

FYE2026 2Q

Supplementary Materials on Financial Results



Table of Contents

- **FYE2026 2Q Financial Results**
- **APPENDIX**
 - Supplemental Results
 - Market Analysis
 - Growth Strategy
 - Medium-term Management Plan Numerical Targets
 - Company Profile
 - Our Strengths & Features

— FYE2026 2Q Financial Results

Highlights

Net sales

3,083 million yen

YoY change

△ **22.8%**

Percentage of progress
toward full-year forecast

42.2%

Operating Profit

613 million yen

YoY change

23.1%

Percentage of progress
toward full-year forecast

65.7%

【Net sales】

- The impact of Trump tariffs has caused some customers in manufacturing, automotive, and other industries to postpone decision-making.
- While movement in relatively large-scale projects worth around 100 million yen has been sluggish, we have successfully captured demand for high-value-added small-to-medium-sized projects-our traditional strength-as a recovery measure. As a result of changes in the sales mix, profit margins improved.
- Large-scale projects worth over 1 billion yen secured last year have also been successfully delivered and accepted.

【Operating Profit】

- SG&A expenses increased by approximately 55 million yen due to personnel expansion and capital investment. However, by securing a stable profit margin through changes in the sales mix, the gross profit margin improved by 10.8pt to 28.7%, achieving double-digit profit growth. Progress is steadily advancing at 65.7%.

Summary of Financial Results

(Thousands of yen)	FYE2025 2Q		FYE2026 2Q		YoY Change (Ratio of Change)
	Achievements	Sales Ratio	Achievements	Sales Ratio	
Net sales	3,995,118	—	3,083,815	—	△911,302 (△22.8%)
Gross profit	714,831	17.9%	885,290	28.7%	+170,458 (+23.8%)
Operating profit	498,540	12.5%	613,745	19.9%	+115,205 (+23.1%)
Ordinary profit	497,158	12.4%	649,068	21.0%	+151,909 (+30.6%)
Profit	344,138	8.6%	448,308	14.5%	+104,169 (+30.3%)

● Gross profit

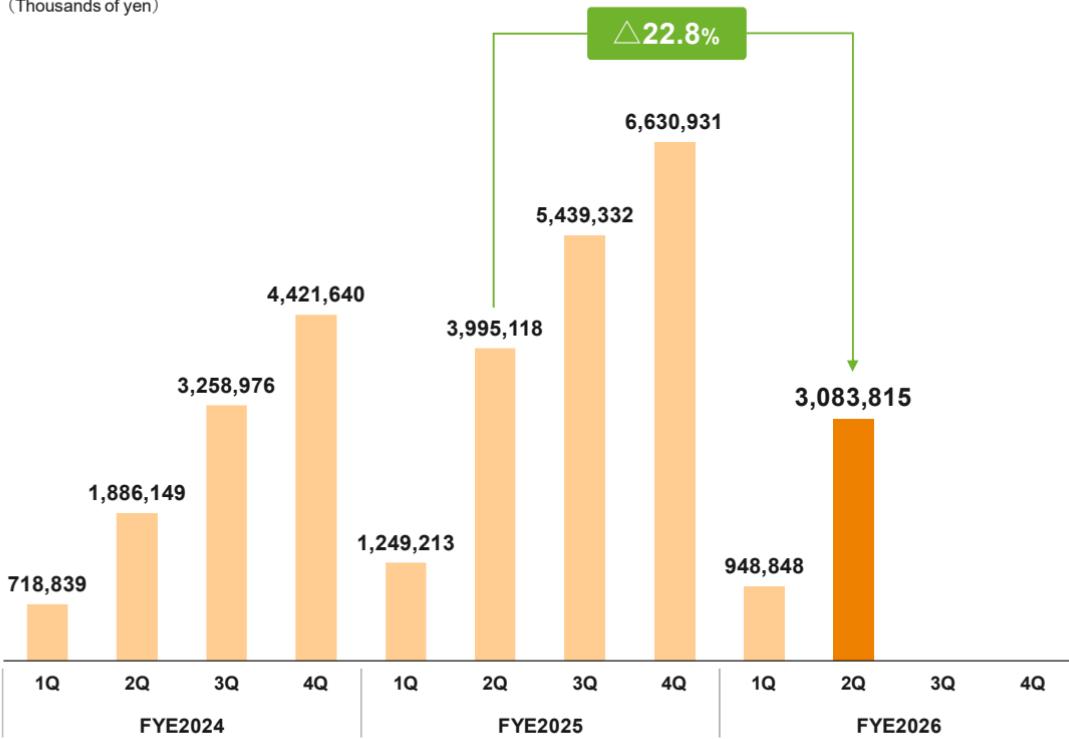
Profit margin improved to 28.7%, +10.8pt YoY, due to changes in the sales mix. Despite lower revenue, we achieved a significant increase in profit of +23.8% YoY.

● Ordinary profit

Achieved a profit +30.6% YoY, partly due to recording foreign exchange gains exceeding the previous period's amount.

Trends in Net Sales (Cumulative)

(Thousands of yen)

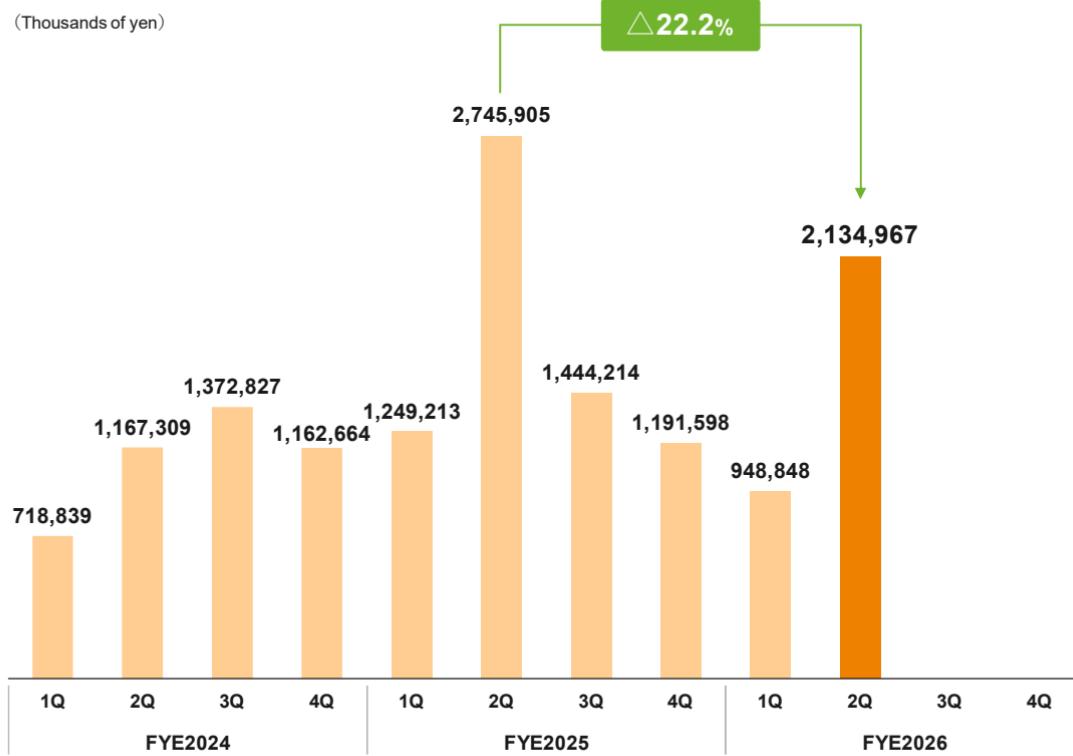


- Due to the impact of Trump tariffs, decision-making was delayed for relatively large-scale projects in the range of around 100 million yen that were initially anticipated. Especially in the mobility industry, decision-making was delayed regardless of project scale.

As a result, sales for the 2Q grew more slowly than anticipated.

As a recovery strategy, focus on small-to-medium-sized, high-value-added projects.

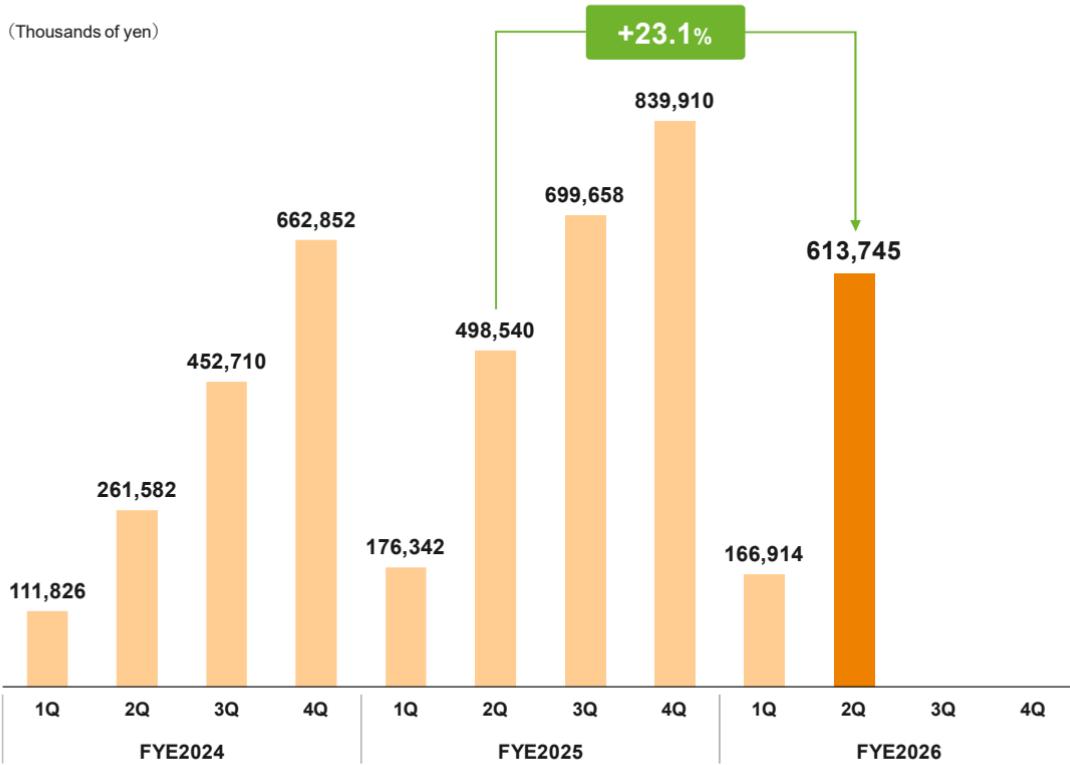
Trends in Net Sales



- This 2Q also recorded a large-scale project exceeding 1 billion yen, resulting in sales exceeding 2 billion yen.
- On the other hand, due to the reasons mentioned earlier, projects in the 100 million yen price range failed to secure orders, resulting in a decrease in revenue.

Trends in Operating Profit (Cumulative)

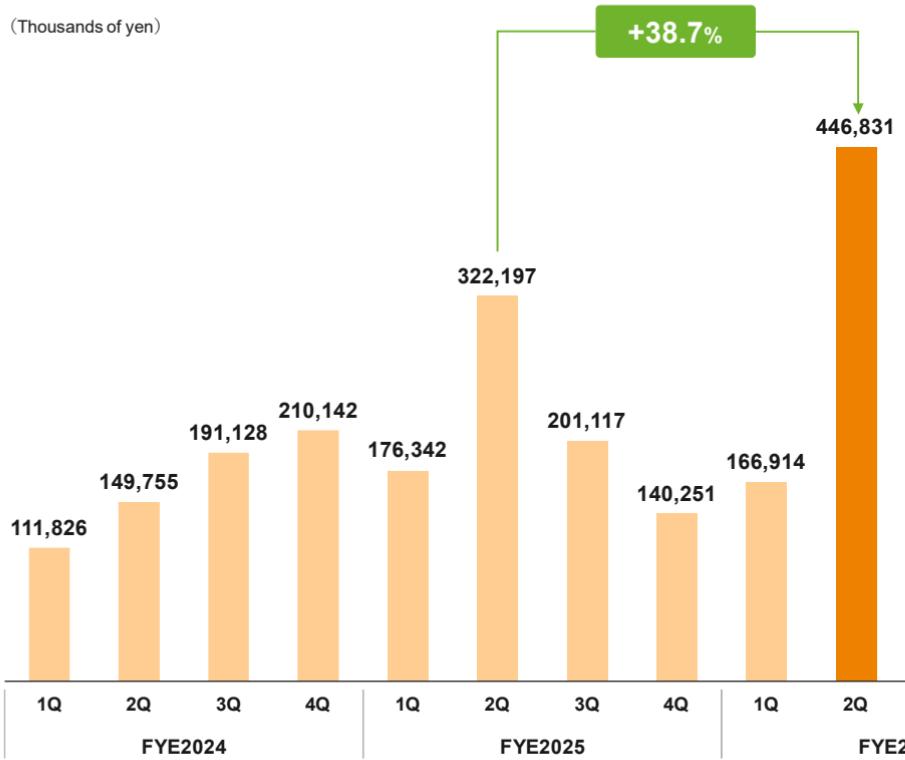
(Thousands of yen)



- In addition to the decline in sales revenue, SG&A expenses increased by approximately 25%, driven by factors such as personnel expenses and depreciation expenses stemming from capital investment.
- Despite the aforementioned negative factors, operating profit increased by more than 20% YoY due to a significant improvement in gross profit margin resulting from changes in the sales mix.

