

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

MAKING THE IMAGE INTELLIGENT



# Business Plan and Growth Potential

Digital Media Professionals Inc.

June 25, 2024

The views and forecasts that appear in these materials represent determinations made by the Company at the time the materials were created.  
The accuracy of the information therein is not guaranteed.  
Please be aware of the possibility that actual performance and results may differ considerably due to a variety of factors.

- Company overview
- Business model and competitive advantage
  - Business model / Revenue cycle
  - Competitive advantage
  - Revenue / Cost structure
- Market trend
- Growth strategy / Business plan
- Risk information
- Handling of this material
- Supplementary material





# Company overview



# Company Profile



We are a fabless semiconductor vendor with a proven track record as one of the world's leading GPU IP vendors since its founding. In recent years, in order to become the world's leading "AI Computing Company," we are contributing to solving customer and social issues by providing end-to-end AI services from algorithm/software to hardware and from the edge to the cloud.

Company name	Digital Media Professionals Inc. (DMP)	Month / Year	History
Business content	IP license, SoC / module development & sales, and contract development services related to GPU and AI	July 2002	Founded
Foundation	July 2002	July 2005	Launched ULTRAY® Visual Processor
Location	Nakano-ku, Tokyo, Japan	April 2007	PICA® Graphics IP Core received the Excellence in IP Prize of 9th LSI IP Design Award
Representative	Chairman, President and CEO: Tatsuo Yamamoto	April 2009	Launched SMAPH®-F Vector Graphics IP Core
Capital	1,838 million yen	November 2009	Launched SMAPH®-S 3D Graphics IP Core
Number of consolidated employees	65 (as of June 1, 2024)	June 2011	Listed on the Mothers market of the Tokyo Stock Exchange
Number of patents	35 cases	May 2014	Business and capital alliance with UKC Holdings Corporation (currently Restar Holdings Corporation)
Consolidated subsidiary	Digital Media Professionals Vietnam Company Limited	August 2016	Launched the new 3D graphics IP core "M3000" series
		November 2016	Launched "ZIA™", an image recognition engine using deep learning
		March 2018	Started mass production and shipment of next-generation graphics processor "RS1"
		May 2019	Business and capital alliance with Yamaha Motor Co., Ltd.
		May 2019	ISO 9001: 2015 Certified (Certification body: Intertek Certification Japan Ltd.)
		April 2020	Established Digital Media Professionals Vietnam Company Limited
		April 2021	Capital and business alliance with Cambrian Inc, USA
		April 2022	Shifted to the Growth market of the Tokyo Stock Exchange
		November 2023	Additional investment in Cambrian Inc



# Focused businesses / fields and sales (composition) (March 2024)

## ● Business

### IP core license

¥170M (6%)

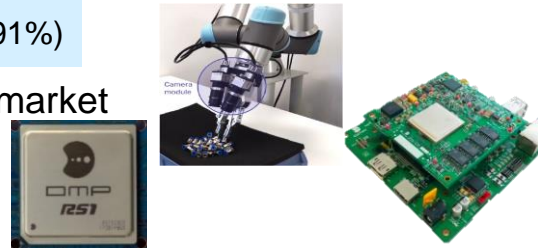
- AI/GPU IP core license
- AI software license



### Product

¥2,758M (91%)

- Graphic processing LSI for amusement market
- Vision system for collaborative robot
- AI FPGA module



### Professional service

¥87M (3%)

- AI algorithm, computer-vision software contracted development
- FPGA/board contracted development
- Customer product/service development support in safe driving assistance and robotics fields



## ● Field

### Safety

¥71M (2%)

- Provision of AI licenses, products, and professional services for advanced driver assistance systems and driver monitoring systems that utilize dashcams, etc.



### Robotics

¥168M (6%)

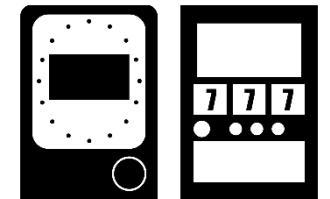
- Provision of AI licenses, products, and professional services for robotic products (robotic vehicles, collaborative robots)



### Amusement

¥2,642M (88%)

- Provision of products and support for the amusement market (amusement machines)



### Other

¥134M (4%)

- Provision of IP core licenses (initial license, running royalty) for digital devices, etc.
- GPU IP maintenance/support



