

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Cover

Document Filed	Quarterly Securities Report (“Shihanki Hokokusho”)
Applicable Law	Article 24-4-7, Paragraph 1 of the Financial Instruments and Exchange Act of Japan
File to	Director, Kanto Local Finance Bureau
Filing Date	May 13, 2022
Fiscal Year	The First Quarter of the 22 nd Business Term (From January 1, 2022 to March 31, 2022)
Company Name	Vision Inc.
Title and Name of Representative	Kenichi Sano, President, Founder & CEO
Address of Head Office	6-5-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo
Phone No.	+81 3 (5325) 0344
Contact Person	Shinichi Nakamoto, Director, Managing Executive Officer, CFO, and General Manager of Administrative Dept.
Contact Address	6-5-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo
Phone No.	+81 3 (5325) 0344
Contact Person	Shinichi Nakamoto, Director, Managing Executive Officer, CFO, and General Manager of Administrative Dept.
Place Available for Public Inspection	Prime Market of the Tokyo Stock Exchange (2-1 Nihombashi Kabuto-cho, Chuo-ku, Tokyo)

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Part 1: Company Information

Item 1: Company Overview

1. Changes in Major Management Indicators

		FY2021/1Q Cumulative period	FY2022/1Q Cumulative period	FY2021
Reporting period		January 1, 2021 – March 31, 2021	January 1, 2022 – March 31, 2022	January 1, 2021 – December 31, 2021
Net sales	(thousand yen)	3,938,868	5,609,090	18,100,837
Ordinary profit	(thousand yen)	313,901	406,154	1,143,772
Quarterly net income or net loss (-) attributable to owners of the parent company	(thousand yen)	232,175	245,908	729,129
Quarterly comprehensive income	(thousand yen)	250,100	267,892	732,472
Net assets	(thousand yen)	9,008,316	10,410,831	10,122,215
Total assets	(thousand yen)	11,560,875	15,104,605	14,932,162
Basic earnings or loss (-) per share	(thousand yen)	4.93	5.16	15.47
Quarterly net income per potential adjusted share	(yen)	4.80	5.03	15.03
Equity-to-asset ratio	(%)	77.9	68.8	67.7

(Note 1): Since the Company prepares quarterly consolidated financial statements, changes in non-consolidated financial data, among others, are not provided.

(Note 2): The “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) is applied from the beginning of the first quarter of the current consolidated fiscal year and the key management indicators for the first quarter of the current fiscal year are after the application of the standards.

2. Description of Business

During the first quarter of the current consolidated cumulative period, there have been no significant changes in the content of businesses operated by the Group (the Company and its affiliated companies).

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Item 2: Business Overview

1. Business Risks

During the three months ended March 31, 2022, there are no significant changes related to business conditions or accounting conditions described in this quarterly report that may have a material effect on investors' decisions or any material change in “business and other risks” described in the annual securities report for the previous fiscal year.

The Group will continue to closely monitor the situation regarding the spread of COVID-19, as it could have an impact on the Group's business and earnings.

2. Management’s Analysis of Consolidated Financial Condition, Results of Operations, and Cash Flow Conditions

Effective from the beginning of the first quarter of the current consolidated fiscal year, the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) has been applied. As a result, the accounting treatment differs from that of the first quarter of the previous fiscal year. However, since there is no significant impact, the increase/decrease amounts and year-on-year comparisons in the explanation of business results are presented as is for comparison purposes.

This report contains certain forward-looking statements that are based on the Group’s (the Company and subsidiaries) judgments as of the last day of the consolidated fiscal period for the first quarter.

(1) Financial position and operating results

During the first quarter of the current fiscal year, the economy continued to pick up, but some weakness was seen amid lingering effects from the COVID-19 pandemic.

The economy is expected to pick up, but we need to pay close attention to the impact of COVID-19, as well as to downside risks due to rising raw material prices, fluctuations in financial and capital markets, and supply-side constraints amid uncertainty because of the situation in Ukraine and other factors. In such an economic environment, the Company will continue to face several challenges.

In this economic environment, our group continued to focus on the GLOBAL WiFi business and the information and communication services business in Japan.

As a result, net sales, operating income, ordinary income, and net income attributable to owners of the parent for the first quarter of the current consolidated cumulative period all exceeded the results of the previous year.

	FY2022/1Q Cumulative period (million yen)	FY2021/1Q Cumulative period (million yen)	Change (million yen)	YoY (%)
Net sales	5,609	3,938	1,670	42.4
Operating profit	403	285	117	41.2
Ordinary profit	406	313	92	29.4
Profit attributable owners of parent	245	232	13	5.9

Business results by segment are as follows.

(GLOBAL WiFi Business)

During the first quarter of the current consolidated cumulative period, we promoted the use of our standby corporate mobile Wi-Fi routers, “GLOBAL WiFi for Biz”, while responding to communication demand in various situations such as hospitalization, moving, and business trips.

In addition, we have worked to register and confirm the designated quarantine application at the airport station, which is temporarily entrusted as part of the border measures when entering Japan, and as an indispensable infrastructure service during the pandemic, offered highly convenient PCR testing services.

As a result of these efforts, both net sales and segment income for the first quarter of the consolidated fiscal year under review exceeded those of the previous year.