Trends in Operating Profit

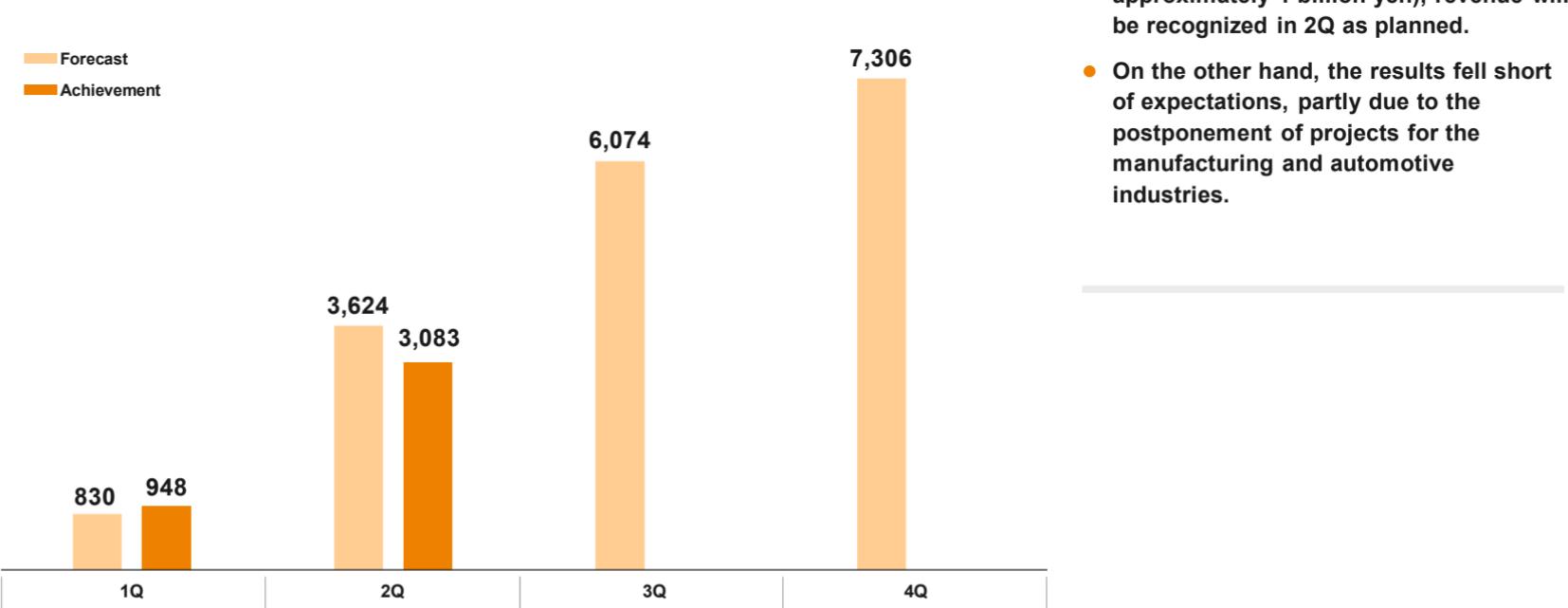
(Thousands of yen)



- As a result of achieving a significant improvement in gross profit margin (+10.8pt) even in the 2Q results, operating profit increased substantially by 38.7% YoY.

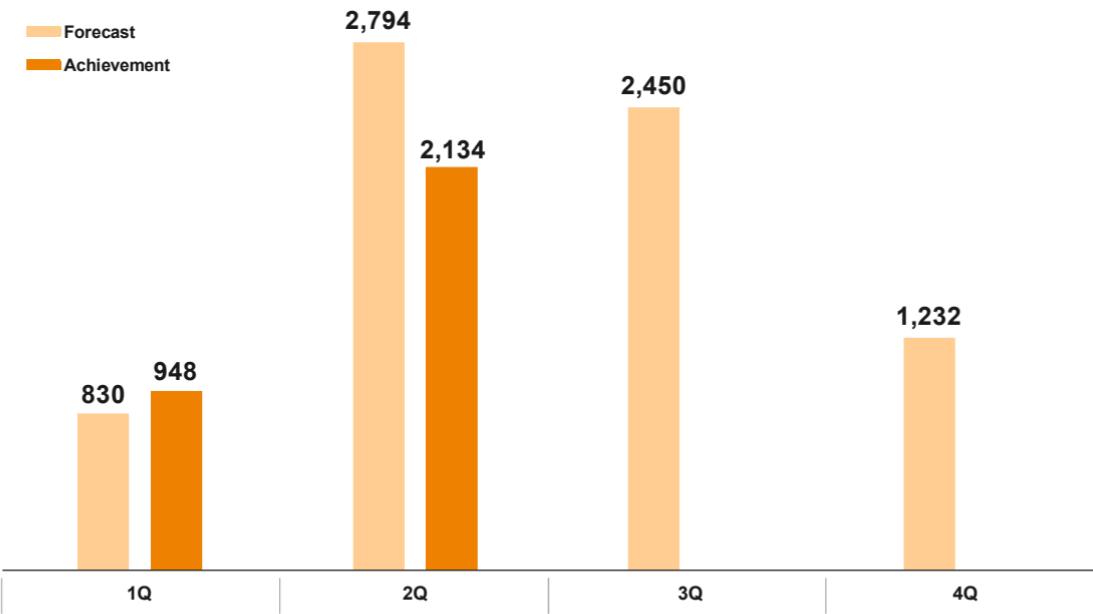
Quarterly Sales Forecast & Achievement (Cumulative)

(Millions of yen)



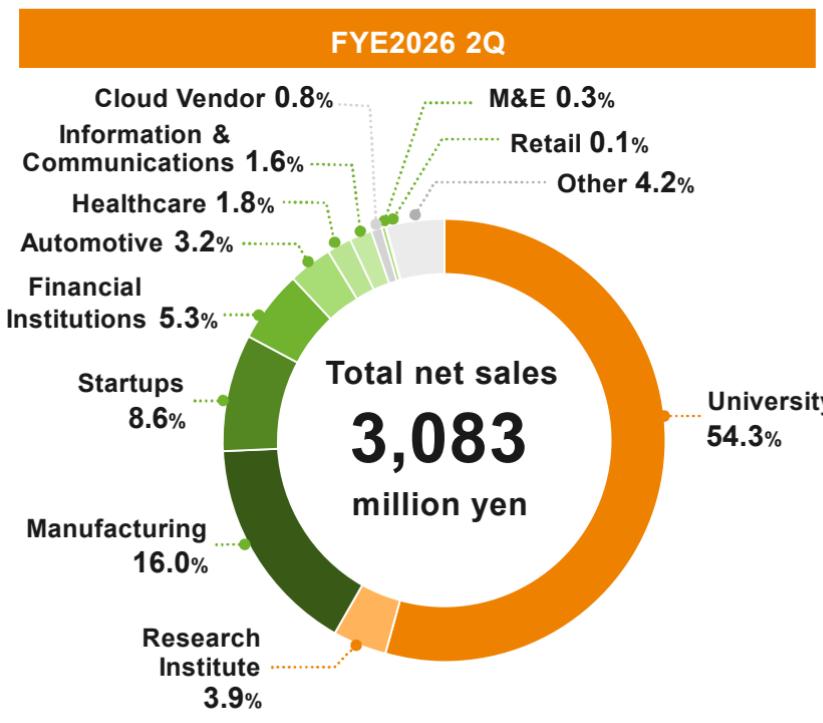
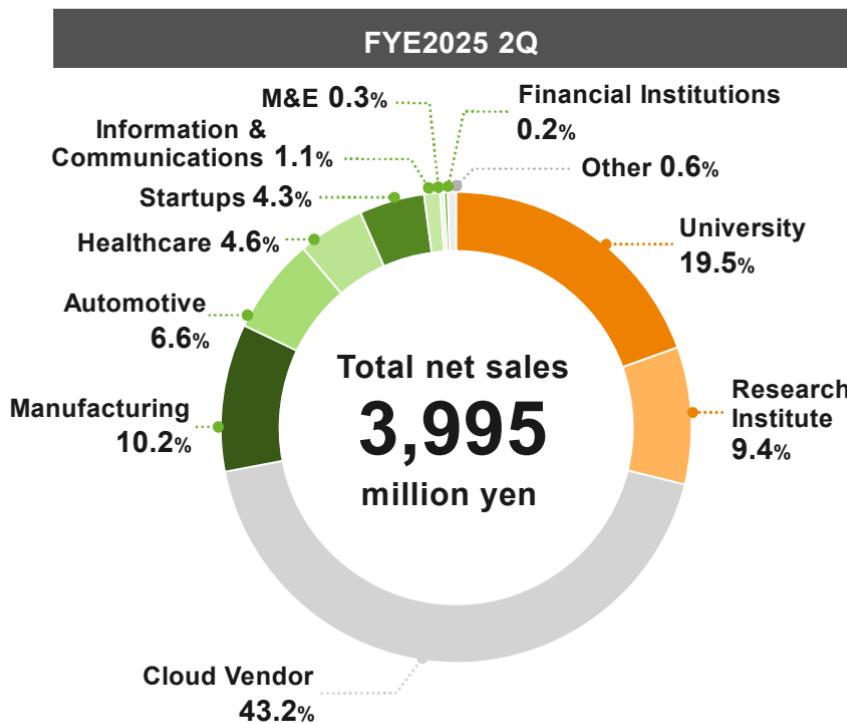
Quarterly Sales Forecast & Achievement

(Millions of yen)



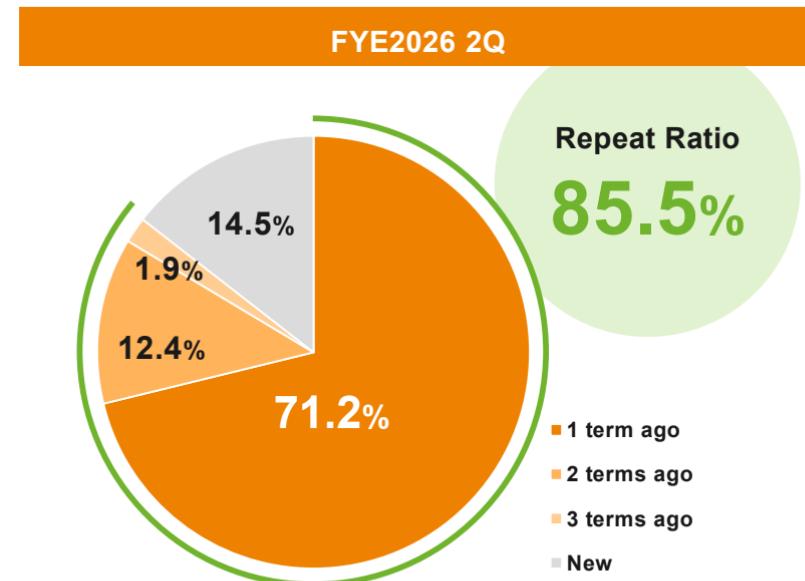
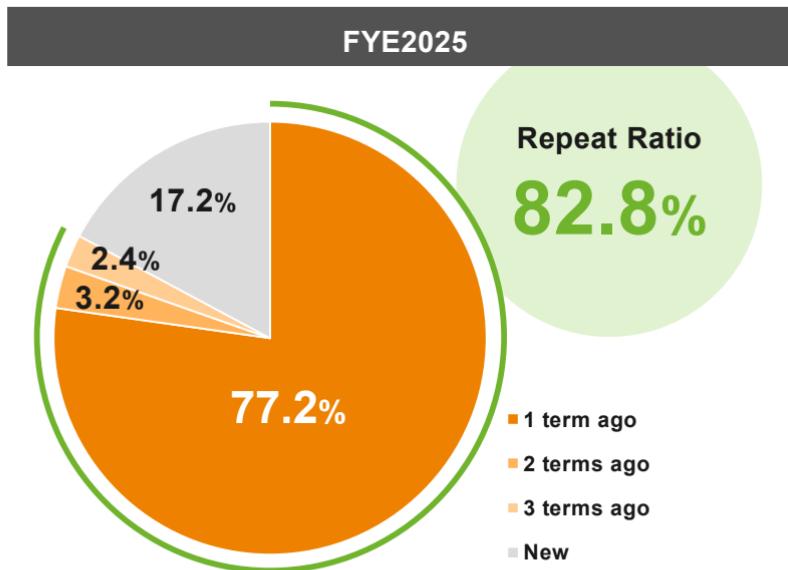
- For large-scale projects (worth approximately 1 billion yen), revenue will be recognized in 2Q as planned.
- On the other hand, the results fell short of expectations, partly due to the postponement of projects for the manufacturing and automotive industries.