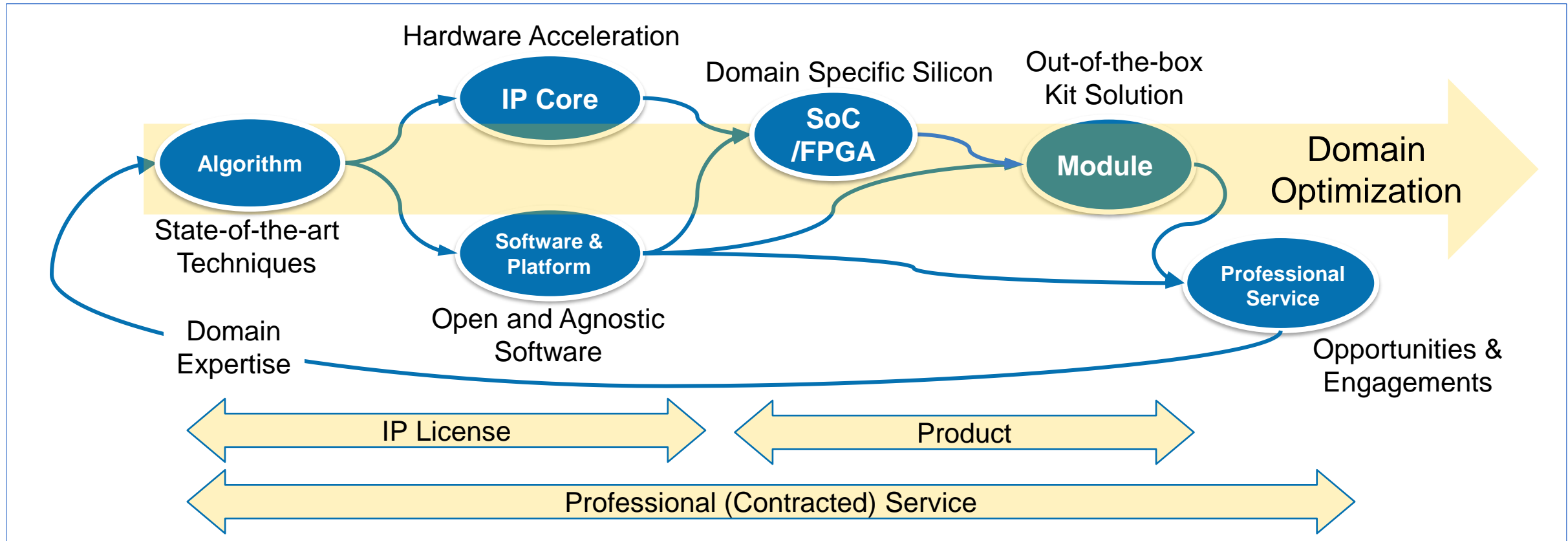


# Business model and competitive advantage



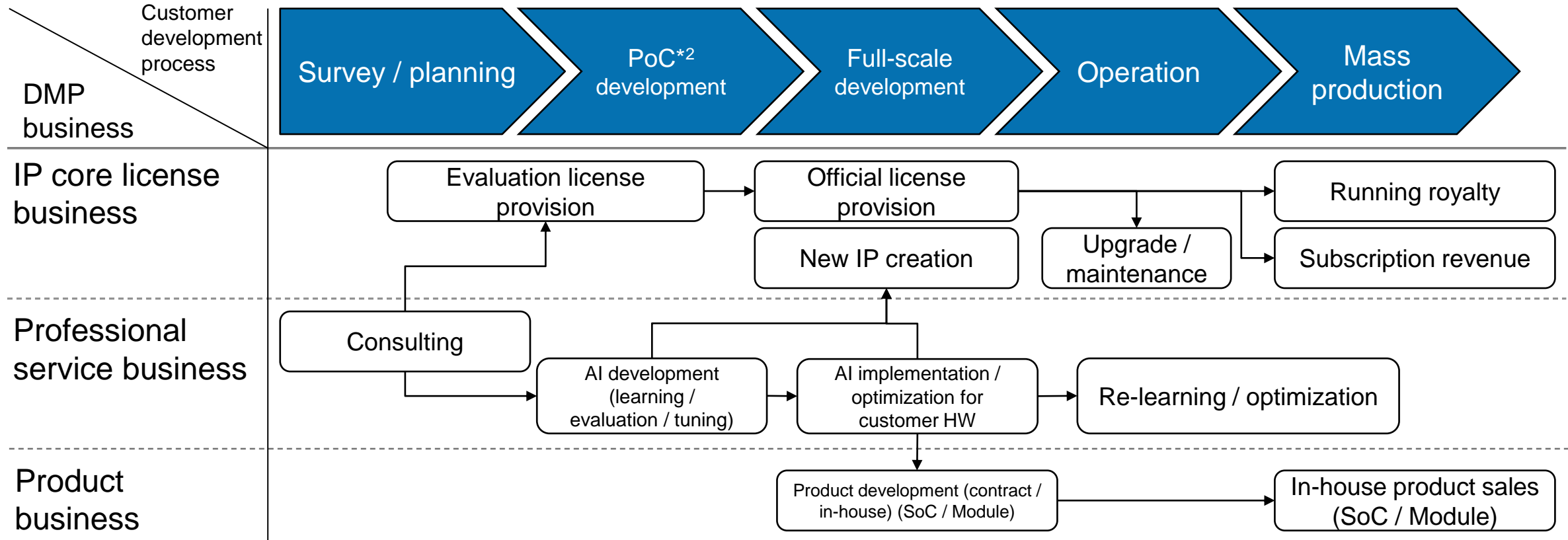
# Business model

- Integrated development of algorithms, software, and hardware (domain optimization)
- Flexible value proposition and monetization model through licenses, products and professional services
- Build a well-balanced profit structure of highly profitable "IP core license business", scale-seeking "professional service business", and "Product business"



# Revenue cycle

- Providing added value and maximizing LTV\*<sup>1</sup> (Lifetime Value) of customers over the entire development life cycle (from planning to mass production) of customer products
- By developing and providing standard products and services based on the technology and know-how cultivated in customer projects, we will strive to respond flexibly and quickly to customer development and improve profitability.

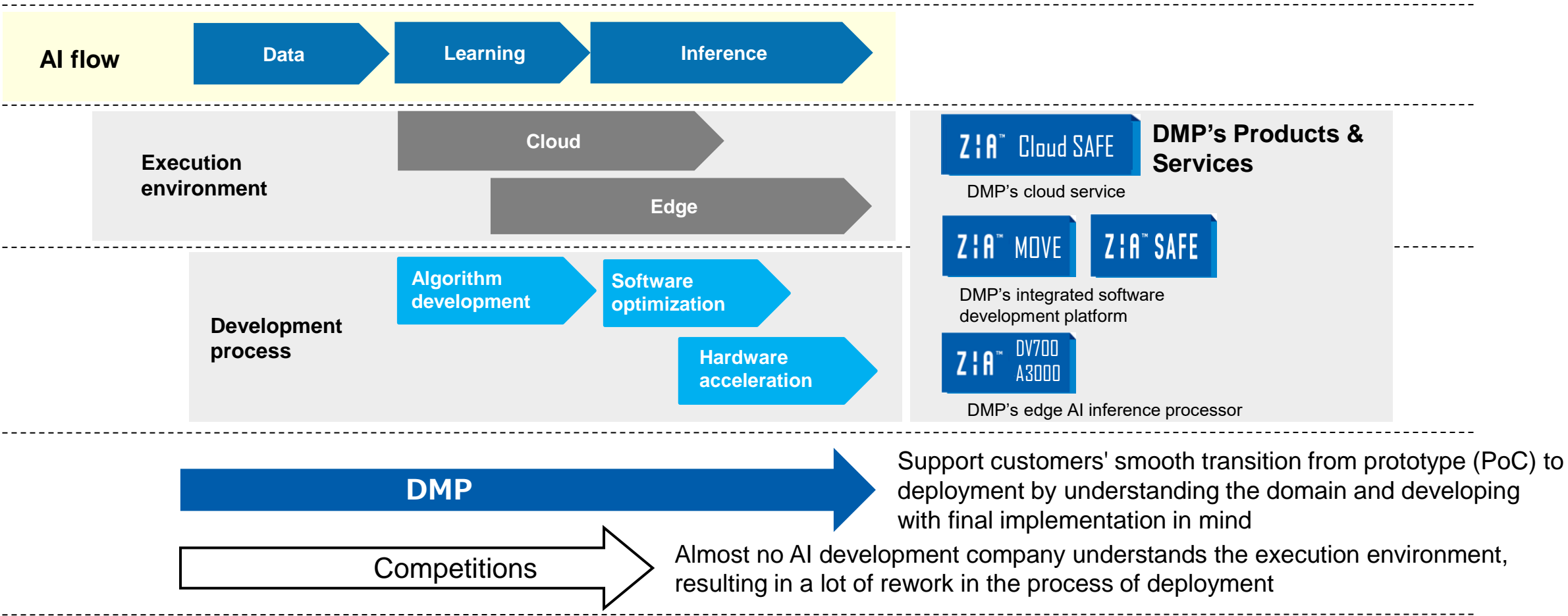


\*1 LTV: Abbreviation for Lifetime Value. The profit earned from the beginning to the end of transactions with a customer (customer lifetime value)