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

The application of the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) increased the sales amount by 2 million yen.

GLOBAL WiFi Business	FY2022/1Q Cumulative period (millions of yen)	FY2021/1Q Cumulative period (millions of yen)	Change (millions of yen)	YoY (%)
Net sales	2,618	1,515	1,102	72.8
Segment profit	359	117	241	205.4

(Information and Communications Service Business)

In addition to focusing on sales of mobile communication equipment and OA equipment during the first quarter of the current consolidated cumulative period, the Company launched a new rental service for meeting rooms and telework space by Adval Corp.

Furthermore, we strived to maximize lifetime value (customer lifetime value) through future up-selling and cross-selling, reduction of long-term churn rates, and continuous income from stock products, and despite a temporary increase in operating costs, strove to expand sales of its monthly subscription-based in-house services.

As a result, net sales increased year on year, but segment income decreased year on year.

Information and Communications Service Business	FY2022/1Q Cumulative period (millions of yen)	FY2021/1Q Cumulative period (millions of yen)	Change (millions of yen)	YoY (%)
Net sales	2,875	2,357	517	21.9
Segment profit	347	410	-62	-15.3

Analysis of financial position

(Assets)

Total assets at the end of the first quarter consolidated accounting period are 15,104 million yen (172 million yen more than the end of the previous consolidated fiscal term).

Current assets are 10,524 million yen (224 million yen less than the end of the previous consolidated fiscal term). The main reasons for this are that notes and accounts receivable – trade increased by 674 million yen, while cash and deposits and accounts receivable decreased by 810 million yen.

Fixed assets are 4,580 million yen (397 million yen more than the end of the previous consolidated fiscal term). The main reasons for this are due to an 848 million yen increase in property, plant and equipment resulting from investments in the glamping business, while investments and other assets decreased by 407 million yen.

(Liabilities)

Total liabilities at the end of the first quarter consolidated accounting period are 4,693 million yen (116 million less than the end of the previous consolidated fiscal term).

Current liabilities are 3,564 million yen (315 million yen less than the end of the previous consolidated fiscal term). The main reasons for this are due to a 35 million yen decrease in short-term loans payable, an 81 million yen decrease in income taxes payable due to income tax payments, and a 104 million yen decrease in provision for bonuses.

Fixed liabilities amounted to 1,128 million yen (198 million yen more than the end of the previous fiscal year), mainly due to a 203 million yen increase in long-term loans payable.

(Net assets)

Total net assets at the end of the first quarter consolidated accounting period are 10,410 million yen (288 million yen more than

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

the end of the previous consolidated fiscal term). The main reason for this was the increase of 245 million yen for the income attributable to owners of the parent.

(2) Business and financial challenges that should be prioritized and addressed

During the first quarter of the current consolidated cumulative period, there were no changes in priority business or financial issues that need to be addressed by the Group.

(3) Research and development activities

Not applicable.

3. Important Material Contracts, etc.

During the first quarter of the current consolidated cumulative period, there were no business contracts decided or signed.

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Item 3: Information Related to Vision

1. Information Related to Vision's Shares

(1) Total number of shares

① Shares

Class	Total number of shares authorized to be issued (shares)
Common stock	123,000,000
Total	123,000,000

② Issued shares

Class	Number of shares issued as of the end of period (March 31, 2022)	Number of shares issued as of the filing date (May 13, 2022)	Stock exchange on which Vision is listed	Summary
Common stock	49,179,300	50,280,900	Tokyo Stock Exchange First Section Market (as of the end of the first quarter) Prime Market (as of the date of submission)	The number of shares per one unit of shares is 100 shares.
Total	49,179,300	50,280,900	—	—

Note: Number of shares issued as of the filing date does not include the number of shares issued by exercising stock acquisition rights from May 1, 2022 to the filing date of this quarterly securities report.

(2) Status of stock acquisition rights

① Information on stock option limits

Date of resolution	March 1, 2022
Classification and number of grantees (persons)	Company director 3 Company employees 27 Subsidiary company directors 2
Number of stock acquisition rights (units)*	7,200 (Note 1)
Class, description, and number of shares to be issued upon exercise of stock acquisition rights (shares)*	Ordinary stock 720,000 (Note 1)
Amount to be paid-in upon exercise of stock acquisition rights (yen)*	1,162 yen (Note 2)
Period during which stock acquisition rights may be exercised*	From April 1, 2024 to March 31, 2032 (Note 3)
Issue price and amount paid into capital when shares are issued due to the exercise of stock acquisition rights*	Issue price 1,170 yen Paid-in capital 585 yen
Conditions for exercising subscription rights*	(Note 6)
Matters concerning the transfer of subscription rights*	Acquisition of the stock acquisition rights by transfer requires approval by a resolution of the Board of Directors of the Company.
Matters concerning the issuance of subscription rights to shares due to reorganization	(Note 8)

*The details at the time of the issuance of stock acquisition rights (March 18, 2022) are shown.

(Note 1): Class and number of shares to be issued upon exercise of the stock acquisition rights

The number of shares to be issued upon exercise of each stock acquisition right (hereinafter referred to as the “number of shares granted”) shall be 100 shares of common stock of the Company.