Net Sales by Industry



Repeat Ratio in Customer Composition Ratio

Over 85% of flow sales were repeat orders even in the 2Q.



Sales to customers in the current period,

※Sales for the previous fiscal year include sales to customers for which sales were recorded in the N-1 fiscal year (including cases where sales were recorded in the N-2 fiscal year or earlier).

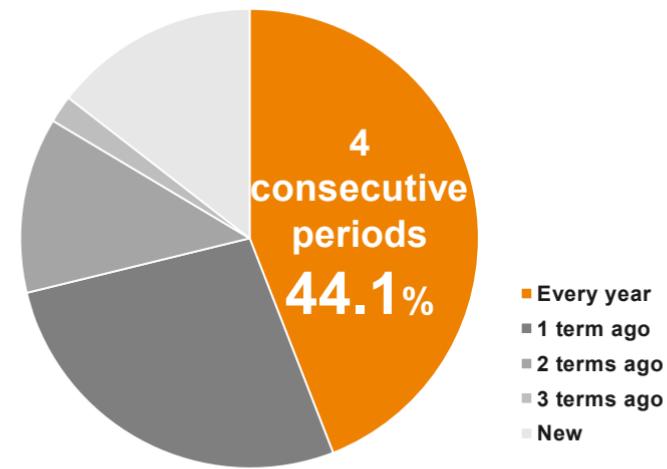
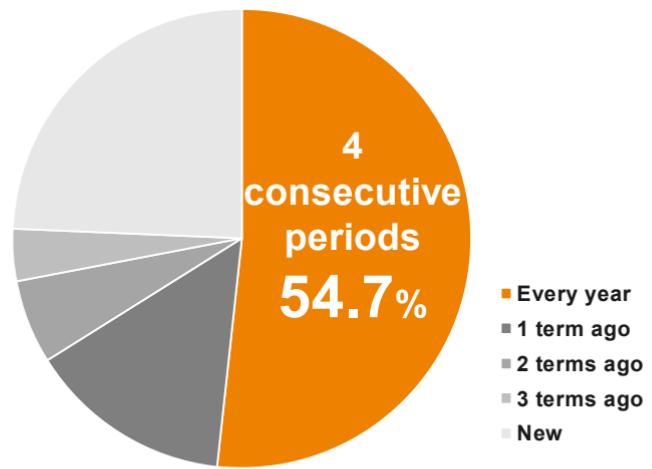
※Sales from two periods ago refer to sales to customers for which sales were not recorded in the N-1 period but were recorded in the N-2 period (including cases where sales were recorded in the N-3 period).

※Sales from three periods ago refer to sales to customers for whom sales were not recorded in the N-1 and N-2 periods but were recorded in the N-3 period (including cases where sales were recorded in the N-3 period).

※Excluding sales from large projects exceeding 1 billion yen recorded in the current fiscal year.

Retention Ratio

CX initiatives have successfully driven customer stickiness and long-term retention, with nearly 50% of regular customers continuing to do business with us for 4 consecutive terms.



Sales to customers in the current period,

* Sales for the previous fiscal year include sales to customers for which sales were recorded in the N-1 fiscal year (including cases where sales were recorded in the N-2 fiscal year or earlier).

* Sales from two periods ago refer to sales to customers for which sales were not recorded in the N-1 period but were recorded in the N-2 period (including cases where sales were recorded in the N-3 period).

* Sales from three periods ago refer to sales to customers for whom sales were not recorded in the N-1 and N-2 periods but were recorded in the N-3 period (including cases where sales were recorded in the N-3 period).

* Excluding sales from large projects exceeding 1 billion yen recorded in the FYE2025 and FYE2026.

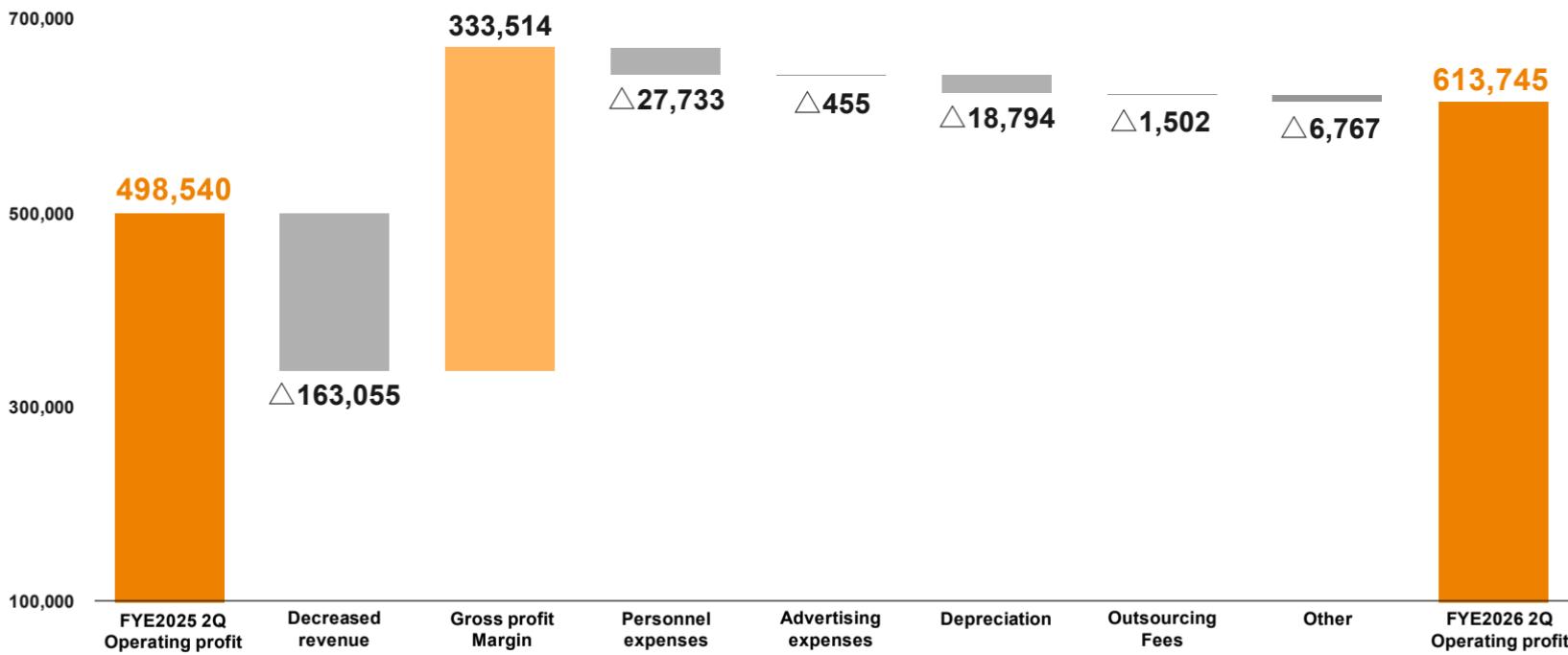
Net Sales by Service Category

(Thousands of yen)	FYE2025 2Q	FYE2026 2Q	Increase/ Decrease Amount	Ratio of Increase/ Decrease
Net sales	3,995,118	3,083,815	△911,302	△22.8%
DX Service	3,777,843	2,808,862	△968,981	△25.6%
Service & Support	217,274	274,953	+57,679	+26.5%

- DX services saw a decrease in revenue due to the impact of Trump tariffs.
- Service & Support steadily increased the number of cases. The trend of increased sales continues.

Operating Profit Analysis of Changes

(Thousands of yen)



SG&A expenses

(Thousands of yen)	FYE2025 2Q	FYE2026 2Q	Increase/ Decrease Amount	Ratio of Increase/ Decrease	
SG&A expenses	216,290	271,544	+55,253	+25.5%	
Personnel expenses	98,660	126,394	+27,733	+28.1%	Impact of increasing staff
Advertising expenses	17,537	17,992	+455	+2.6%	
Outsourcing Fees	21,050	22,552	+1,502	+7.1%	
Depreciation	15,182	33,977	+18,794	+123.8%	Impact of capital investment
Other	63,860	70,627	+6,767	+10.6%	

Non-operating income & expenses

(Thousands of yen)	FYE2025 2Q	FYE2026 2Q	Increase/ Decrease Amount	Ratio of Increase/ Decrease
Non-operating income	3,905	35,322	+31,416	—
Foreign Exchange gains	—	27,088	+27,088	—
Interest	3,698	8,205	+4,506	+121.8%
Other	207	28	△178	△86.1%
Non-operating expenses	5,288	—	△5,288	—
Foreign Exchange losses	5,288	—	△5,288	—

- Due to the impact of foreign exchange rates, ordinary profit increased.

Progress toward Annual Earning Forecasts

(Millions of yen)	FYE2026 2Q		FYE2026		Progress Ratio
	Achievements	Sales Ratio	Achievements	Sales Ratio	
Net sales	3,083	—	7,308	—	42.2%
Operating profit	613	19.9%	934	12.8%	65.7%
Ordinary profit	649	21.0%	934	12.8%	69.5%
Profit	448	14.5%	617	8.4%	72.6%

- Net sales progress has been unfavorable, while operating profit and level of profit has been steady.

【Second-Half Highlights】

- The sharp rise in prices and scarcity of IT components such as memory and storage have become increasingly pronounced, making the securing of delivery dates a critical challenge.
- Under such circumstances, while the gross profit margin is expected to deteriorate compared to the first half, whether it can be maintained at a high level and whether we can capture the projects delayed in Q2 within the current fiscal period.

Dividend Forecast

	FYE2023	FYE2024	FYE2025	FYE2026 Forecast
Dividend per share (yen)※	62.00	67.00	23.00 (92.00)	29.00
Dividend payout ratio	19.7%	20.4%	23.0%	25.4%

- Dividends are an important shareholder return measure.
- Our policy is to raise the dividend payout ratio each fiscal year while making necessary investments.

※ The Company conducted a stock split on December 1, 2024 at a ratio of 4 shares for 1 common stock.

※ Figures for FYE2023 to FYE2024 are before the stock split.

※ Figures for the FYE2025 are after the stock split. Figures in parentheses () do not include the stock split.

— APPENDIX

— Supplemental Results

Balance Sheets

(Thousands of yen)	FYE2025	FYE2026 2Q	Increase / Decrease amount	Ratio of Increase / Decrease
Current assets	4,391,214	5,179,098	+787,884	+17.9%
Cash and deposits	3,334,112	3,459,024	+124,911	+3.7%
Merchandise	960,913	1,255,491	+294,577	+30.7%
Non-current assets	217,374	201,093	△16,280	△7.5%
Total assets	4,608,588	5,380,192	+771,603	+16.7%
Current liabilities	1,027,257	1,336,234	+308,976	+30.1%
Non-current liabilities	729,414	858,885	+129,470	+17.8%
Total net assets	2,851,916	3,185,072	+333,156	+11.7%
Total liabilities and net assets	4,608,588	5,380,192	+771,603	+16.7%
Equity-to-asset ratio	61.8%	59.1%	△2.7pt	—
Interest-bearing debt	—	—	—	—

— Market Analysis

Current Situation

Negative

- The Trump tariffs are causing increased uncertainty about the future of domestic manufacturing and the automotive industry.
- Increasing inflation and operating costs (electricity, space, regulatory compliance costs)
- Rising prices and shortages of IT components (such as memory and storage)

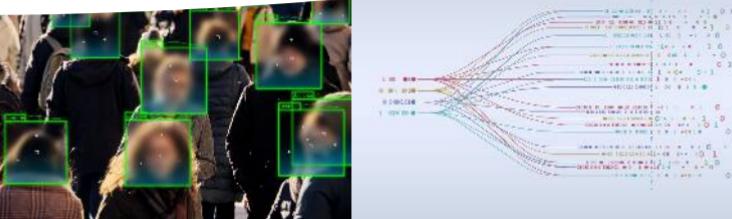
Positive

- With the evolution of AI, such as generative AI and multimodal AI, and the expansion of the market, project sizes expected to continue to increase.
- Shortening the launch span for new GPU products. New products are scheduled to be released every year until 2028.
- “2025 Budget Proposal: Major AI-Related Measures” Budget scale: 196.9 billion yen, a 67.4% increase from the previous year.

https://www8.cao.go.jp/cstp/ai/yosan_7nendo_an.pdf

Advances in AI and Market Expansion

AI, which has been used only in specific fields, will rapidly expand its scope in the future.