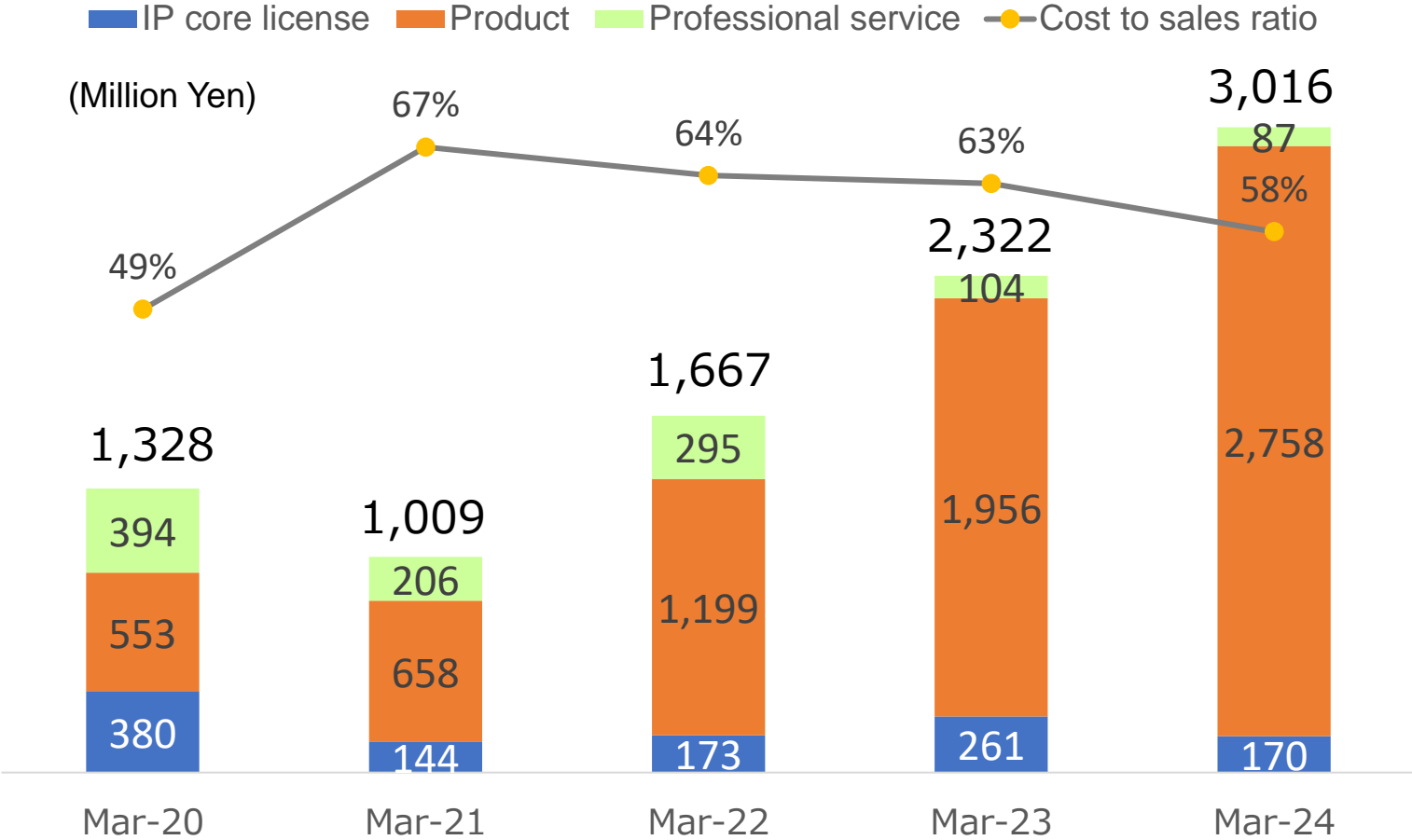
\*2 PoC: Abbreviation for Proof of Concept. Verification and trial about feasibility before introducing a new concept, theory or principle in full scale



DMP can optimize AI processing for the domain, including hardware

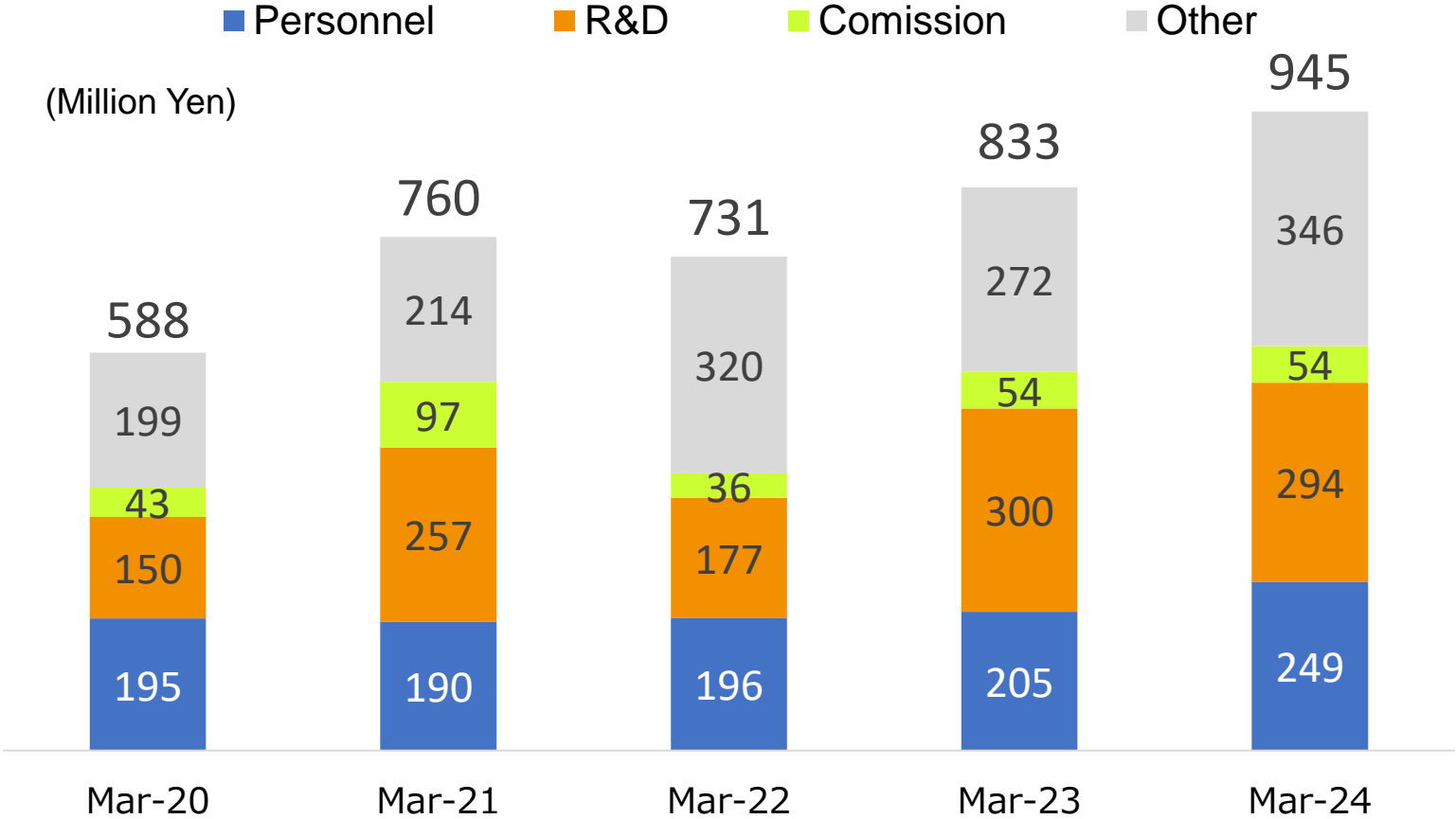


- Cost to sales ratio tends to fall with increase in IP core license sales (ratio)
- Overall cost ratio also declined due to cost reduction in product business in March 2024



Note: Non-consolidated basis for the fiscal year ended March 31, 2020, and consolidated basis for the fiscal year ended March 31, 2021 and beyond

- SGA (selling, general and administrative expenses) are mainly R&D and personnel expenses.
- R&D expenses are related to the development of technologies and solutions for medium-term growth.