The number of shares granted shall be adjusted in accordance with the following formula if the Company conducts a stock split (including gratis allotment of the Company's common shares; hereinafter the same shall apply) or a reverse stock split after the allotment date of the Stock Acquisition Rights. However, such adjustment shall be made only with respect to the number of shares to be issued upon exercise of the Stock Acquisition Rights that have not been exercised as of such time,

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

and any fraction of less than one share resulting from such adjustment shall be rounded down.

Number of shares granted after adjustment = Number of shares granted before adjustment × Ratio of split (or consolidation)

If the Company conducts a merger, corporate split, share exchange, or share delivery after the allotment date of the stock acquisition rights, or if the number of granted shares needs to be adjusted in accordance with these cases, the Company may appropriately adjust the number of granted shares to a reasonable extent.

(Note 2): Value or calculation method of assets to be contributed upon exercise of stock acquisition rights

The value of assets to be contributed upon exercise of the Stock Acquisition Rights shall be the amount to be paid per share (hereinafter referred to as “exercise prices”) multiplied by the number of shares granted.

The exercise price shall be 1,162 yen per share.

$$\text{Exercise price after adjustment} = \text{Exercise price before adjustment} \times \frac{1}{\text{Ratio of split (or consolidation)}}$$

If the Company issues new shares or disposes of treasury stock at a price below the market value of the Company's common stock after the allotment date of the stock acquisition rights (excluding cases of issuance of new shares or disposal of treasury stock based on the exercise of stock acquisition rights or issuance of new shares or delivery of treasury stock through merger, corporate split, share exchange or share delivery), the exercise price shall be adjusted in accordance with the following formula. The exercise price shall be adjusted in accordance with the following formula, and any fraction of less than one yen resulting from the adjustment shall be rounded up to the nearest one yen.

$$\text{Exercise price after adjustment} = \frac{\text{Exercise price before adjustment} \times \left(\frac{\text{Number of shares already issued} + \text{Number of newly issued shares}}{\text{Number of shares already issued} + \text{Number of shares newly issued}} \right) \times \text{Paid-in amount per share}}{\text{Market price per share before new issue}}$$

In the above formula, the “number of shares already issued” shall be the number obtained by deducting the number of treasury shares of the Company's common stock from the total number of outstanding shares of the Company's common stock, and if the Company disposes of treasury shares of the Company's common stock, “number of newly issued shares” shall be read as “number of treasury shares to be disposed of”.

Furthermore, in addition to the above, if the Company conducts a merger, corporate split, share exchange or share delivery after the allotment date of the Stock Acquisition Rights, or if the exercise price needs to be adjusted pursuant to such events, the Company may appropriately adjust the exercise price to a reasonable extent.

(Note 3): Period during which the Stock Acquisition Rights may be exercised

The period during which the Stock Acquisition Rights may be exercised (hereinafter referred to as the “exercise period”) shall be from April 1, 2024 to March 31, 2024.

(Note 4): Matters concerning capital and capital reserve to be increased

① The amount of capital to be increased in the event of the issuance of shares upon exercise of the Share Acquisition Rights shall be half of the maximum amount of increase in capital, as calculated in accordance with Article 17, Paragraph 1 of the Corporate Calculation Regulations. Any fraction of less than one yen resulting from the calculation shall be rounded up to the nearest yen.

② The amount of capital reserve to be increased in the event of the issuance of shares upon the exercise of the stock acquisition rights shall be the amount obtained by subtracting the amount of capital to be increased as set forth in ① from the maximum amount of increase in capital as set forth in ①.

(Note 5): Restriction on acquisition of stock acquisition rights by transfer

Acquisition of the stock acquisition rights by transfer shall require approval by a resolution of the Board of Directors of the Company.

(Note 6): Conditions for exercise of stock acquisition rights

① A person who has received an allotment of stock acquisition rights (hereinafter referred to as "Stock Acquisition Rights Holder") shall be entitled to exercise the Stock Acquisition Rights during the fiscal year ending December 31, 2023.

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

The allotted Stock Acquisition Rights shall be exercisable only when the operating income stated in (a) or (b) below is satisfied with the conditions set forth in (a) or (b), respectively (hereinafter referred to as the “exercisable percentage”). Any fraction of less than one Stock Acquisition Right that becomes exercisable in the calculation of the exercisable percentage shall be rounded down.

(a) If operating income exceeds 4 billion yen in any of the fiscal years ending December 31, 2023 or 2025: 50% exercisable

(b) If operating income exceeds 5 billion yen in any of the fiscal years ending December 31, 2023 through December 31, 2027: 100% exercisable.

In the event that the Board of Directors determines that it is not appropriate to use the actual figures shown in the Company's consolidated statements of income for the determination of operating income in the above, due to a change in applicable accounting standards or the occurrence of an event such as a corporate acquisition that has a significant impact on the Company's business results, the Company shall, to the extent reasonable, eliminate the impact of such corporate acquisition and use such figures for the determination. If stock compensation expenses related to the Stock Acquisition Rights are recorded in the relevant consolidated statements of income, the judgment shall be made based on the operating income before deduction of stock compensation expenses after eliminating the effect of such expenses.