PERCEPTION AI	GENERATIVE AI	AGENTIC AI	PHYSICAL AI
Image recognition <ul style="list-style-type: none">• Anomaly detection• Defect detection• Lesion diagnosis• Character recognition etc. 	Generative AI <ul style="list-style-type: none">• Content generation• Chat bots• Voice bots etc.	Agent AI <ul style="list-style-type: none">• Personal Assistant• Business Process Automation etc.	Physical AI <ul style="list-style-type: none">• Robotics• Advanced Mobility etc. 

Domestic Market Forecast for AI (including generative AI)

By 2028, the AI market will grow to 27,780 hundred million yen.

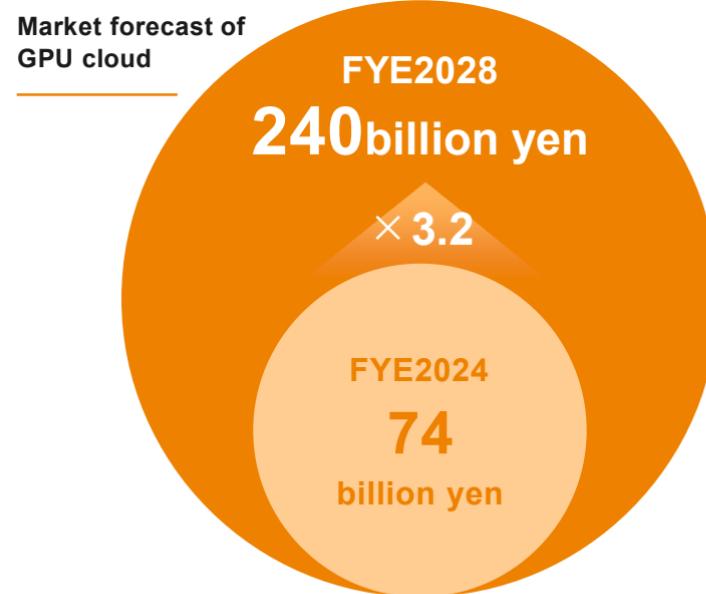
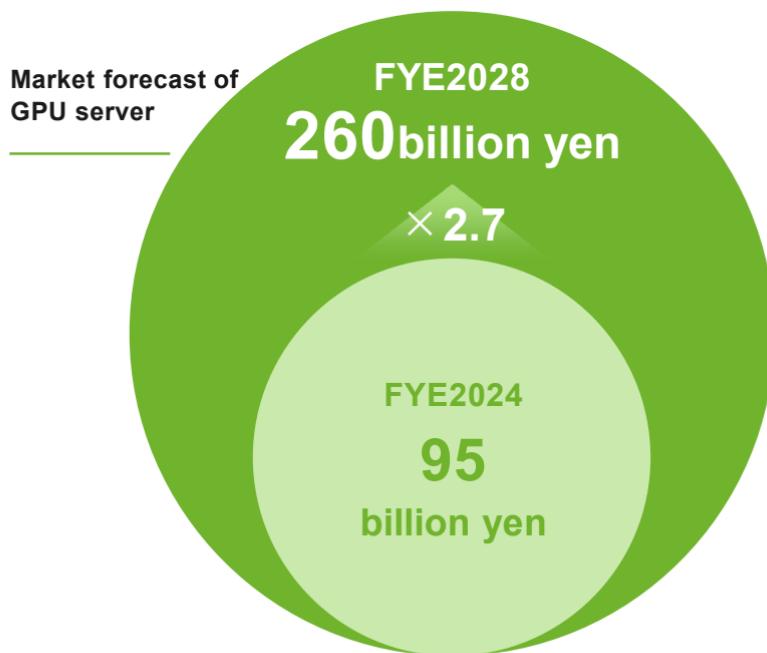
Of this, the generative AI market will reach 17,397 hundred million yen, a 12.3-fold increase from the 2023 fiscal year, accounting for approximately 60% of the AI market.



*From Fuji Chimera Research Institute, "2025 AI Market Survey: Leap Forward with Generative AI/LLM"

Market forecast of GPU server/GPU cloud for AI

The GPU server market is expected to grow 2.7 times over the five years from 2024 to 2028, while the GPU cloud market is expected to grow 3.2 times.



— Growth Strategy

Growth Strategy

1

Transition to higher-level business

2

**Strengthening the ecosystem to meet the needs of
the large-scale AI era**

3

Expansion of business domains

Transition to Higher-level Business

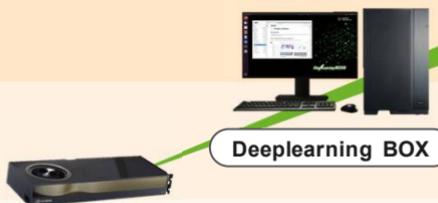
We will continue to expand our portfolio to higher layers to meet a wide range of user needs.
Promote seamless upselling and cross-selling.

Providing tools for AI development as solutions



AI Enterprise

AGE / W&B



GPU Card



HGX Server



DGX Series



PCI-E GPU Server

DGX CLOUD

DGX Pod



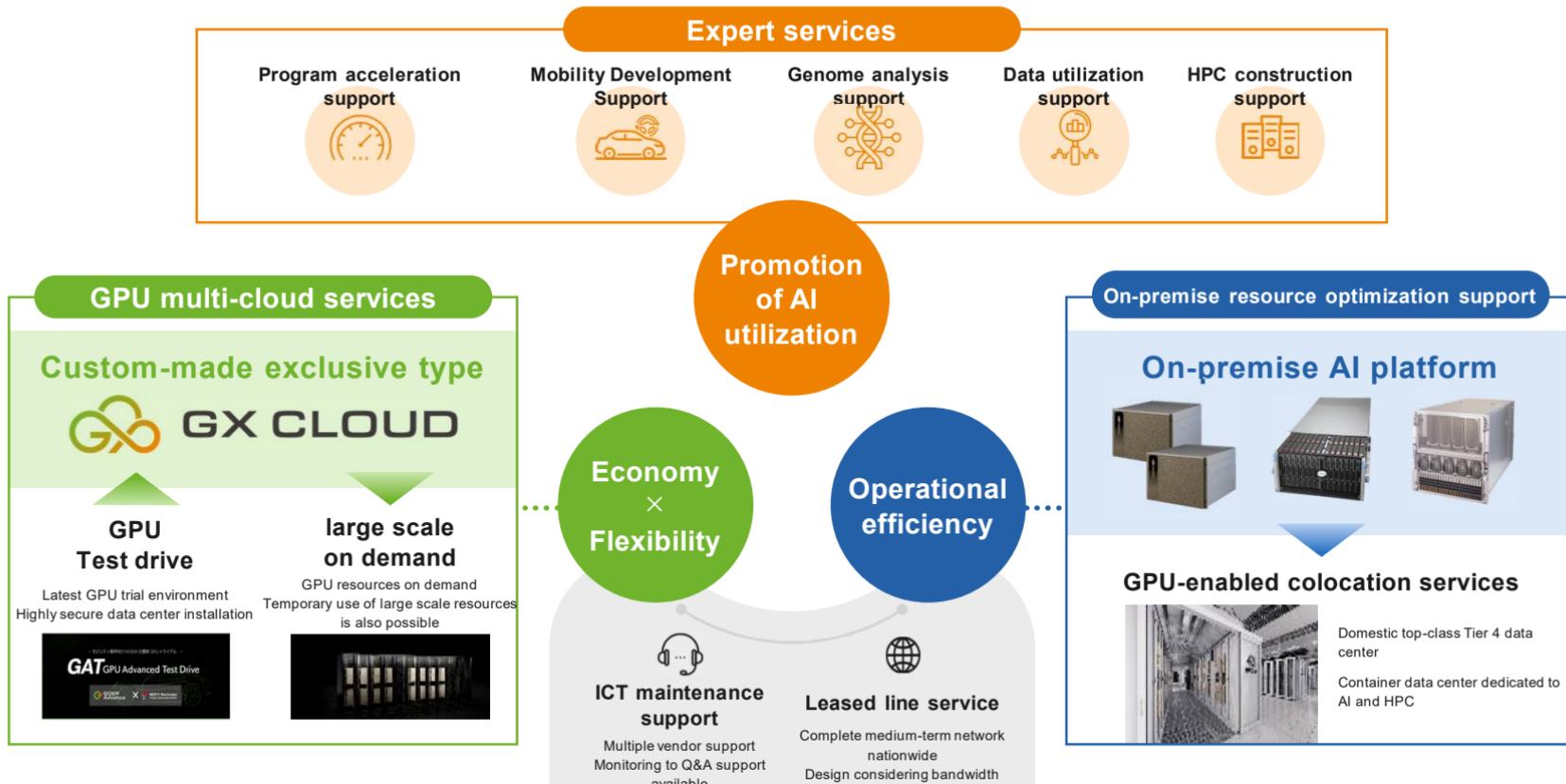
Stable operating environment provided through collaboration with four data centers in Japan

Strengthening the Ecosystem to Meet the Needs of the Large-scale AI era

Promote hybrid use of on-premises and cloud by partnering with cloud vendors and data centers.
Collaboration solutions with AI startups are also available.

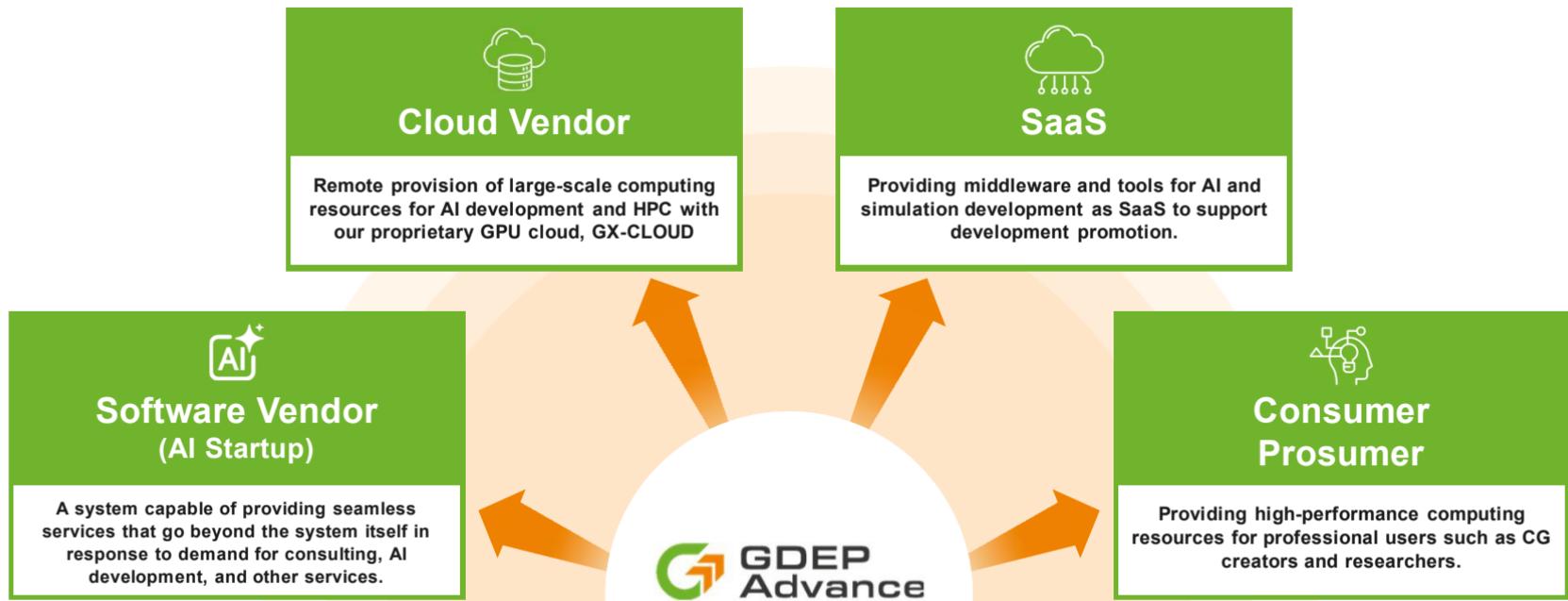


Strengthening the Ecosystem in Line with the era of Large-scale AI



Expansion of Business Domains

We aim to become an “advanced solution vendor” that provides cutting-edge solutions by accelerating growth through entry into new business domains with high affinity and M&A.