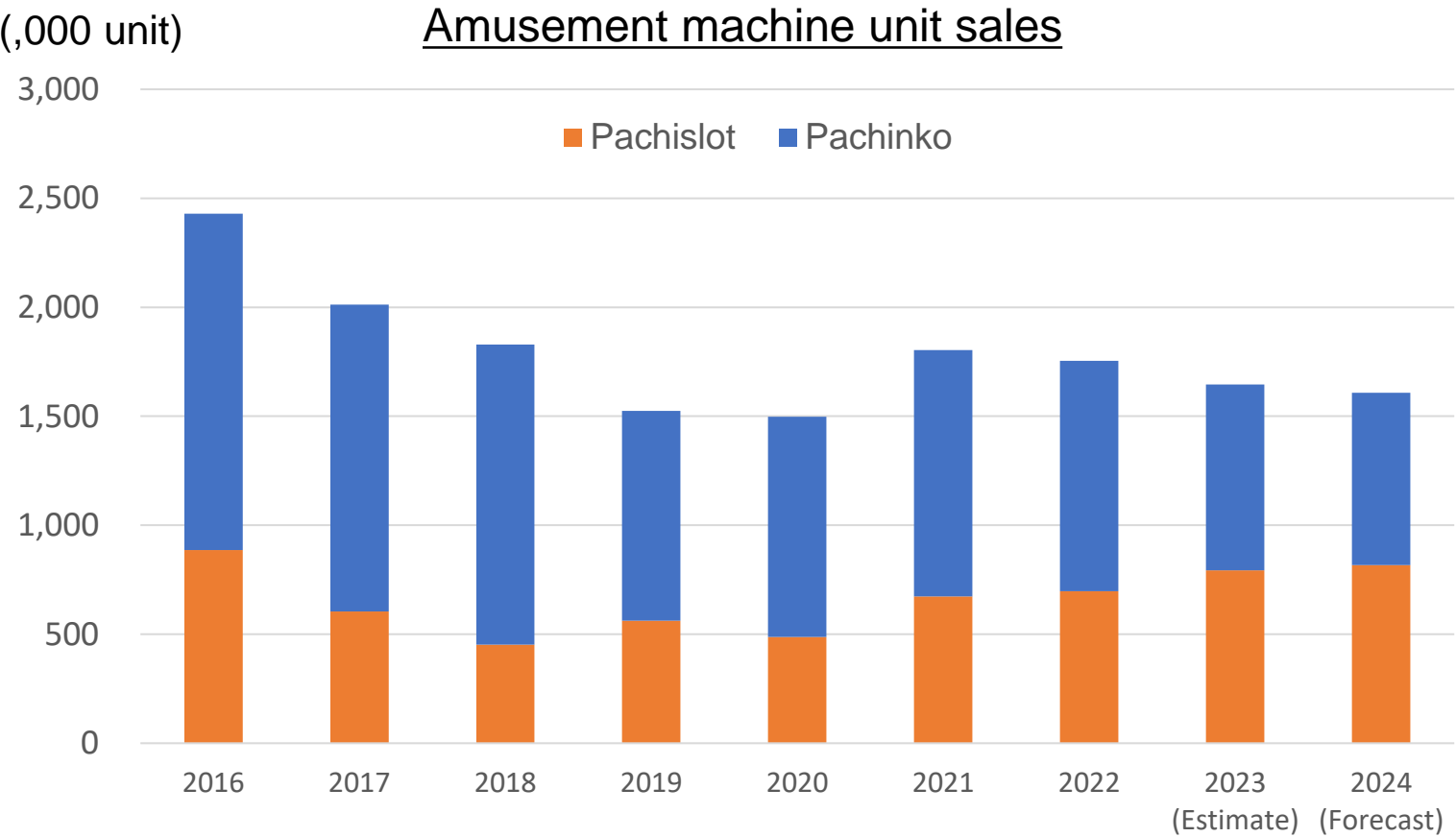
Note: Non-consolidated basis for the fiscal year ended March 31, 2020, and consolidated basis for the fiscal year ended March 31, 2021 and beyond

# Market trend





- Pachislot market, our main battleground, bottomed out in FY 2018-2020 and has begun rising
- Pachislot market will remain strong in FY2024, centered on smart pachislot and type 6.5 machines

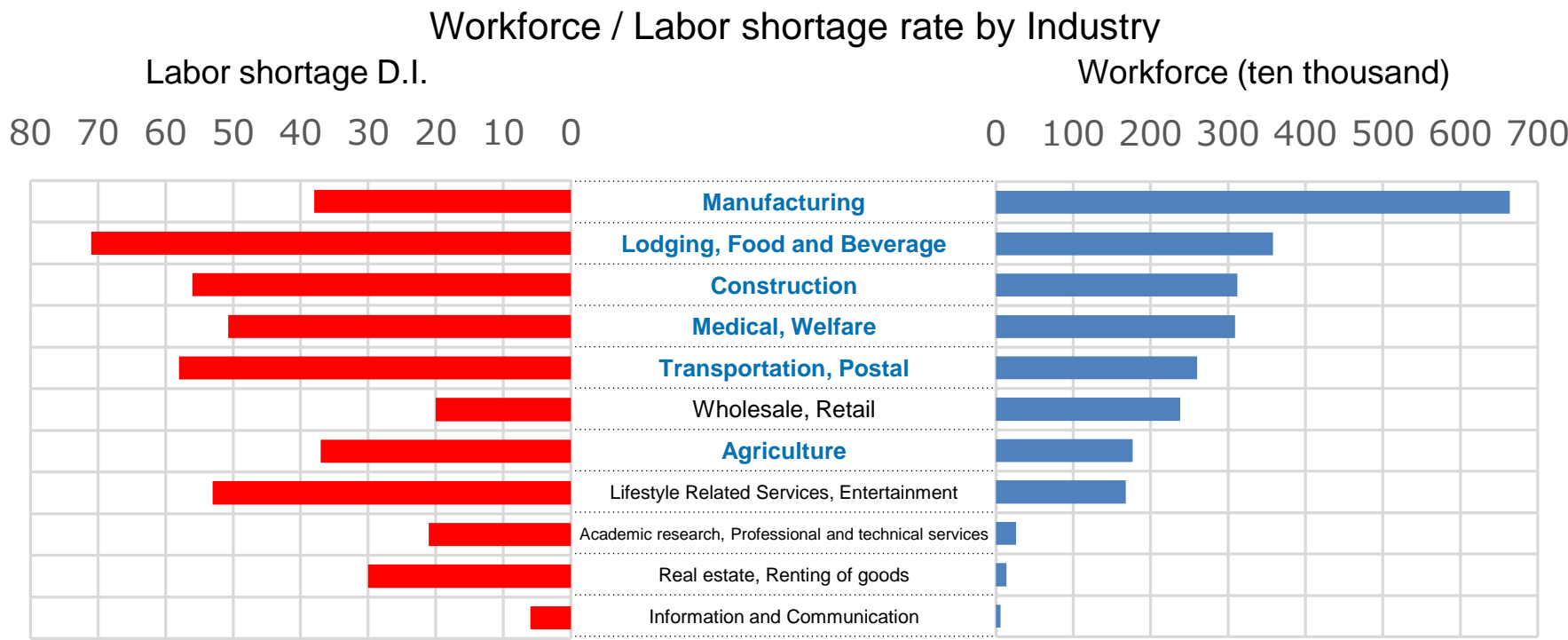


Source: Yano Research Institute; estimate and forecast are averages of those provided in the FY03/2024 financial results presentation materials of the three pachinko/pachislot machine manufacturers (SEGA SAMMY HOLDINGS, SANKYO, and Heiwa)