② Holders of stock acquisition rights must be directors, corporate auditors or employees of the Company or its affiliates at the time of exercising their stock acquisition rights. However, this shall not apply in cases where the Board of Directors recognizes that there is a justifiable reason, such as retirement from office due to expiration of term of office, mandatory retirement age, or other reasons.

③ The exercise of the Stock Acquisition Rights by the heirs of the holders of the Stock Acquisition Rights shall not be permitted.

④ If the exercise of the Stock Acquisition Rights would cause the total number of shares issued by the Company to exceed the total number of shares authorized to be issued at the time, the Stock Acquisition Rights may not be exercised.

⑤ No less than one of each Stock Acquisition Right may be exercised.

(Note 7): Matters concerning acquisition of subscription rights to shares

① In the event that a general meeting of shareholders approves (or the Board of Directors resolves if approval by a general meeting of shareholders is not required) a merger agreement under which the Company will cease to exist, a company split agreement or plan under which the Company will split, or a share exchange agreement, share delivery plan or share transfer plan under which the Company will become a wholly owned subsidiary, the Company may acquire all the Stock Acquisition Rights without consideration upon the arrival of a date separately determined by the Board of Directors.

② If a stock acquisition right holder becomes unable to exercise these stock acquisition rights pursuant to the provisions set forth in Note 6 before exercising his/her rights, the Company may acquire such stock acquisition rights that are no longer exercisable without consideration on a date separately determined by the Board of Directors.

(Note 8): Handling of stock acquisition rights in the event of organizational restructuring

In the event that the Company conducts a merger (limited to cases where the Company is dissolved in a merger), absorption-type company split, incorporation-type company split, share exchange or share transfer (collectively, the “reorganization”), the Company shall grant stock acquisition rights of stock companies listed in Article 236, Paragraph 1, Item 8 (a) through (e) of the Companies Act (the “reorganized company”) to the holders of stock acquisition rights on the effective date of the reorganization in each case under the following conditions. However, this shall be limited to cases where it is stipulated in the absorption-type merger agreement, incorporation-type merger agreement, absorption-type company split agreement, incorporation-type company split plan, share exchange agreement, or share transfer plan that subscription rights to shares of the Reorganized Company shall be delivered in accordance with the following conditions.

① Number of stock acquisition rights of the reorganized company to be issued

The same number of stock acquisition rights as the number of stock acquisition rights held by the holders of the stock acquisition rights shall be issued.

② Class of shares of the reorganized company to be issued upon exercise of stock acquisition rights
Common stock of the Reorganized Company.

③ Number of shares of the reorganized company to be issued upon exercise of stock acquisition rights

To be determined in accordance with Note 1, taking into consideration the conditions of the restructuring transaction.

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

④ Value of assets to be contributed upon exercise of stock acquisition rights

The value of assets to be contributed upon the exercise of each stock acquisition right to be granted shall be the post-reorganization exercise price obtained by adjusting the exercise price determined in Note 2, after taking into consideration the terms and conditions of the restructuring transaction, multiplied by the number of shares of the reorganized company to be issued upon exercise of such stock acquisition rights determined in accordance with Note 8. ③.

⑤ Period during which stock acquisition rights may be exercised

From the later date of either the first day of the exercise period specified in Note 3 or the effective date of the restructuring transaction, to the last day of the exercise period specified in Note 3.

⑥ Matters concerning capital stock and capital reserve to be increased in the event of the issuance of shares upon the exercise of stock acquisition rights

To be determined in accordance with Note 4.

⑦ Restriction on acquisition of subscription rights to shares by transfer

Restrictions on acquisition by transfer shall require approval by a resolution of the Board of Directors of the reorganized company.

⑧ Other conditions for the exercise of stock acquisition rights

To be determined in accordance with Note 6.

⑨ Reasons and conditions for acquisition of stock acquisition rights

To be determined in accordance with Note 7.

⑩ Other conditions shall be determined in accordance with the conditions of the restructured company.

② Status of other stock acquisition rights

Not applicable.

(3) Exercise status of corporate bonds with stock acquisition rights with exercise price adjustment clause

Not applicable.

(4) Changes in the total number of issued shares, capital, etc.

Date	Changes in the total number of issued shares (shares)	Balance of the total number of issued shares (shares)	Changes in capital (thousands of yen)	Balance of capital (thousands of yen)	Changes in capital reserve (thousands of yen)	Balance of capital reserve (thousands of yen)
January 1, 2022 – March 31 2022 (Note)	88,200	49,179,300	7,497	2,395,412	7,497	2,213,411

Note: This is an increase due to the exercise of stock acquisition rights.

(5) Status of major shareholders

Not applicable for the first quarter ended March 31, 2022.

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

(6) Voting status

① Issued shares

As of March 31, 2022

Classification	Number of stock shares	Number of voting rights	Description
Shares without voting rights	—	—	—
Shares with restricted voting rights (treasury stock, etc.)	—	—	—
Shares with restricted voting rights (other)	—	—	—
Shares with full voting rights (treasury stock, etc.)	(Treasury stock) Common stock 1,501,600	—	—
Shares with full voting rights (other)	Common stock 47,670,000	476,700	—
Shares representing less than one unit	Common stock 7,700	—	—
Number of issued shares	49,179,300	—	—
Total number of voting rights	—	476,700	—

Note: The number of shares in “shares less than one unit” includes 16 shares less than one unit held by the Company.