Medium-term Management Plan

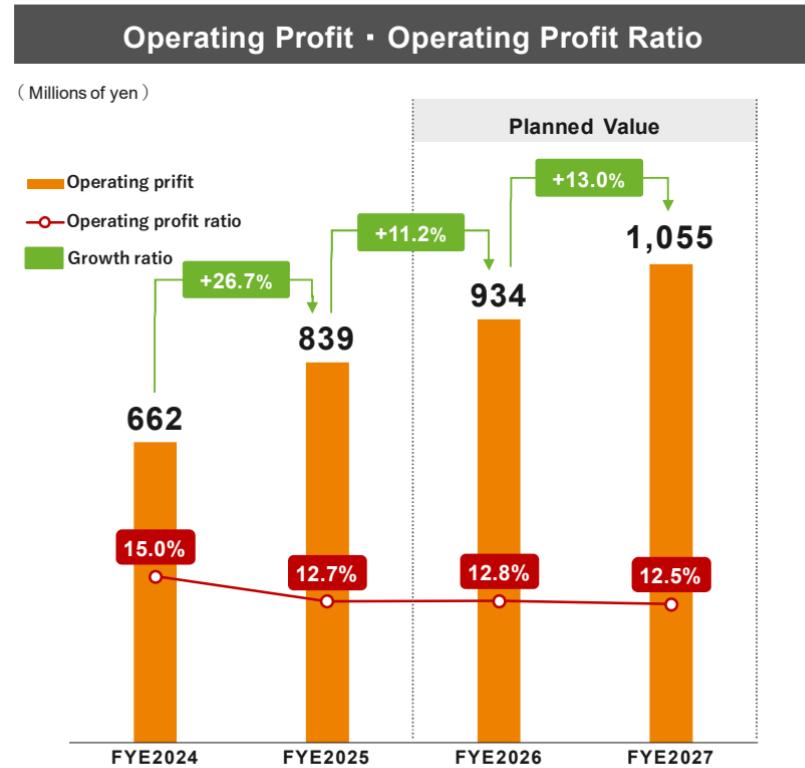
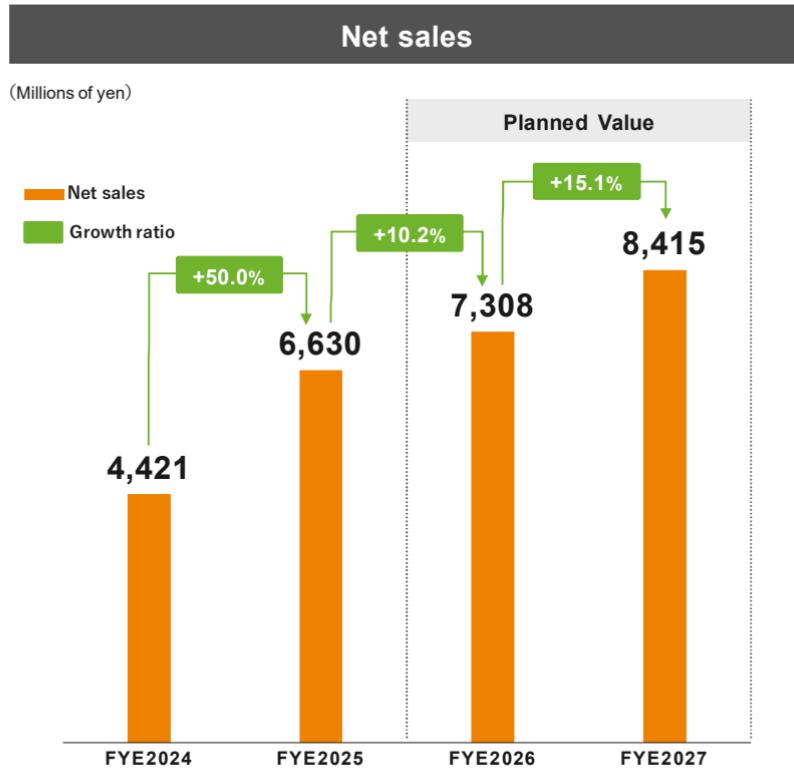
Numerical Targets

Business Growth

Steadily advancing toward achieving operating income of 1 billion yen in the final year of the medium-term management plan, FYE2027.

(Millions of yen)	FYE2025 (Revision)	FYE2026 (Revision)	FYE2027	After Medium-term Management Plan
	Duration of investment in people and equipment	Investment recovery phase		
Plan	Accelerate top-line growth and aggressively invest in people and equipment.		Accelerate the growth rate of operating income through the results of investments in FYE2025 and FYE2026.	Maintain high growth rate of operating income and increase operating margin.
Net sales	6,630	 7,308	 8,415	
Operating Profit	839	 934	 1,055	
Operating Profit Growth Ratio	26.7%	 11.2%	 13.0%	

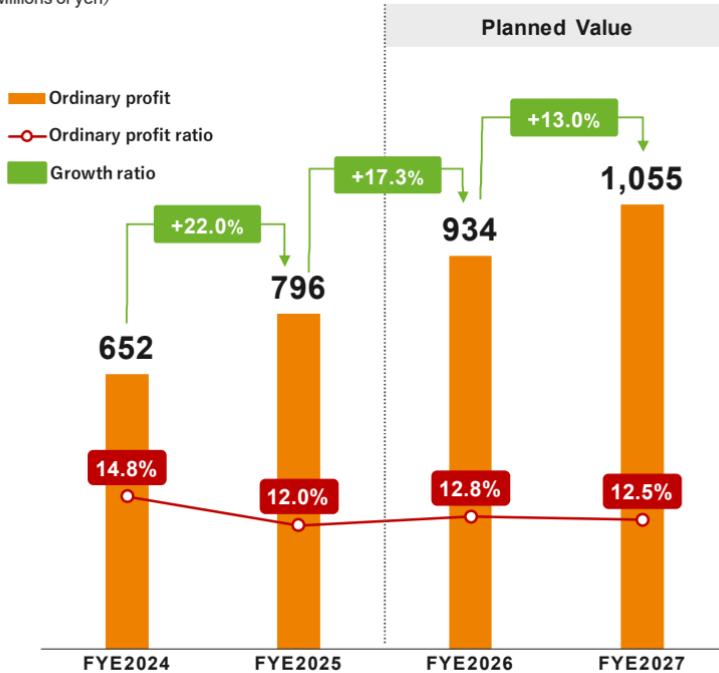
Numerical Targets



Numerical Targets

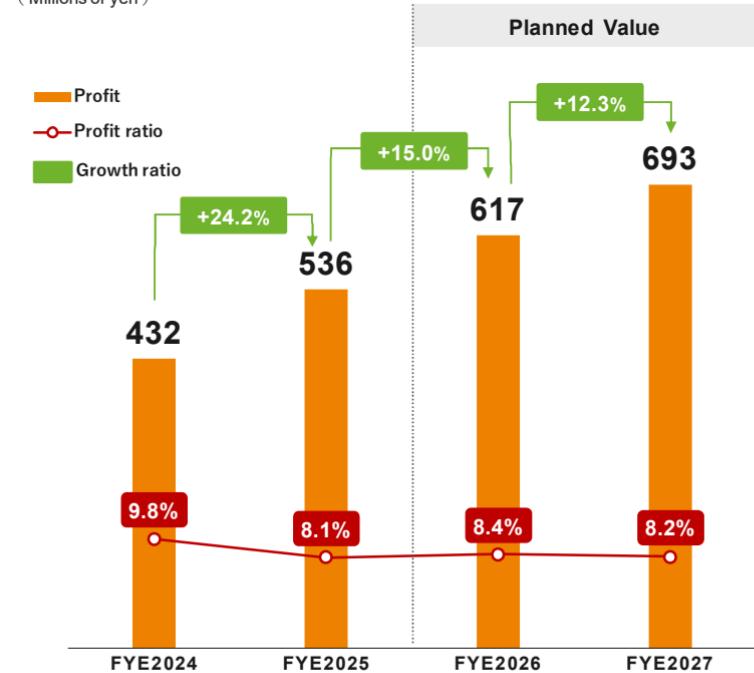
Ordinary Profit·Ordinary Profit Ratio

(Millions of yen)



Profit·Net Profit Ratio

(Millions of yen)



Sales Forecast by Industry

(Millions of yen)

9,000

8,000

7,000

6,000

5,000

4,000

3,000

2,000

1,000

0

FY2024

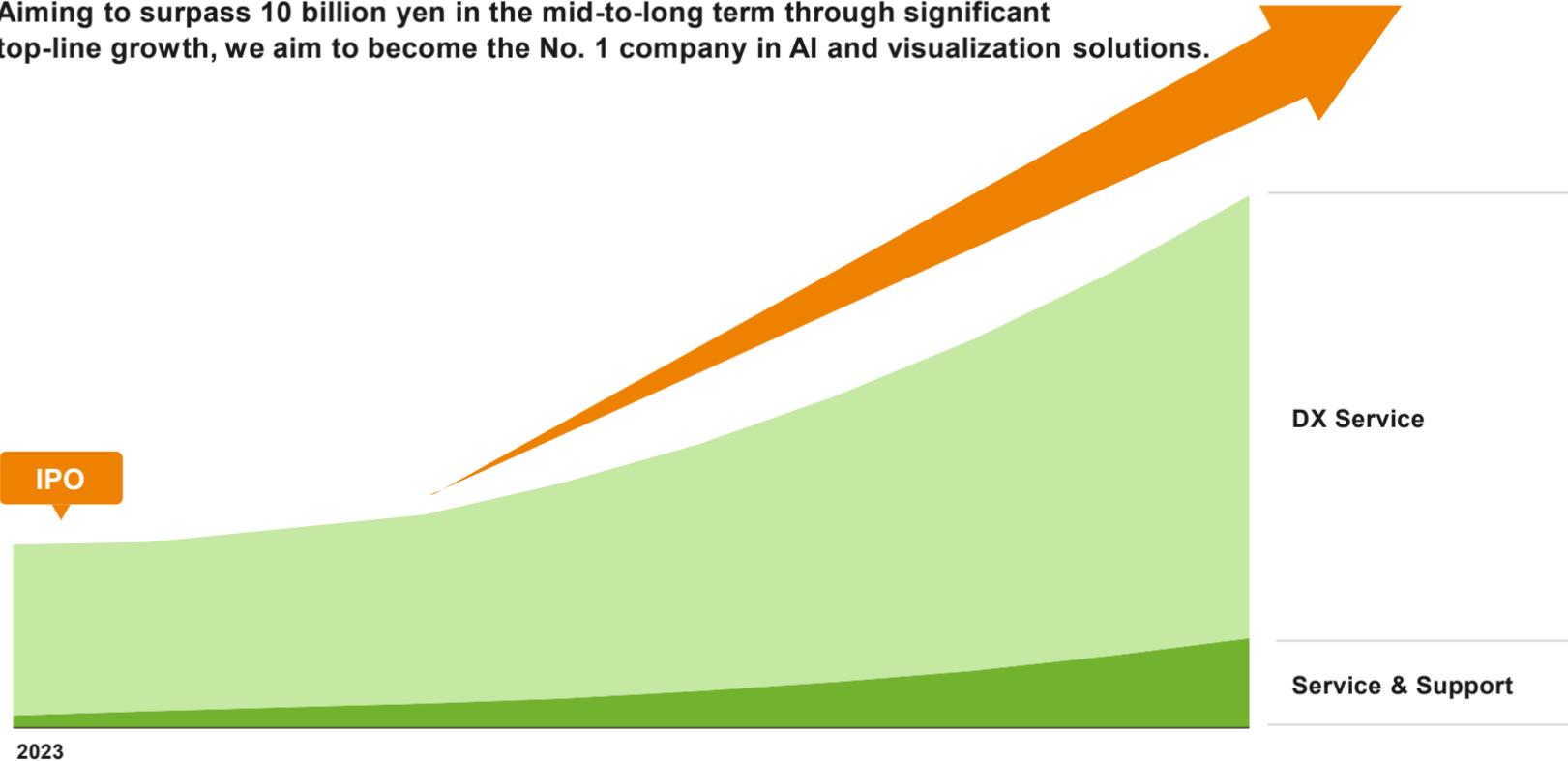
FY2025

FY2026
ForecastFY2027
Forecast

- Other
- Information& Communication
- CSP
- Financial Institutions
- M&E
- Healthcare
- Startups
- Automotive
- Manufacturing
- Research Institute
- University

Business Growth Image

Aiming to surpass 10 billion yen in the mid-to-long term through significant top-line growth, we aim to become the No. 1 company in AI and visualization solutions.