# Robot as a solution to social issues (labor shortage)

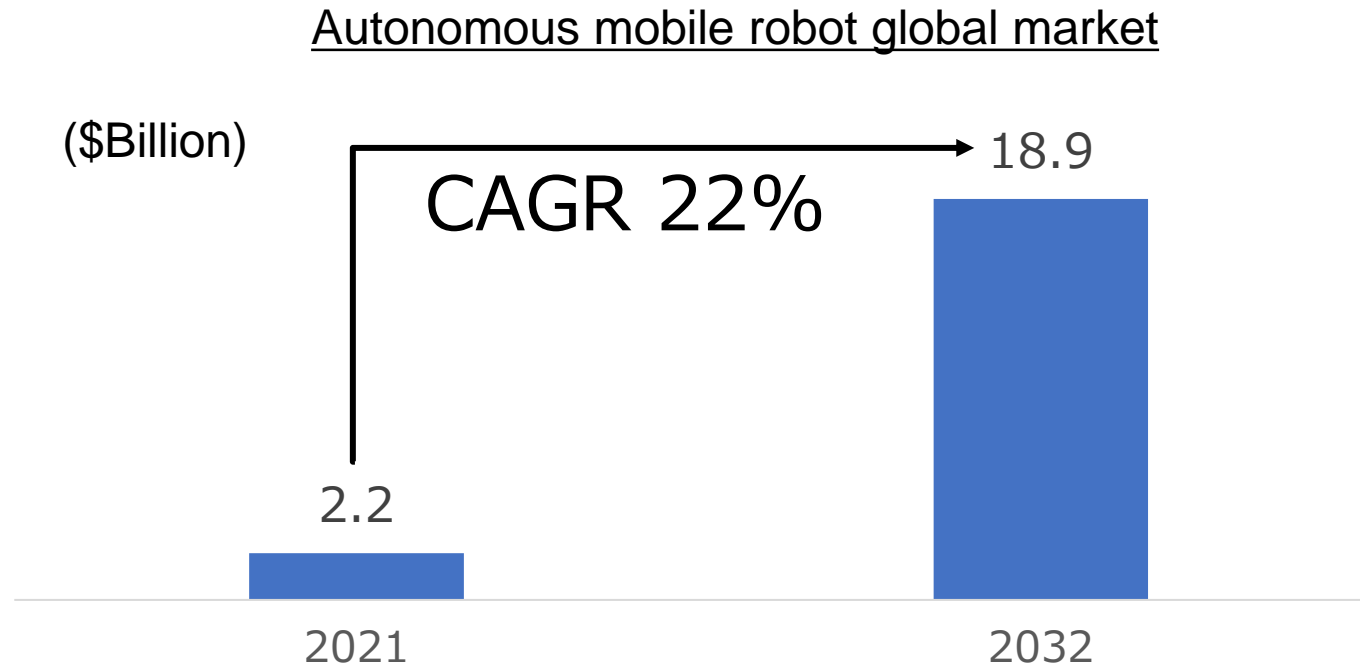


The most promising industries for robot adoption from a workforce and labor shortage perspective are manufacturing, followed by construction, transportation, and agriculture, as well as lodging, food and beverages, and medical and welfare.



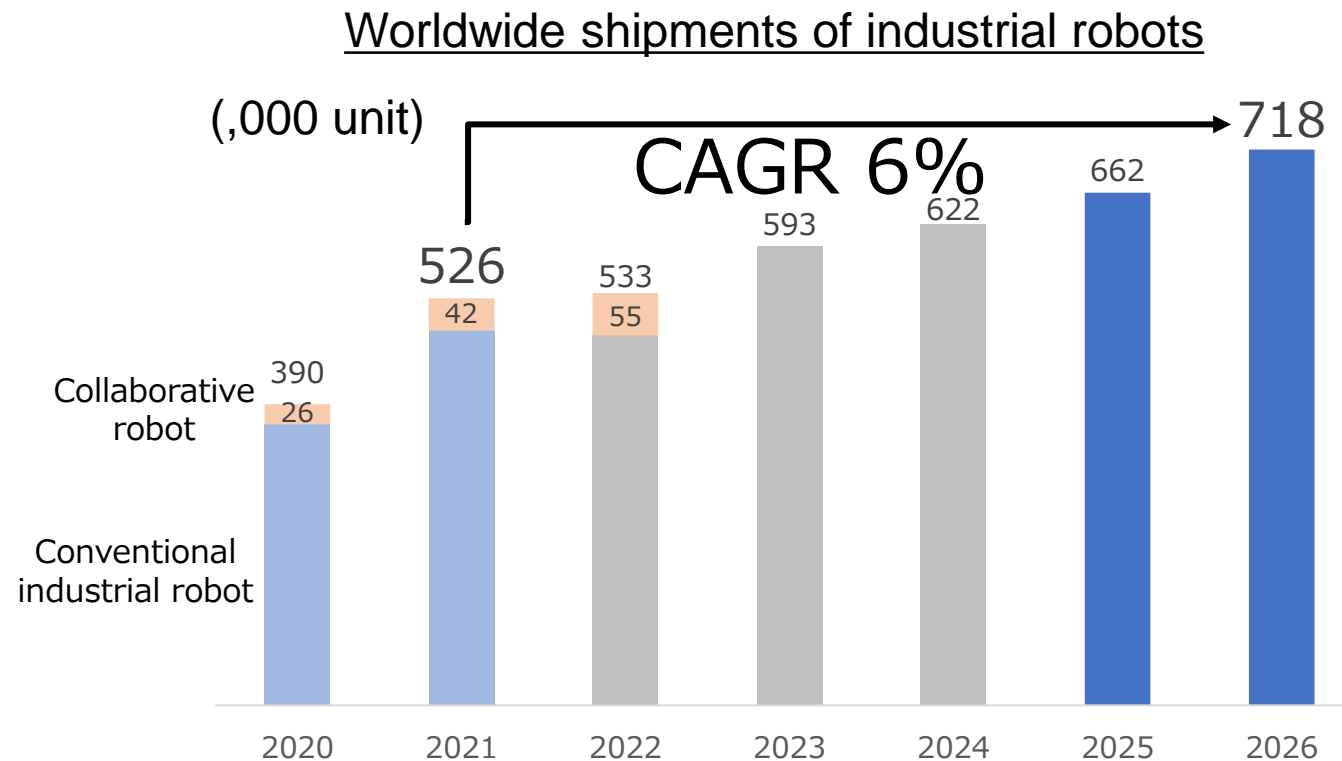
**Source**  
**Workforce:** Of the workers by industry and occupation in the March 2024 Labor Force Survey (Statistics Bureau, Ministry of Internal Affairs and Communications), DMP counted the number of workers in the agriculture, forestry, and fishing industry, production process workers, transportation and machine operators, construction and mining workers, transportation, cleaning, and packaging workers, and care service workers, which are occupations where the introduction of robots is expected to have higher effects.  
**Labor shortage D.I.:** D.I. (Diffusion Index) of excess/shortage of workers (shortage - excess) for transportation/machine operation, skilled workers, simple workers, and services (Lodging, Food and Beverage and Medical, Welfare) from the May 2024 Survey of Labor and Economic Trends (Ministry of Health, Labor and Welfare), weighted by the number of workers in the above occupational categories. (For agriculture, the employment situation D.I. from the January 2024 Agricultural Business Conditions Survey (Japan Finance Corporation) was used.)

Demand for autonomous mobile robots is expected to increase in various fields such as manufacturing, logistics, agriculture, and households to save labor and improve productivity.



Source: "Autonomous Mobile Robot Market" (Allied Market Research), May 2023

- Against a backdrop of labor shortage, introduction and application of industrial robots is advancing at manufacturing and distribution sites as well as in food, pharmaceuticals, and cosmetics industries.
- The line between conventional industrial robots and collaborative robots has become blurred. The scope of application of AI vision systems that detect and recognize objects with cameras is also expanding.



Source: "World Robotics 2023" (International Federation of Robotics (IFR)), September 2023



With aging infrastructure and a shortage of inspectors, there is a large TAM\*<sup>1</sup>/SAM\*<sup>2</sup> for infrastructure inspections using image processing, cameras, and drones.