② Treasury stock

As of March 31, 2022

Owner's name	Owner's address	Number of shares held under own name (shares)	Number of shares held under the name of others (shares)	Total number of shares held (shares)	Ownership percentage of total number of shares outstanding (%)
(Treasury stock) Vision Inc.	6-5-1 Nishi-Shinjuku, Shinjuku, Tokyo	1,501,600	-	1,501,600	3.05
Total	—	1,501,600	-	1,501,600	3.05

2. Changes in Directors and Company Auditors

Not applicable.

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Item 4: Financial Information

1. Preparation method of the condensed consolidated financial statements

The condensed consolidated financial statements of Vision have been prepared in accordance with the “Ordinance on Terminology, Forms, and Preparation Methods of Quarterly Consolidated Financial Statements, etc.” (Cabinet Office Ordinance No. 64 of 2007).

2. Independent auditor’s report on quarterly review

Based on the provisions of Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act, the Company reports the first quarter consolidated accounting period (January 1, 2022 to March 31, 2022) and the first quarter consolidated cumulative period (from January 1, 2022 to March 31, 2022). The quarterly consolidated financial statements for January 1, 2022 to March 31, 2022 have undergone a quarterly review by KPMG AZSA LLC.

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

1. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheet

(Thousands of yen)

	January 1, 2021 – March 31 2021	January 1, 2022 – March 31 2022
Assets		
Current assets		
Cash and deposits	7,602,426	6,791,436
Notes and accounts receivable - trade	2,183,816	2,858,299
Products	202,581	172,744
Supplies	5,801	6,691
Other	831,510	784,981
Allowance for doubtful accounts	-77,177	-90,016
Total current assets	10,748,958	10,524,137
Fixed assets		
Tangible fixed assets	534,664	1,383,190
Intangible fixed assets		
Goodwill	1,332,425	1,287,021
Other	150,101	151,287
Total intangible fixed assets	1,482,527	1,438,308
Investments and other assets		
Other	2,237,519	1,825,250
Allowance for doubtful accounts	-71,508	-66,281
Total investments and other assets	2,166,011	1,758,968
Total fixed assets	4,183,203	4,580,467
Total assets	14,932,162	15,104,605
Liabilities		
Current liabilities		
Notes and accounts payable – trade	914,551	919,053
Short-term loans payable	50,000	15,000
Current portion of long-term debt	89,002	107,605
Income taxes payable	179,245	97,338
Provision for bonuses	306,321	201,958
Other	2,340,918	2,223,947
Total current liabilities	3,880,038	3,564,902
Fixed liabilities		
Long-term debt	733,904	937,166
Other	196,004	191,704
Total fixed liabilities	929,908	1,128,871
Total liabilities	4,809,946	4,693,774
Net assets		
Shareholders' equity		
Share capital	2,387,915	2,395,412
Capital surplus	2,454,031	2,461,528
Retained earnings	7,088,507	7,334,415
Treasury stock	-1,862,904	-1,862,934
Total shareholders' equity	10,067,549	10,328,422
Other accumulated comprehensive income		
Valuation difference on available-for-sale securities	5,109	-1,831
Foreign currency translation adjustment	40,991	68,470
Total other accumulated comprehensive income	46,101	66,639
Subscription rights to shares	6,116	11,876

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Non-controlling interests	2,447	3,893
Total net assets	10,122,215	10,410,831
Total liabilities and net assets	14,932,162	15,104,605

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

(2) Quarterly Consolidated Statement of Profit or Loss and Comprehensive Income

Quarterly Consolidated Statement of Profit or Loss

Consolidated Cumulative First Quarter

(Thousands of yen)

	January 1, 2021 – March 31, 2021	January 1, 2022 – March 31, 2022
Net sales	3,938,868	5,609,090
Cost of sales	1,762,221	3,064,517
Gross profit	2,176,646	2,544,573
Selling, general, and administrative expenses	1,890,707	2,140,631
Operating profit	285,939	403,942
Non-operating income		
Interest income	225	766
Dividends earned	1,500	1,500
Currency exchange gain	16,042	—
Subsidy income	8,156	1,750
Other	6,678	2,780
Total non-operating income	32,603	6,797
Non-operating expenses		
Interest expenses	—	2,788
Treasury stock acquisition fees	—	950
Other	4,640	846
Total non-operating expense	4,640	4,585
Ordinary profit	313,901	406,154
Extraordinary income		
Gain on reversal of share acquisition rights	14,940	—
Total extraordinary income	14,940	—
Profit before tax adjustment	328,842	406,154
Corporate, resident, and business taxes	24,092	78,003
Deferred income tax	72,548	80,795
Total income taxes	96,641	158,799
Quarterly profit	232,200	247,354
Quarterly profit attributable to non-controlling interests	25	1,446
Quarterly profit attributable to owners of parent	232,175	245,908

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Quarterly Consolidated Statement of Comprehensive Income
Consolidated Cumulative First Quarter

	(Thousands of yen)	
	(January 1, 2021 – March 31, 2021)	(January 1, 2022 – March 31, 2022)
Quarterly comprehensive income	232,200	247,354
Other comprehensive income		
Other valuation difference on hedges	-3,989	-6,940
Deferred gains or losses on hedges	721	–
Foreign currency translation reserve	21,167	27,478
Total other comprehensive income	17,899	20,537
Quarterly comprehensive income	250,100	267,892
(Breakdown)		
Quarterly comprehensive income related to owners of the parent	250,074	266,446
Quarterly comprehensive income related to non-controlling interests	25	1,446

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Notes

(Change in Scope of Consolidation or Application of the Equity Method)

(Significant Changes in the Scope of Consolidation)

Koshikano Onsen, which had been a non-consolidated subsidiary until the previous consolidated fiscal year, was included in the scope of consolidation during the first quarter of the current consolidated fiscal year due to its increased importance as a result of becoming a wholly owned subsidiary through the acquisition of all of its shares.