— Company Profile

Company Profile

Company name	GDEP ADVANCE, Inc.
	Tokyo Stock Exchange Standard Market Securities code 5885
Establishment	2016/1/15
Representative	Executive Officer, Representative Director and CEO Tadamichi Iino
Location	<p>Sendai Main Office 3-4-33 Kokubun-cho, Aoba-ku, Sendai-shi, Miyagi 980-0803, Japan Sendai Jozenji Bldg. 8F TEL : 022-713-4050 FAX : 022-713-4051</p> <p>Tokyo Head Office 1-8-12 Harumi, Chuo-ku, Tokyo 106-6205, Japan Triton Square Office Tower Z, 5F TEL : 03-6803-0620 FAX : 03-6803-0450</p>

Mission / Action Guidelines

Mission

**Advance with you
Let's advance the world.**

Action Guidelines

As members of society, each employee at our company acts with sincerity and high ethical standards.

- We contribute to the development of society through our business activities.
- We comply with laws and regulations, and respect fairness and transparency.
- We base our decisions on what is morally right.
- We respect human rights and embrace diversity.
- We create the future by reducing environmental impacts and risks.
- We are always conscious of our mental and physical health, and aim to create a healthy workplace.
- We contribute to the community as a member of society.
- We always approach all of our work with pride and responsibility.
- We share the same objectives and enjoy our own growth and the growth of the company together.

Board Members



Executive Officer, Representative Director and CEO **Tadamichi Iino**

1993 Joined TOWA ELECTRIC, Inc. 2007 Encountered NVIDIA's GPUs at the Super Computing Conference in Reno, Nevada, and began promoting them in Japan the following year. 2016 Founded our company.



Outside Director
Sayaka Kurihara

Attorney at Law
After working for a major law firm in Tokyo, established Sendai Asahi Law Offices. 2021 Appointed as Outside director of the Company.



Outside Director
Toru Kamiyama

After working at a securities firm, he engaged in consulting work related to enhancing corporate value. Has served as an outside director for multiple companies. 2025 Appointed as Outside director of the Company.



Standing Corporate
Auditor
Kunio Yamagata

After engaging in administrative duties such as accounting and finance at NEC, worked as an auditor for several group companies. 2022 Appointed as Standing Corporate Auditor of the Company.



Corporate Auditor
Nobuyuki Hoshi

Certified Public Accountant
After working at a financial institution, worked on auditing and IPO support services at a major audit firm. 2016 Established an accounting firm. 2021 Appointed as Auditor of the Company.



Corporate Auditor
Toshihiro Fukazawa

Attorney at Law
After working at a law firm in Sendai, established Sendai Kagayaki Law Office in 2022. 2021 Appointed as Auditor of the Company.



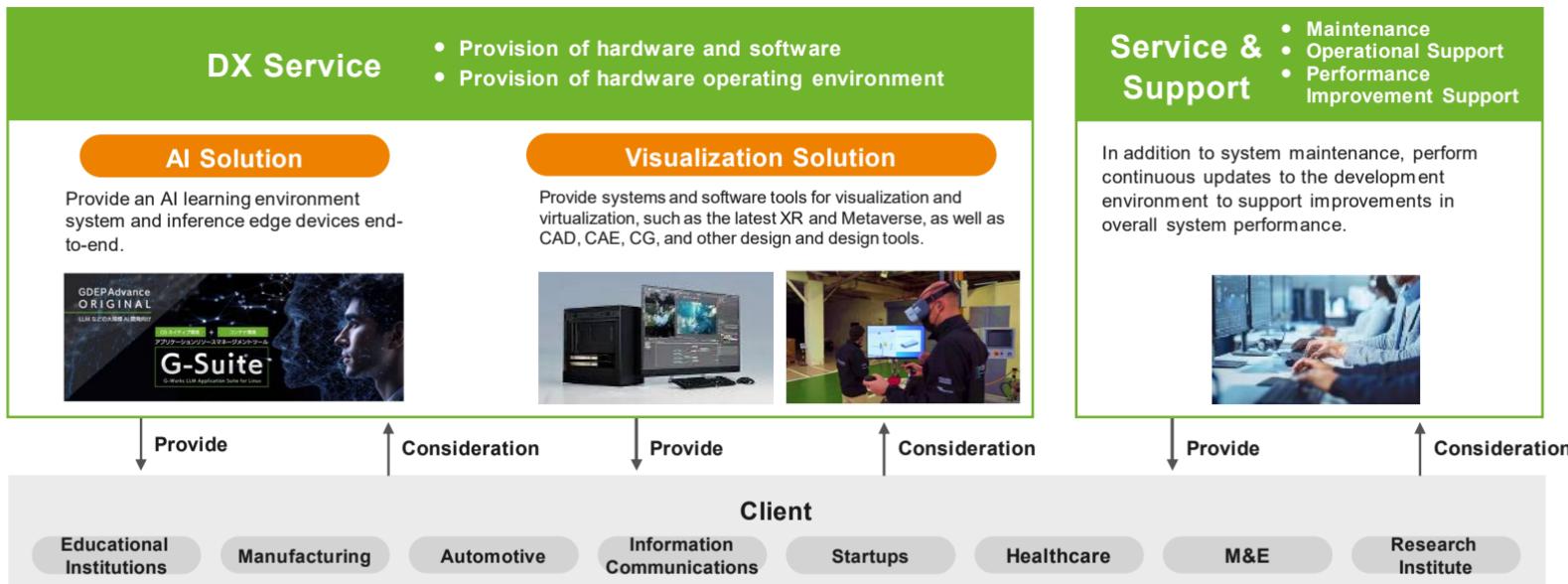
Executive Officer, Director and CFO **Tatsuo Ohashi**

Certified Public Accountant
After gaining experience in auditing at KPMG AZSA LLC, gained experience in IPO practices at a general company. 2020 Appointed as Director of the Company.

Business

Single segment of system incubation business, within which DX services and Service & Support services
DX services mainly provide AI solutions and visualization solutions

System incubation business

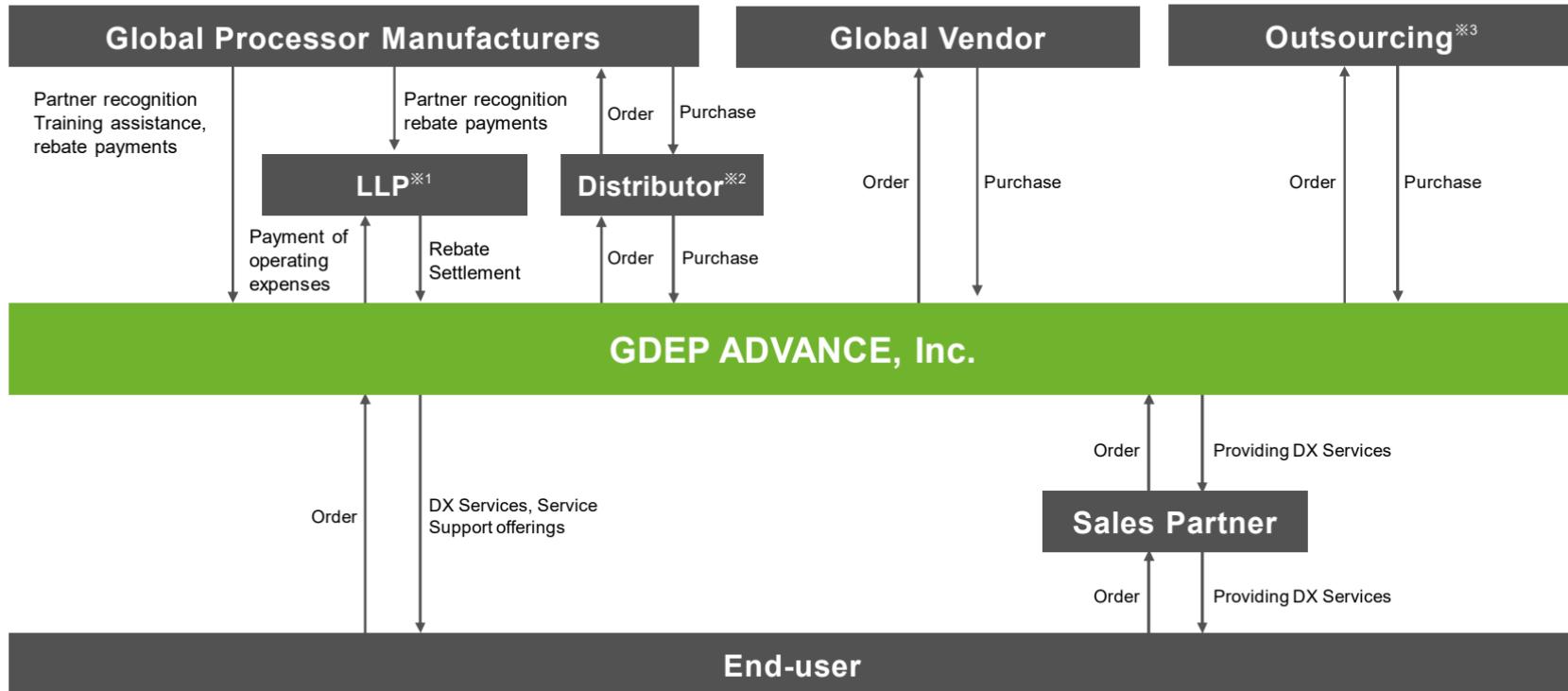


Service Category & Business Models

Among DX services, AI visualization solution services and other DX solution services are flow businesses, while subscription services and Service & Support are stock businesses.

Service Category	Main Services	Business Models
DX Services	AI·Visualization Solution Services <ul style="list-style-type: none">Providing products and services for developing and operating AI services, and products and services for computer processing using video and images.	Flow Businesses
	Other DX Solution Services <ul style="list-style-type: none">Assembly and sales of storage devices, sales and configuration of network equipment, sales of software, and design and construction of systems combining them.	
Service & Support	Subscription Services <ul style="list-style-type: none">In addition to on-premise offerings for in-house use, rental and cloud services are offered as "subscription services".	Stock Businesses
	Continuous development environment updates <ul style="list-style-type: none">Services to improve overall system performance through a combination of software updates and optimal versions.	
	Hardware Maintenance <ul style="list-style-type: none">Provides Q&A, FAQ sharing, fault isolation, on-site support, alternate environment, etc.	

Business Flowchart



※1 This refers to Japan GPU Computing Limited Liability Partnership. The partnership is certified as a partner by NVIDIA, and receives kickbacks from NVIDIA, which are then distributed to each partner.

※2 We purchase some of our products mainly from domestic distributors that are certified as partners by global processor manufacturers.

※3 We outsource some of our assembly work.

Case Study

INPUT

Issues



InferVision JAPAN
(Chinese medical startup)

Medical imaging diagnosis of COVID-19

- To be used at domestic universities and medical research institutes, we wanted to make it as small, quiet, and power-efficient as possible while maintaining high-speed inference processing performance and high reliability.



OUTPUT

Solution

Edge device for AI inference

Modified base system from Tyan Computer, Taiwan, with a small GPU from NVIDIA. Obtained NVIDIA's device certification through thorough operation verification.

- Compact, low power consumption and high robustness
- NVIDIA certified to ensure reliability
- Up to 36 times faster than conventional PC inference

Incubation



OUTCOME

Small Mass Deployment

General release in July 2020, adopted for face recognition systems, pedestrian flow analysis, security systems, etc.