## Domestic Infrastructure Maintenance and Management Market

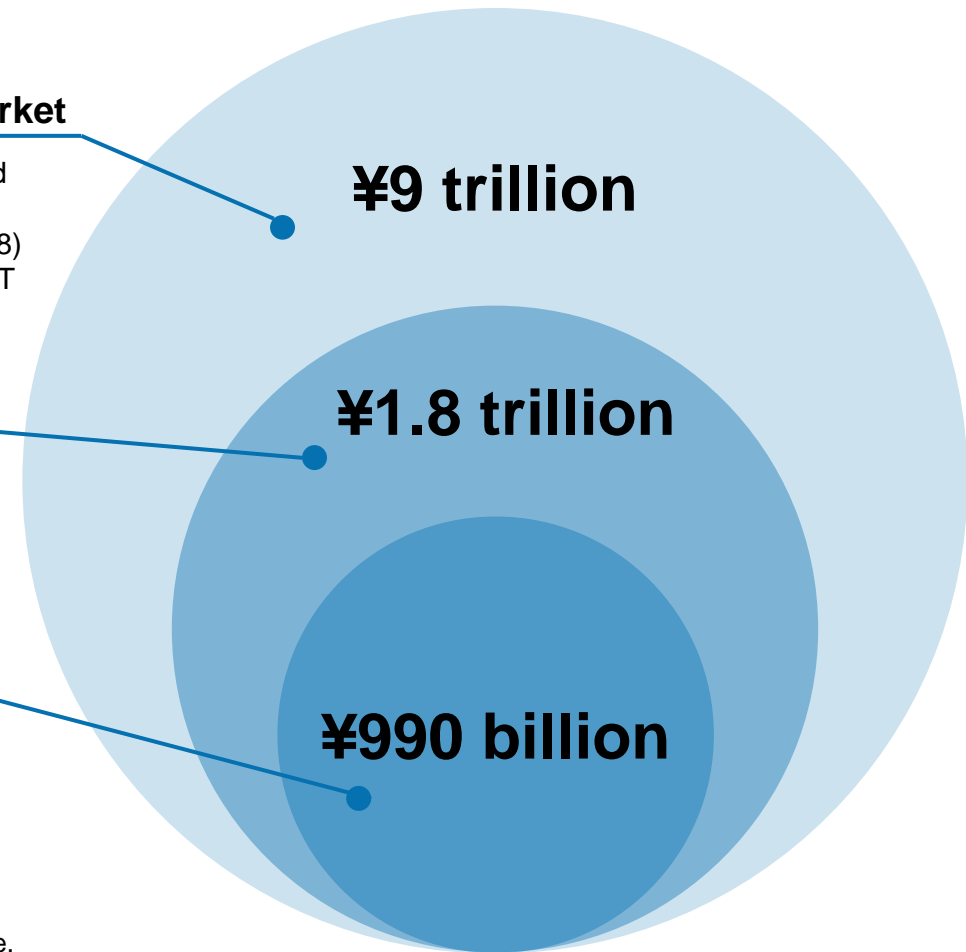
Estimated 6.3 trillion yen for FY2038 in "Estimation of Future Maintenance and Renewal Costs of Social Capital in the Fields under the Jurisdiction of the Ministry of Land, Infrastructure, Transport and Tourism (MLIT)" (November 2018)  
Estimate based on the assumption that areas outside the jurisdiction of the MLIT account for about 30% of the total

## Inspection and repair using sensors and robots

The target in the Strategic Headquarters for the Promotion of an Advanced Information and Telecommunications Network Society "Declaration to be the World's Most Advanced IT Nation" (revised June 2015): Inspections and repairs of 20 percent of key and aging infrastructure in Japan will be conducted using sensors and other technologies.

## Inspection using image processing, cameras, and drones

According to Fuji Keizai's "2023 Edition: Current Status and Future Outlook of Next Generation Infrastructure Maintenance and Management Technology and System Related Markets" (February 2023), image processing, camera, and drone technology will account for 55% of the total market in 2035.



\*1 Total Addressable Market: The size of the total market that the business could acquire.

\*2 Serviceable Available Market: The largest market size that the business can capture.



# Growth strategy / Business plan



# Making the Image Intelligent

"To create innovative products and services that harness the power of image intelligence to solve real-world problems and drive value for our stakeholders."





## Sustainability measures from the Purpose

### Purpose

**"Making the Image Intelligent"**  
To create innovative products and services that harness the power of image intelligence to solve real-world problems and drive value for our stakeholders

### Mid- to long-term sustainability perspective

#### Social issues

- Labor shortage
- Safe and secure society
- Low carbon society

#### Our issues

Expanding revenues and profits from safety and robotics fields, and IP core license business

### Identification of sustainability materiality

Achieving a sustainable society through business activities

### Human capital perspective

Alignment and fulfillment of human capital

### KPI

Sales from safety and robotics fields, and IP core license business

Employee engagement index



## Mega topic

## Social & environmental changes / issues

## DMP's Initiatives

Declining birthrate  
and aging  
population

- Declining working population
- Key workers' overwork
- Skill transfer issue
- Increase in elderly car accidents
- Existence of vulnerable road users
- Infrastructure aging

Climate change

- Rise in average temperature due to the greenhouse effect
- Increase in natural disasters
- Decrease in agricultural production and food

- Contributing to productivity improvement, work efficiency improvement, labor saving to complement and mitigate the decrease in the working population and hard work by making efforts for automation and autonomy in the field of robotics
- Contributing to real-time accident prevention and safe driving education based on near-miss events by providing safe driving assistance services
- Contributing to MaaS promotion through autonomous driving technology
- Contributing to a global low-carbon society by reducing the power consumption of hardware (IP)
- Contributing to infrastructure inspection by utilizing AI image recognition technology

### Contribution to SDGs



# Focused field

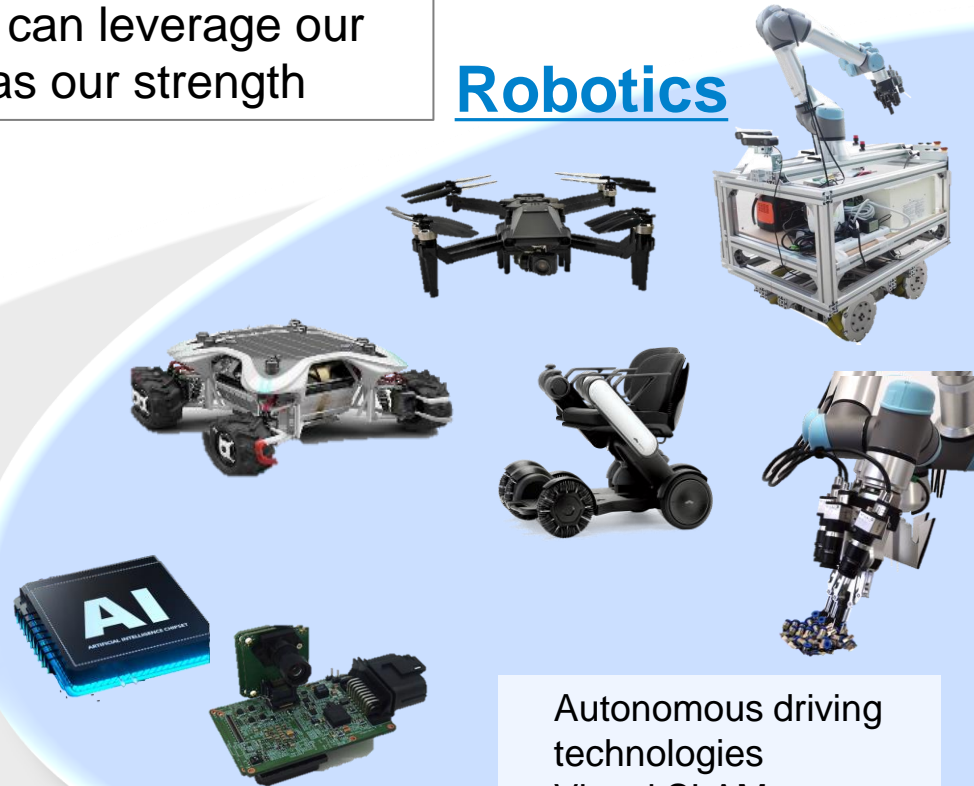
Focusing on fields where we can leverage our common technology bases, as our strength