(Changes in Accounting Policies)

(Application of Accounting Standard for Revenue Recognition)

The “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020; hereinafter referred to as the “Accounting Standard for Revenue Recognition”) was adopted by the Company from the beginning of the first quarter of the current fiscal year, and recognized revenue at the amount expected to be received in exchange for the promised goods or services when control of the promised goods or services is transferred to the customer.

The Company has followed the transitional treatment prescribed in the proviso of Paragraph 84 of the Accounting Standard for Revenue Recognition, and recognized revenue in the amount expected to be received in exchange for the promised goods or services at the beginning of the period. The cumulative effect of the retrospective application of the new accounting policies prior to the beginning of the first quarter of the current fiscal year has been added to or deducted from retained earnings at the beginning of the first quarter of the current fiscal year, and the new accounting policies have been applied from the beginning balance of the current fiscal year. As a result, the Company has applied the new accounting policy from the balance at the beginning of the period and there is no effect on the balance of retained earnings at the beginning of the first quarter of the current fiscal year. The application of the new accounting standard had no impact on the balance of retained earnings at the beginning of the period. In addition, the application of the new accounting standard did not have a material impact on the quarterly consolidated financial statements.

Due to the application of the accounting standard for revenue recognition, “Allowance for short-term cancellation refunds,” which was presented in “Current liabilities” in the consolidated balance sheet for the previous fiscal year, is included in “Other” from the first quarter of the current fiscal year. In accordance with the transitional treatment prescribed in Paragraph 89-2 of the Accounting Standard for Revenue Recognition, no reclassification has been made to reflect the new presentation for the previous consolidated fiscal year and the first quarter of the previous consolidated cumulative period. In addition, in accordance with paragraph 28-15 of the “Accounting Standard for Quarterly Financial Reporting” (ASBJ Statement No. 12, March 31, 2020), information that breaks down revenue from contracts with customers for the previous consolidated cumulative period is not presented.

(Application of Accounting Standard for Measurement of Fair Value)

The “Accounting Standard for Calculation of Fair Value” (ASBJ Statement No. 30, July 4, 2019; hereinafter referred to as “Accounting Standard for Calculation of Fair Value”) are applied from the beginning of the first quarter of the current consolidated fiscal year, as stipulated in Paragraph 19 of the Accounting Standard for Calculation of Fair Value and Paragraph 44-2 of the Accounting Standard for Financial Instruments (ASBJ Statement No. 10, July 4, 2019). In accordance with the transitional treatment, the new accounting policies prescribed by the Accounting Standard for Fair Value Calculation will be applied prospectively. This change has no impact on the quarterly consolidated financial statements.

(Quarterly Consolidated Cash Flow Statement)

We have not prepared a quarterly consolidated cash flow statement for the first quarter consolidated cumulative period. The depreciation costs (including depreciation costs for intangible fixed assets excluding goodwill) and goodwill depreciation for the first quarter consolidated cumulative period are as follows.

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

	FY2021/1Q Cumulative period (January 1, 2021 – March 31, 2021)	FY2022/1Q Cumulative period (January 1, 2022 – March 31, 2022)
Depreciation	26,291 thousand yen	50,448 thousand yen
Goodwill depreciation	4,923 thousand yen	48,985 thousand yen

(Shareholders' equity)

FY2021/1Q Cumulative period (January 1, 2021 – March 31, 2021)

1. Dividend paid.
Not applicable.
2. Of the dividends whose recorded date are in the first quarter consolidated cumulative period, the dividend effective date is after the last day of the first quarter consolidated accounting period.
Not applicable.
3. Significant fluctuations in shareholders' equity
Not applicable.

FY2022/1Q Cumulative period (January 1, 2022 – March 31, 2022)

1. Dividend payment amount
Not applicable.
2. Of the dividends whose recorded date are in the first quarter consolidated cumulative period, the dividend effective date is after the last day of the first quarter consolidated accounting period.
Not applicable.
3. Significant fluctuations in shareholders' equity
Not applicable.

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

(Segment Information, etc.)

Segment Information

FY2021/1Q Cumulative period (January 1, 2021 – March 31, 2021)

1. Information on net sales and profit or loss by reporting segment

(Thousands of yen)

	Reporting segment			Other (Note 1)	Total	Adjustments (Note 2)	Quarterly consolidated income statement (Note 3)
	GLOBAL WiFi	Information and Communications Service	Total				
Net sales							
Sales to external customers	1,515,904	2,357,544	3,873,448	65,419	3,938,868	—	3,938,868
Intersegment sales and transfers	—	264	264	1,090	1,355	-1,355	—
Total	1,515,904	2,357,809	3,873,713	66,509	3,940,223	-1,355	3,938,868
Segment profit or loss (-)	117,701	410,131	527,832	-17,698	510,134	-224,195	285,939

(Note 1): The “Other” category is for businesses that are not included in the reporting segment such as the media and catalog sales businesses.