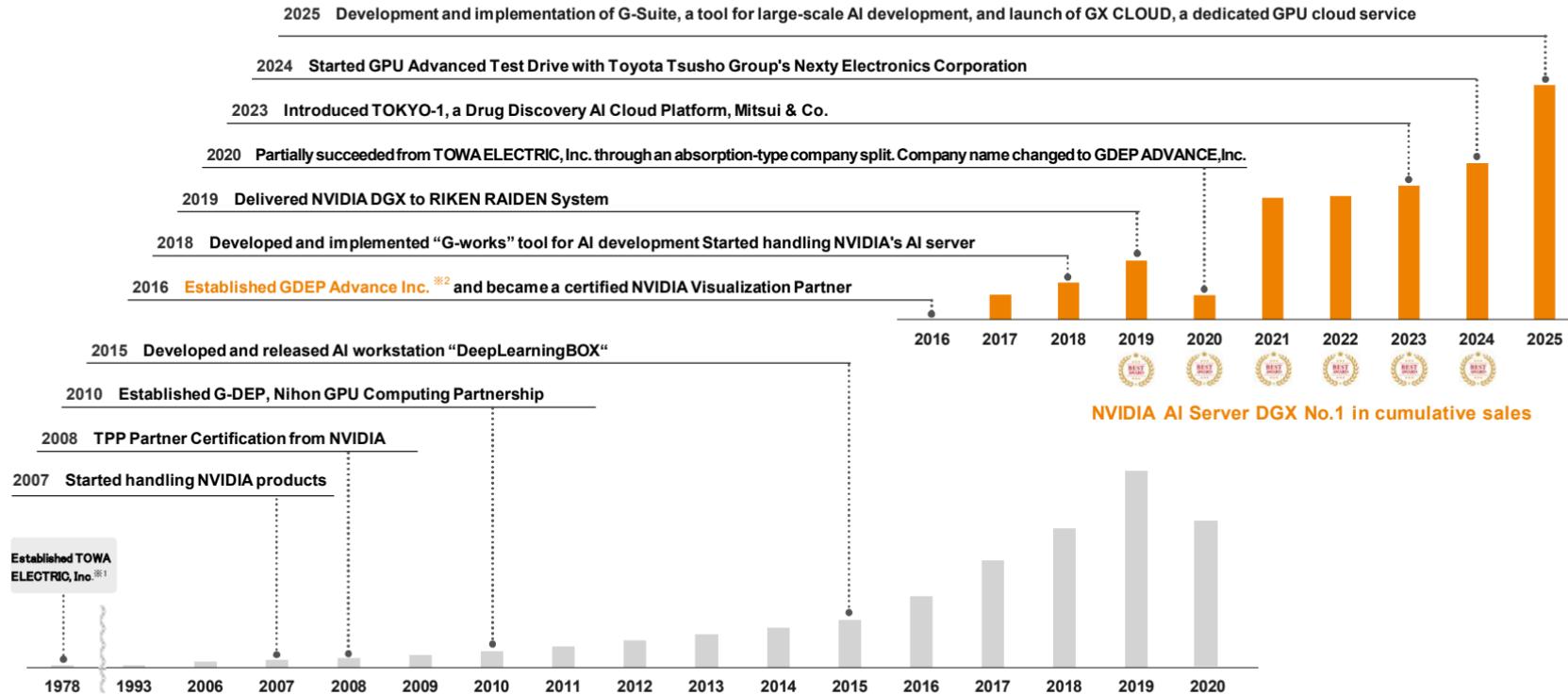
Problem Solving Phase

Hear customers' issues, plan, propose, and provide unique solutions using cutting-edge technologies.
※Conscious of small mass deployment

Small Mass Deployment Phase

Deploy the knowledge gained as semi-custom solutions for customers facing similar challenges.

History & Sales Trends



※1 TOWA ELECTRIC, Inc. is our substantial predecessor company.

※2 Established as a subsidiary of TOWA ELECTRIC, Inc. mainly to provide NVIDIA's products.

※3 On April 1, 2020, the information and telecommunications business of Towa Electric Co., Ltd. and TOWA ELECTRIC, Inc.'s investment in LLP were subject to an absorption-type company split.

— Our Strengths & Features

Outline of Strengths & Characteristics

High competitive advantage is created by the source of our technological capabilities recognized by four global processor manufacturers, as well as planning and product procurement capabilities derived from our collaboration with global vendors.



High technology certified by four global processor manufacturers

Certifications : Certifications: 13 types of certifications from 4 global processor manufacturers.

※We are the only company in Japan that has received certification from these four companies.

Especially NVIDIA is the No.1* partner in Japan with whom we have built a good relationship since 2007.

※Number of certified licenses, AI server DGX sales, number of awards received

Certification

- NVIDIA Solution Provider NVIDIA AI Preferred*
- NVIDIA Solution Provider Compute Elite.*
- NVIDIA Solution Provider Networking Preferred*
- NVIDIA Solution Provider NVIDIA Omniverse Preferred
- NVIDIA Solution Provider Visualization Elite
- NVIDIA Cloud Partner DGX AI Compute Systems Registered
- NVIDIA Solution Provider DGX AI Compute Systems Elite*
- NVIDIA Solution Provider DGX Cloud Preferred*
- NVIDIA Cloud Partner Visualization Registered
- NVIDIA DGX SuperPOD Specialization Partner*

*Certification as an LLP

Awards

- FY17 NVIDIA BEST DGX Reseller Award*
- FY18 NVIDIA BEST DGX Reseller Award*
- FY19 NVIDIA BEST DGX Reseller Award*
- FY20 NVIDIA BEST DGX Reseller Award*
- XILINX VAR Recognition Program Champion Award
- FY21 NVIDIA BEST DGX Reseller Award*
- FY22 XILINX VAR Recognition Program Champion Award
- NVIDIA BEST DGX Partner of the year*
- NVIDIA BEST NPN of the year*
- FY23 NVIDIA BEST NPN of the year*
- NVIDIA BEST Infrastructure Partner of the Year*
- FY24 NVIDIA Solution Provider Award of the Year*
- FY25 NVIDIA Solution Provider Award of the Year

* Awarded as LLP



Elite
Partner

Received awards every year for
our technical capabilities,
proposals, and achievements



intel ® Technology Provider GOLD



XILINX ® ALVEO Value Added Reseller



AMD® Elite Partner



1 Proposing optimal solutions by combining the latest technology with unique gimmicks

Combining the latest technologies and adding unique gimmicks to them through our technical capabilities as a certified partner of four global processor manufacturers and close information sharing with global vendors.

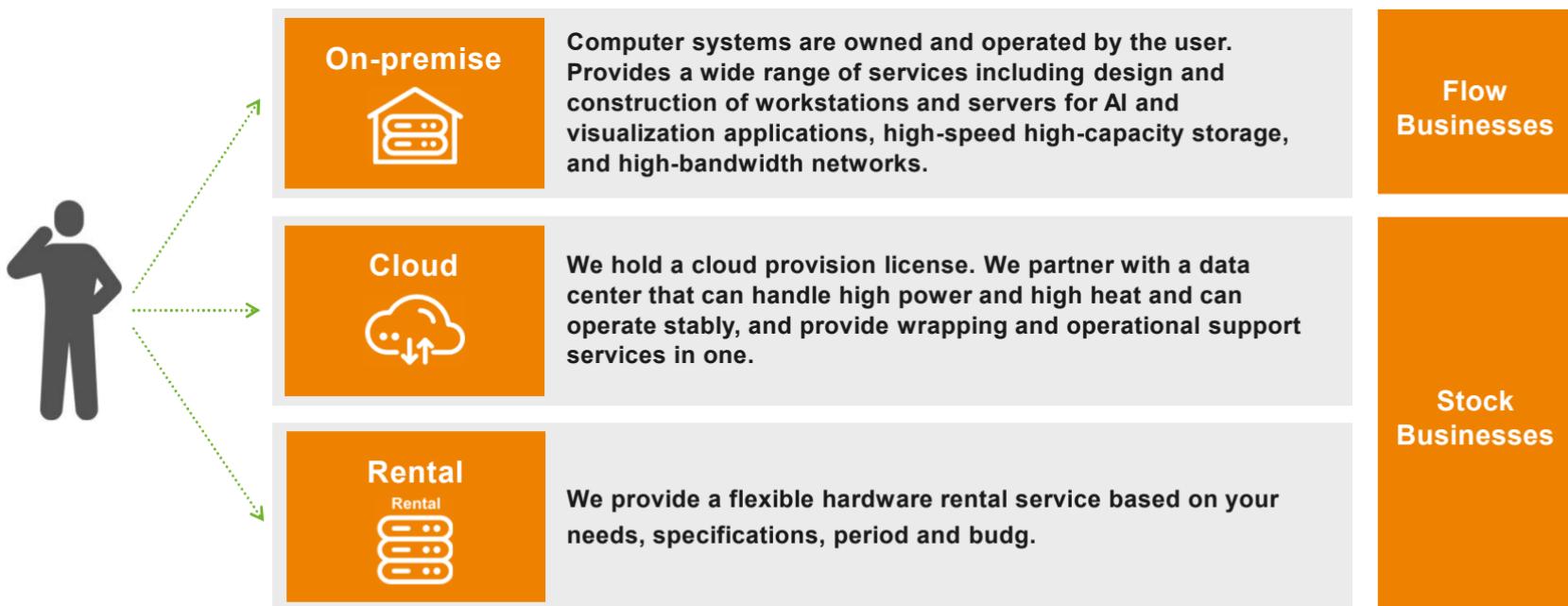
Design and propose the best solutions to solve customer issues.



Design and provision of original models to meet customer challenges.

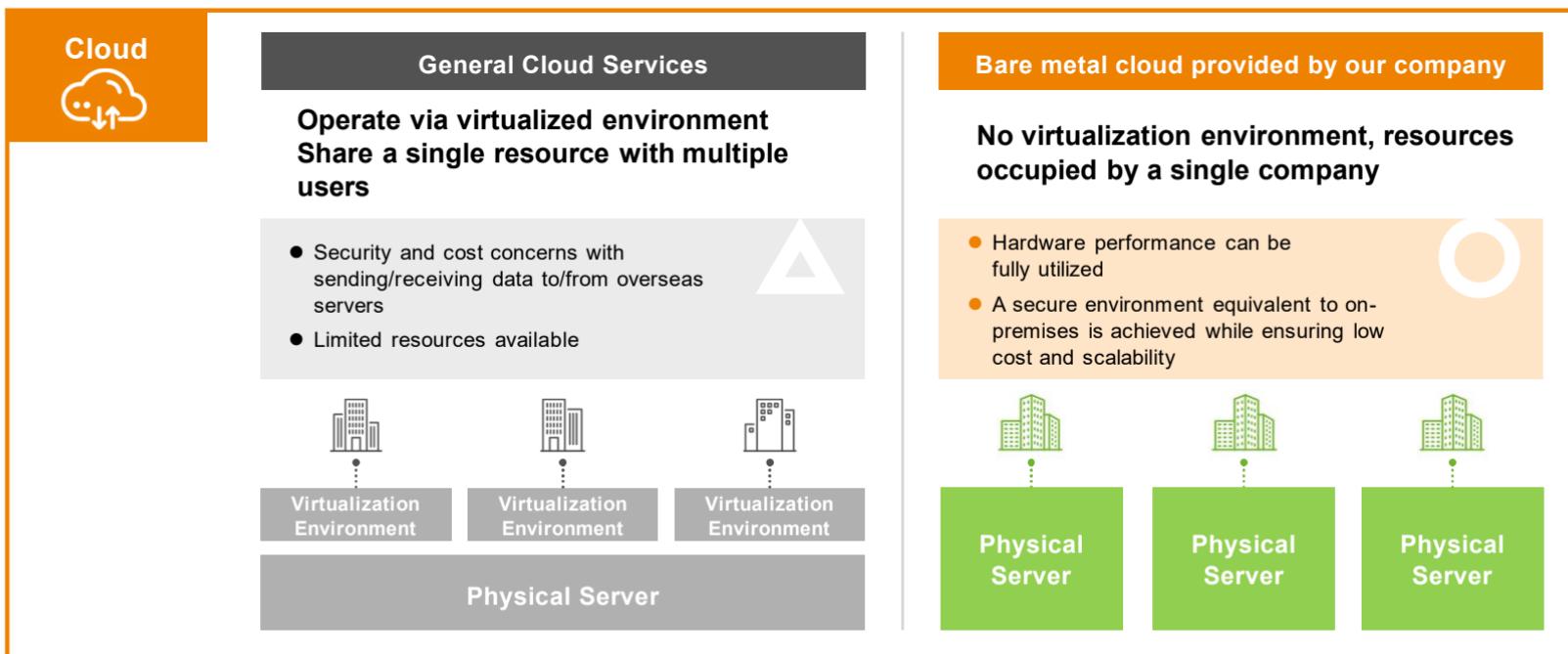
2 Diversity of Solution Delivery Forms (1/2)

A flexible delivery format that can respond to diverse customer needs, not only for on-premise flow business, but also for cloud and rental services, which are stock businesses.