## Amusement



Amusement SoC RS1  
Graphics module

## Robotics



AI inference processor IP  
Camera IP (ISP & Stereo)  
GPU IP  
Camera module

Autonomous driving  
technologies  
Visual SLAM  
Picking system

## Safety



Safe driving assistance system  
DMS/ADAS  
Cloud service

Common technology bases **GPU**

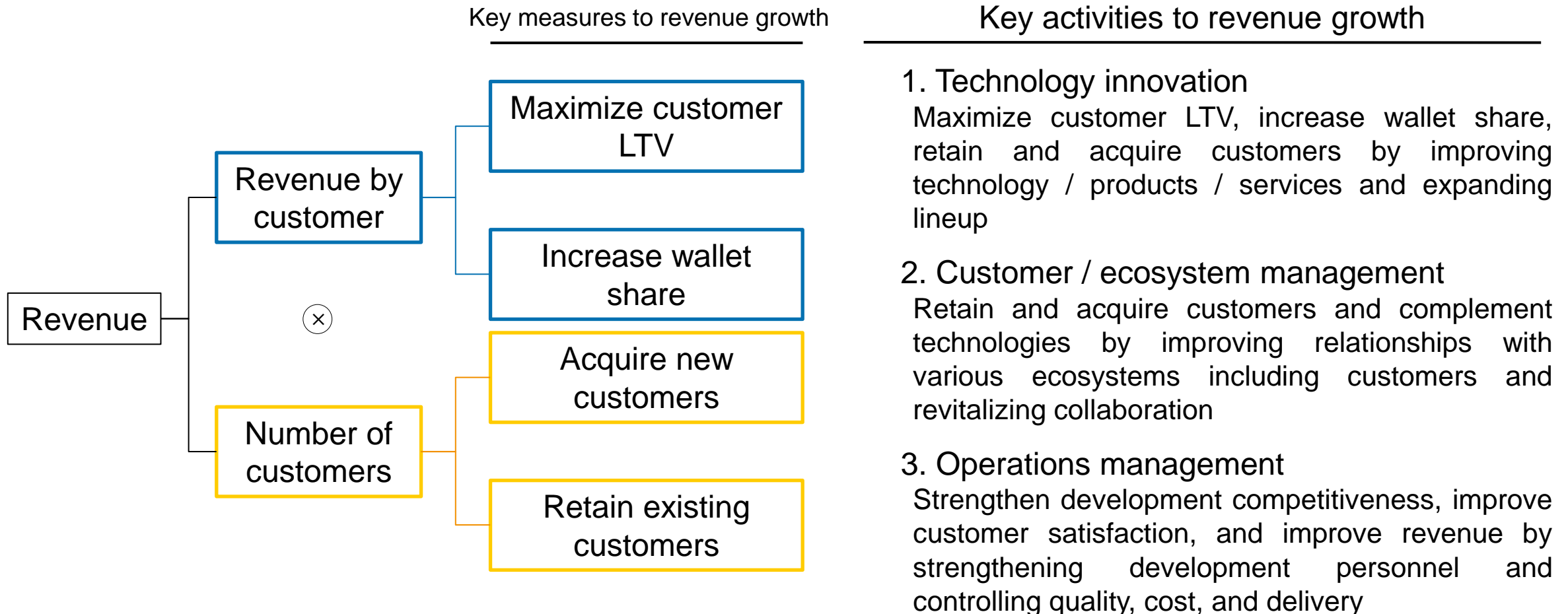
**Low-power IP**

**Computer  
Vision**

**Edge & Cloud  
Computing**



Maximize revenue through technology innovation, customer / ecosystem management, and operations management

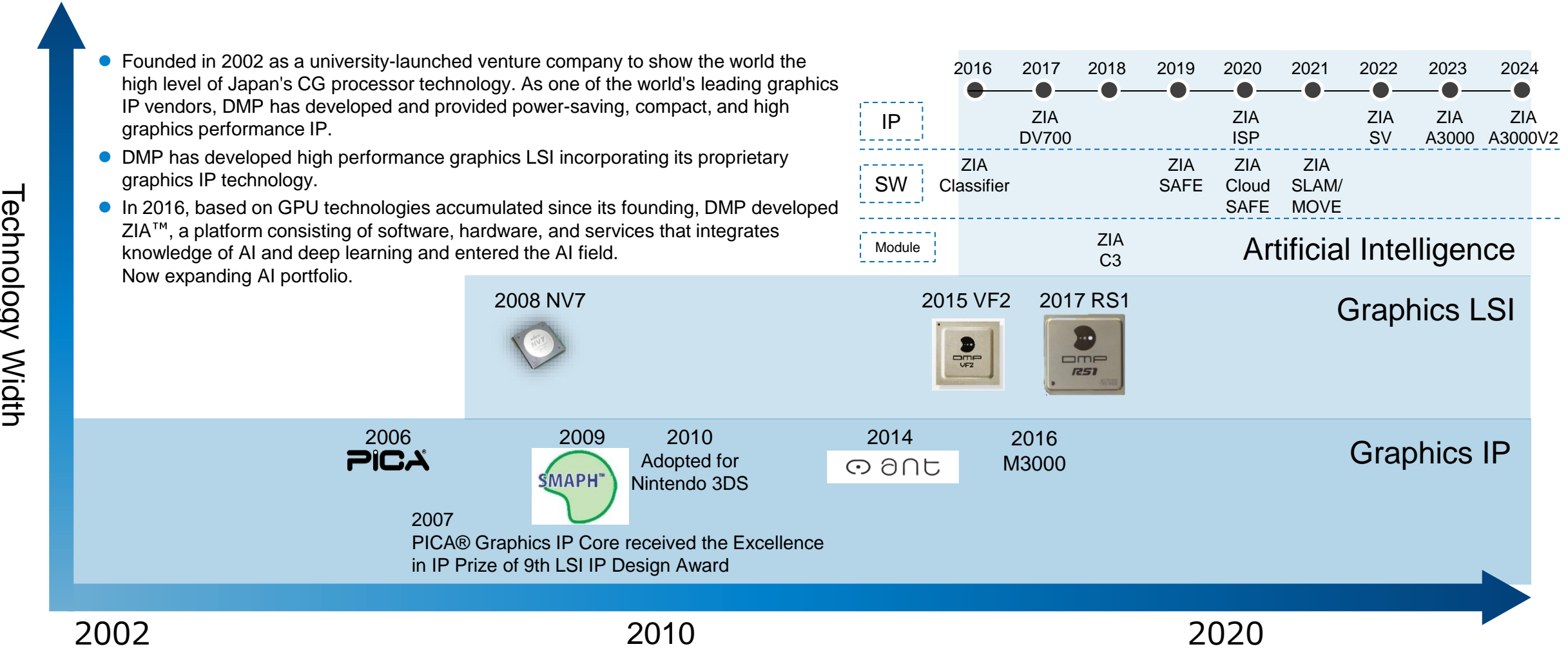


# Key activities for revenue growth

## Technology innovation



Continue to develop and provide cutting-edge hardware and software IP, software, products and services based on the outstanding technologies accumulated in the fields of AI and visual computing as an embedded GPU pioneer



