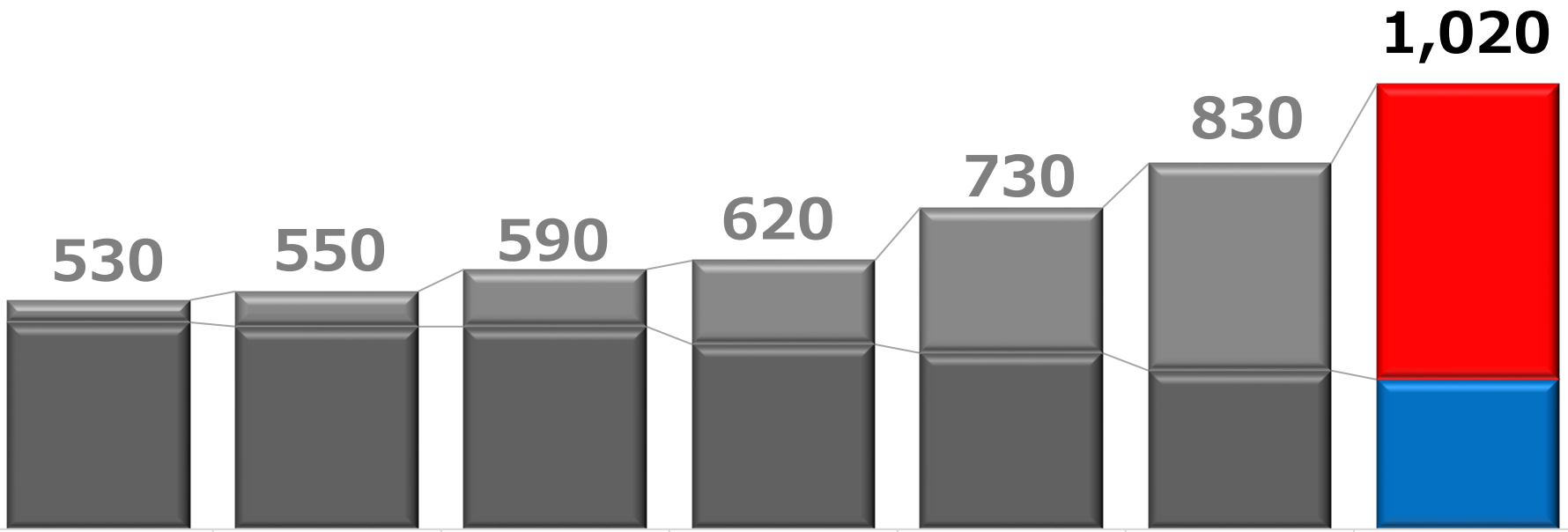
Stock Earnings and In-house Services Gross Profit Change

Strengthen stock earnings and in-house services (monthly fee), which will become a stable earnings base in the long run.

Strengthen sales of in-house services (monthly fee) since FY2019.

Achieved a profit of **JPY1bn** during FY 2021.

(JPYmn)



	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY 2021
In-house services (monthly fee)	50	80	130	190	330	470	670
Stock earnings	470	460	460	420	400	360	340

Stock earnings: Revenue from continuation fee associated with subscription agency contract in Information and Communications Service Business and maintenance fee in OA equipment sales business

To Contribute to the Global Information and Communications Revolution