(Note 2): The segment profit of -224,195 thousand yen is a company-wide expense that is not allocated to each reporting segment. These are mainly general and administrative expenses that do not belong to the reporting segment.

(Note 3): Segment profit is adjusted to the operating profit of the quarterly consolidated income statement.

2. Information on impairment loss of fixed assets by reporting segment as it relates to matters such as goodwill.

Not applicable.

FY2022/1Q Cumulative period (January 1, 2022 – March 31, 2022)

1. Information on net sales and profit or loss by reporting segment

(Thousands of yen)

	Reporting segment			Other (Note 1)	Total	Adjustments (Note 2)	Quarterly consolidated income statement (Note 3)
	GLOBAL WiFi	Information and Communications Service	Total				
Net sales							
Sales to external customers	2,618,747	2,871,377	5,490,125	118,965	5,609,090	—	5,609,090
Intersegment sales and transfers	—	3,853	3,853	1,540	5,394	-5,394	—
Total	2,618,747	2,875,231	5,493,978	120,506	5,614,485	-5,394	5,609,090
Segment profit or loss (-)	359,495	347,373	706,869	-34,113	672,755	-268,812	403,942

(Note 1): The “Other” category is for businesses that are not included in the reporting segment such as the glamping, media, and catalog sales businesses.

(Note 2): The segment profit of -268,812 thousand yen is a company-wide expense that is not allocated to each reporting segment. These are mainly general and administrative expenses that do not belong to the reporting segment.

(Note 3): Segment profit is adjusted to the operating profit of the quarterly consolidated income statement.

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

2. Information on impairment loss of fixed assets by reporting segment as it relates to matters such as goodwill.

Not applicable.

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

(Relating to revenue recognition)

Breaking down the revenue generated from customer contracts

FY2022/1Q Cumulative period (January 1, 2022 – March 31, 2022)

(Thousands of yen)

	Reporting segment			Other (Note 1)	Total
	GLOBAL WiFi Business	Information and Communications Service	Total		
Data Communications	1,135,585	—	1,135,585	—	1,135,585
Business Subcontracting	1,102,600	—	1,102,600	—	1,102,600
Office Automation Equipment	—	997,961	997,961	—	997,961
Mobile Communications Equipment	—	769,183	769,183	—	769,183
Internet Media	—	192,778	192,778	—	192,778
Broadband Lines	—	140,012	140,012	—	140,012
Fixed Communication Lines	—	136,085	136,085	—	136,085
Other	178,799	408,687	587,486	118,965	706,452
Revenue from customer contracts	2,416,985	2,644,708	5,061,694	118,965	5,180,659
Other revenue (Note 2)	201,761	226,668	428,430	—	428,430
External customer sales	2,618,747	2,871,377	5,490,125	118,965	5,609,090

(Note 1): The “Other” category is for businesses that are not included in the reporting segment such as the glamping, media, and catalog sales businesses.

(Note 2): The “Other revenue” category is for revenue relating to Accounting Standards for Lease Transactions.

(Information on per share)

The quarterly net income per share/basis for calculation and the adjusted net income per share/basis for calculation are as follows.

Item	FY2021/1Q Cumulative period January 1, 2021 – March 31, 2021	FY2022/1Q Cumulative period January 1, 2022 – March 31, 2022
(1) Basic earnings per share	4.93	5.16
(Calculation basis)		
Profit attributable to owners of parent (thousands of yen)	232,175	245,908
Amount not attributable to ordinary shareholders (thousands of yen)	—	—
Profit attributable to owners of parent for common stock (thousands of yen)	232,175	245,908
Average number of shares of common stock	47,081,246	47,618,272
(2) Potential adjusted quarterly net income per share	4.80	5.03
(Calculation basis)		
Profit adjustment attributable to owners of the parent (thousands of yen)	—	—
Increase in common stock	1,264,610	1,262,818

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Summary of potential shares that were not included in the calculation of diluted earnings per share because they don't have a diluting effect and changed significantly since the end of the previous consolidated fiscal year	Stock acquisition rights (2,801,400 shares of common stock) resolved by the Board of Directors on November 13, 2017 have been determined to not meet exercise conditions and were all extinguished on March 29, 2021.	Stock acquisition rights (common stock) resolved by the Board of Directors on March 1, 2022 (720,000 shares of common stock)
--	---	--

(Important subsequent events)

Not applicable.

2. Other

Not applicable.

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Part 2: Information about Guarantors of the Company

Not applicable.

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Independent Auditor's Report on Review of Condensed Quarterly Consolidated Financial Statements

May 13, 2022

The Board of Directors
Vision Inc.