2 Diversity of Solution Delivery Forms (2/2)

The cloud provided by our company uses cutting-edge hardware not available from major companies, and provides services using the bare metal method*. This increases customer convenience and establishes a strong competitive advantage as a cloud for development.



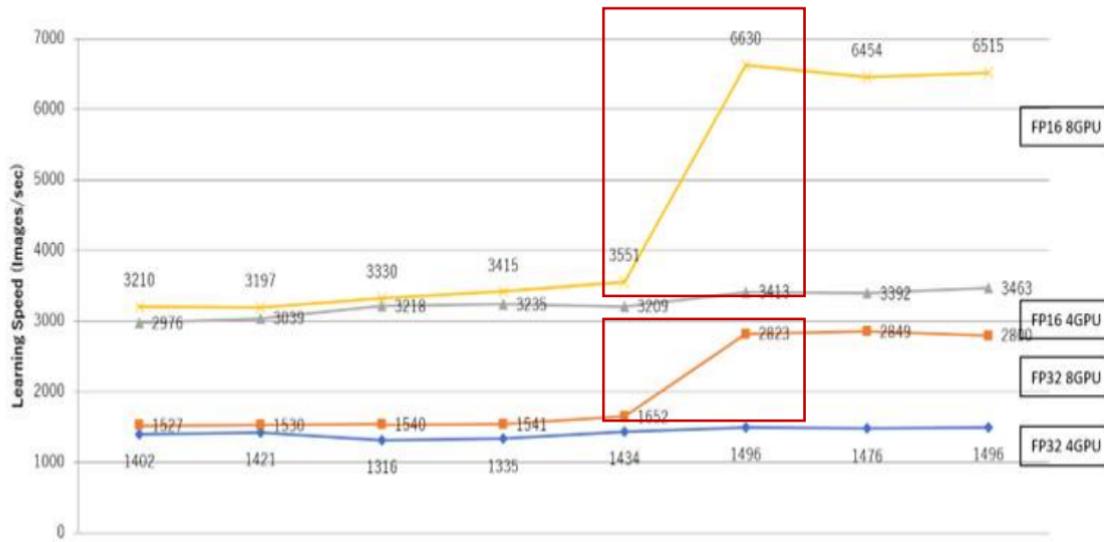
3 Customer continuity through Service & Support

Continuously updating your system to the **optimal environment** by verifying changes in performance through software tuning on actual equipment.

Continuously improving system performance without changing the hardware.

Improvement of post-implementation usage value (user experience) .

Improve overall system performance by performing software tuning, which is the process of finding optimal values by updating software and combining versions from different generations.



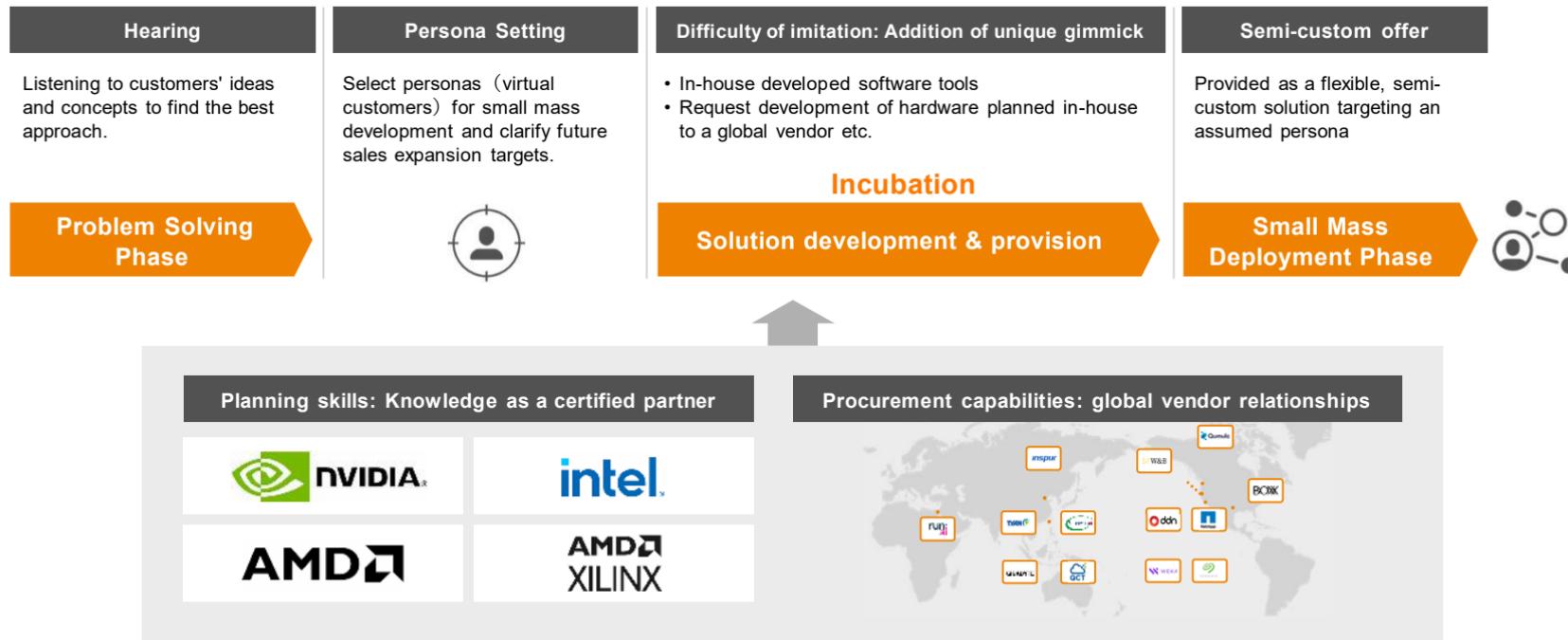
It is mainly used for R&D, and the speed of evolution and trend changes is fast.

AI development environments are our specialty.

4 Acquisition of projects with a view to small mass development

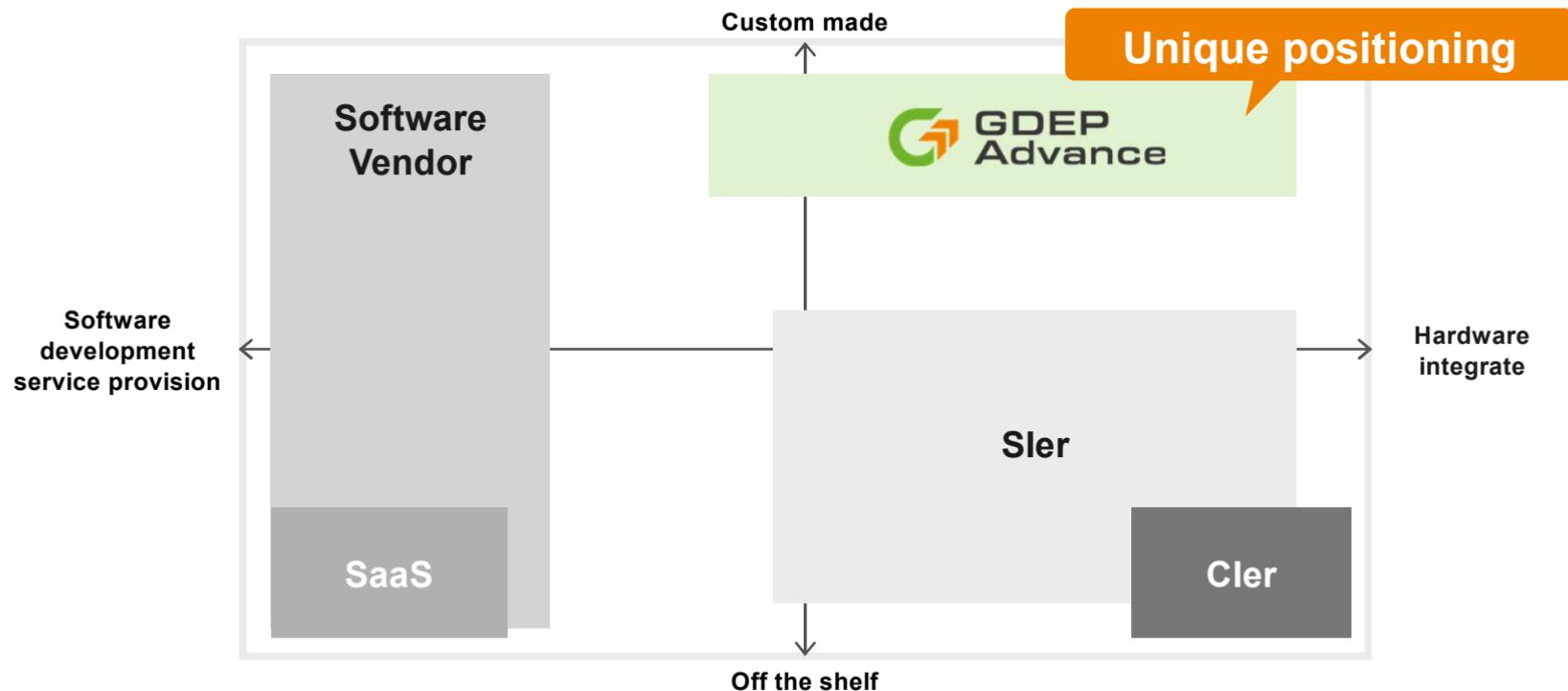
Develops solutions that can be deployed in small masses by solving individual problems.

High profitability in small mass market by adding unique gimmicks and increasing the difficulty of imitation.



5 Unique positioning that differentiates us from our competitors

Flexible solution provider with strong knowledge of cutting-edge hardware.



Glossary

Definitions of terms are given below.

Terms	Definition of Terms
AI	An abbreviation for “artificial intelligence”, it refers to a computer system that performs intelligent actions like humans, such as learning, reasoning, recognizing, and judging.
CAD	Computer Aided Design Design and drafting using a computer.
CAE	Computer Aided Engineering The use of computers to design and engineer industrial products.
GAT	A PoC environment provision service that allows users to occupy and test NVIDIA DGX systems accelerated by the latest ultra-fast GPUs. This service is provided jointly by NEXTY Electronics Corporation and our company with the aim of supporting end-to-end AI development in the mobility industry in Japan.
M&E	Abbreviation for Media & Entertainment.
Edge Device	A terminal device used in the IoT. IoT refers to systems that connect everything to the Internet and interlock with each other.
On-premise	Ownership and operation of the computer system by the user.
Virtualization	A technology for pseudo-dividing physical resources of hardware.
Global processor manufacturer	NVIDIA, Intel, AMD, and other major global semiconductor companies.

Glossary

Definitions of terms are given below.

Terms	Definition of Terms
Global Vendor	Hardware and software vendors from around the world.
Visualize	A generic term for technologies for visualization and visualization, including XR and metaverse.
Subscription	A system of periodic payments for services available for a fixed period of time.
Inference	It refers to the process of using AI models built through AI learning to make predictions and inferences.
Bare Metal Method / Bare Metal Cloud	A system in which physical servers are used in the cloud without virtualization.
Workstation	Computers that are more powerful than ordinary PCs with specialized performance for use in computing, drawing, and other applications.

Handling of this document

This material is prepared for informational purposes only. This material is not intended as an offer to sell or a solicitation of an offer to buy any securities in Japan, the U.S. or elsewhere. This material may not be published or communicated to any third party, in whole or in part, without the Company's approval.

This material contains forward-looking statements. These statements are made only based on information available at the time such statements were made. Furthermore, such statements are not guarantees of future results and involve risks and uncertainties. Please note that actual results may differ materially from those discussed in the forward-looking statements due to changes in the environment and other factors. Factors that may affect the actual results described above include, but are not limited to, domestic and international economic conditions and trends in our related industries.

Any information contained in this material that relates to other companies is based on publicly available information or data prepared by third parties, and we have not verified and do not guarantee the accuracy or appropriateness of such information.

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.



Advance with you Let's advance the world.