KPMG AZSA LLC
Tokyo Office

Designated Limited Liability Partner
Engagement Partner

Certified accountant Naoki Ueno

Designated Limited Liability Partner
Engagement Partner

Certified accountant Masato Nagai

Auditor's Conclusion

We have audited the consolidated financial statements of Vision Inc. (the "Company") included in the "Status of Accounting" for the three months ended December 31, 2022 (January 1, 2022 through March 31, 2022) in accordance with Article 193-2-1 of the Financial Instruments and Exchange Law. We have reviewed the quarterly consolidated financial statements, namely, the quarterly consolidated balance sheets, quarterly consolidated statements of income, quarterly consolidated statements of comprehensive income, and notes to the quarterly consolidated statements for the first quarter (January 1, 2022 through March 31, 2022) and the first three months (January 1, 2022 through March 31, 2022) of the current consolidated fiscal year.

In our quarterly review, we found that the quarterly consolidated financial statements referred to above present fairly, in all material respects, the financial position of Vision Corporation and its consolidated subsidiaries as of March 31, 2022, and the results of their operations for the three-month period then ended in conformity with accounting principles for quarterly consolidated financial statements generally accepted in Japan. In our opinion, nothing has come to our attention that causes us to believe that the above quarterly consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of Vision Inc.

Basis of Auditors' Conclusions

We conducted our quarterly review in accordance with the quarterly review standards generally accepted in Japan. Our responsibility is to express an opinion on the quarterly consolidated financial statements based on our review. We are independent of the Company and its consolidated subsidiaries and have fulfilled our other ethical responsibilities as auditors in accordance with the rules of professional ethics in Japan. We believe that the evidence we have obtained provides a basis for our conclusion.

Responsibility of Management, Corporate Auditors and the Board of Corporate Auditors for the Quarterly Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these quarterly consolidated financial statements in accordance with accounting principles generally accepted in Japan. This includes establishing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the quarterly consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the quarterly consolidated financial statements, management assesses whether it is appropriate to prepare the quarterly consolidated financial statements on a going concern basis and, if so, discloses matters related to going concern in accordance with the standards for preparation of quarterly consolidated financial statements generally accepted in Japan. The Company is responsible for disclosing such matters.

The responsibility of the Statutory Auditors and the Board of Statutory Auditors is to monitor the directors' performance of their duties in the development and operation of the financial reporting process.

Auditor's Responsibility for the Quarterly Review of the Quarterly Consolidated Financial Statements

The auditor is responsible for expressing its conclusion on the quarterly consolidated financial statements from an independent standpoint in the quarterly review report based on the quarterly review conducted by the auditor.

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

The auditor shall exercise professional judgment and maintain professional skepticism throughout the course of the quarterly review in accordance with the quarterly review standards generally accepted in Japan, and shall do the following.

- Conduct the quarterly review by asking questions of management, persons responsible for financial and accounting matters, and other persons, and by performing analytical procedures and other quarterly review procedures. Conduct quarterly review procedures. Quarterly review procedures shall be limited compared to an audit of the annual financial statements conducted in accordance with auditing standards generally accepted in Japan.
- The Company and its consolidated subsidiaries have adopted a going concern assumption for the fiscal year ended March 31, 2022, which is based on the "Accounting Standard for Asset Retirement Obligations" (ASBJ Statement No. 18, issued on July 5, 2006). Based on the evidence obtained, we conclude that nothing has come to our attention that causes us to believe that the quarterly consolidated financial statements do not present fairly, in conformity with accounting principles for quarterly consolidated financial statements generally accepted in Japan. If a material uncertainty regarding the company's ability to continue as a going concern exists, we are required to draw attention to it in the notes to the quarterly consolidated financial statements in the quarterly review report, or if the notes to the quarterly consolidated financial statements regarding the material uncertainty are not appropriate, the auditor is required to express a limited or negative conclusion. The auditor's conclusion is based on evidence obtained up to the date of the quarterly review report, but future events or circumstances could cause the entity to cease to exist as a going concern.
- In our opinion, the quarterly consolidated financial statements, including the related notes, present fairly, in all material respects, the financial position and results of operations of the Company and its consolidated subsidiaries as of March 31, 2022, and the results of their operations for the year then ended in conformity with accounting principles generally accepted in Japan. The Company and its consolidated subsidiaries are not subject to the disclosure requirements of the Financial Instruments and Exchange Law of Japan.
- The auditor obtains evidence concerning the financial information of the Company and its consolidated subsidiaries in order to express a conclusion on the quarterly consolidated financial statements.

The auditor is responsible for directing, supervising, and performing the quarterly review of the quarterly consolidated financial statements. The auditor is solely responsible for their conclusions.

The auditor shall report to the company's auditors and the board of auditors on the scope and timing of the planned quarterly review and any significant findings of the quarterly review.

The auditor shall report to the auditors and the board of auditors in compliance with the provisions of the Japanese Code of Professional Ethics regarding independence, and on matters that could reasonably be considered to affect the auditor's independence and on safeguards, if any, taken to remove or mitigate impediments.

Interests

The Company and its consolidated subsidiaries have no interest in the Company or its consolidated subsidiaries that should be disclosed pursuant to the provisions of the Certified Public Accountants Act.

(Note 1): The above is an electronic version of the items described in the original quarterly review report and the original is stored separately by the Company (the company that submits the quarterly report).

(Note 2): XBRL data is not included in the quarterly review.