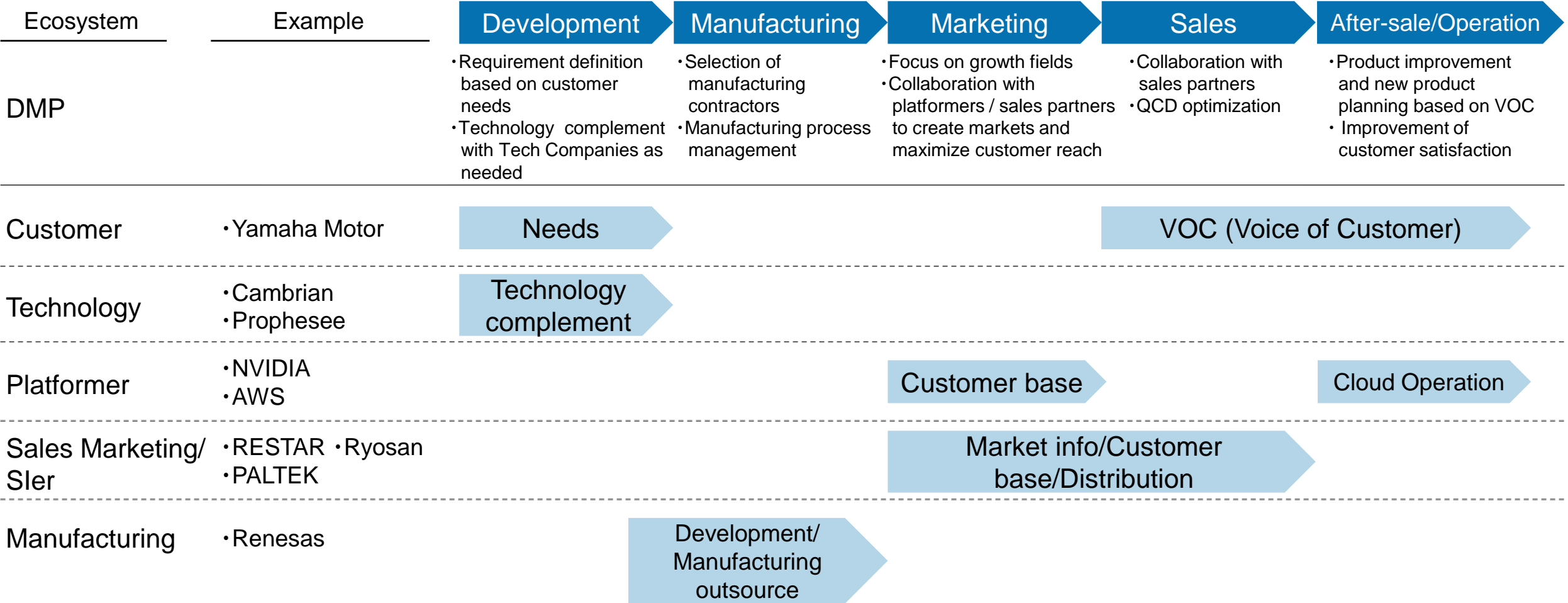


Key activities for revenue growth

# Customer/Ecosystem management



Retain and acquire customers and complement technologies by improving relationships with various ecosystems including customers and revitalizing collaboration



# Medium-term business plan reviews (FY03/2022-03/2024)

- In FY03/2024, the final year of the medium-term plan, net sales were record-high, and all the income items were the highest since the IPO.
- Safety: OTA\*<sup>1</sup> projects and product sales recorded in FY03/2023 fell off. Unmet the medium-term plan, which anticipated an increase in recurring revenue
- Robotics: Sales of Cambrian vision systems expanded, but unmet the medium-term plan, which anticipated an increase in IP licenses and professional services.
- Amusement: Achieved significantly higher results than the medium-term plan due to increased demand for type 6.5 pachislot and smart pachislot machines.
- Market conditions, business performance, and findings during this medium-term period are reflected in the future business strategy.

(Million yen)		FY03/2021	FY03/2022		FY03/2023		FY03/2024	
		Actual	Midterm plan* <sup>3</sup>	Actual	Forecast* <sup>4</sup>	Actual	Midterm plan* <sup>4</sup>	Actual
	Safety	49	183	163	263	170	302	71
	Robotics	166	374	236	290	185	415	168
	Amusement	646	840	1,155	1,719	1,821	1,716	2,642
	Net sales* <sup>2</sup>	1,009	1,500	1,667	2,370	2,322	2,540	3,016
	Operating income	-425	-250	-126	25	27	200	328
	Ordinary income	-361	-250	-122	25	28	200	330

\*1 Over the Air, Wireless installation of our software on dashcams with communication function installed in end-user vehicles

\*2 Net sales include sales in areas other than the three main fields (safety, robotics, amusement), such as AI/GPU IP core licenses for digital equipment.

\*3 Medium-term plan in "Notice of Medium-term Business Plan" disclosed on May 14, 2021

\*4 Business forecast and medium-term plan in "Business Plan and Growth Potential" disclosed on June 14, 2022

# Implications during the medium-term period

Reflect the findings of the medium-term period (FY03/2022-03/2024) in the mid-term business strategy

	Safety	Robotics	Amusement
Market/Business assumption	<ul style="list-style-type: none"><li>• High growth continues in the dashcam market with AI/communication functions</li><li>• Recurring revenue grows due to new customer acquisition and increase in existing customer projects</li></ul>	<ul style="list-style-type: none"><li>• With the social implementation of robots, license revenue of autonomous driving software for mass production and professional service revenue increase</li><li>• Vision system business for picking robots grows</li></ul>	<p>With the introduction of type 6.5 pachislot and smart pachislot/pachinko machines, amusement market is expected to be stimulated by the expanding game features</p>
Results/Findings during the medium-term period	<ul style="list-style-type: none"><li>• Growth rate of the domestic dashcam market is slowing down with a CAGR of less than 2% from 2023 to 2028*1</li><li>• Weak customer willingness to invest, resulting in failure to acquire continuous customer projects</li><li>• Need to change strategy based on market expansion assumption</li></ul>	<ul style="list-style-type: none"><li>• Social implementation of robots has not progressed than expected*2</li><li>• Uncertainty is strong in the expansion of full-scale mass-production license revenue based on the assumption that customers' products will be adopted, and in sales dependence on professional services for customers' R&amp;D projects</li><li>• Inquiries for vision systems are strong</li></ul>	<p>Market expansion/increased demand for pachislot machines, especially type 6.5 and smart pachislot machines, has been stronger than expected</p>
Implications for future business strategies	<ul style="list-style-type: none"><li>• Capture the construction and agricultural machinery market in addition to the automotive market through model-based development</li><li>• Capture a wide range of safety markets such as smart cities/buildings by utilizing highly accurate AI recognition technology</li><li>• Utilization/light-weighting of generative AI</li></ul> <p>Actively pursue growing market of the fields of video inspection and semiconductor manufacturing equipment through the integration of safety and robotics technologies, together with major business partners</p>	<ul style="list-style-type: none"><li>• Continue activities to win license business for autonomous mobile robotics</li><li>• For Cambrian vision systems, accelerate the introduction of multiple systems to customers' assembly lines</li><li>• Enter the FA inspection market where technology/product/customer synergies are expected</li></ul>	<ul style="list-style-type: none"><li>• Expand customer base</li><li>• Capture amusement machine peripheral business</li></ul>

Source:

\*1 "Global Demand Trends for AV&IT Equipment: Outlook to 2028" (JEITA (Japan Electronics and Information Technology Industries Association)), February 2024

\*2 "Comprehensive Action Plan for R&D and Social Implementation in the Field of Robotics" (NEDO (New Energy and Industrial Technology Development Organization)), April 2023

# Focus area strategy

## Safety field

- Tap automotive industry as well as construction/agricultural machinery fields with model-based development\*<sup>1</sup> (RTMaps)-compliant ZIA SAFE
- Expand business to broader safety fields such as public transportation hazard detection and prediction and smart city-related areas
- Research and productization of advanced safety system leveraging generative AI technology



\*1 A method of proceeding with design and development while performing verification by modeling and simulating the controls and control objects to build the system. This enables verification during the design process and reduces rework in the verification process, thereby significantly reducing development time and improving quality.

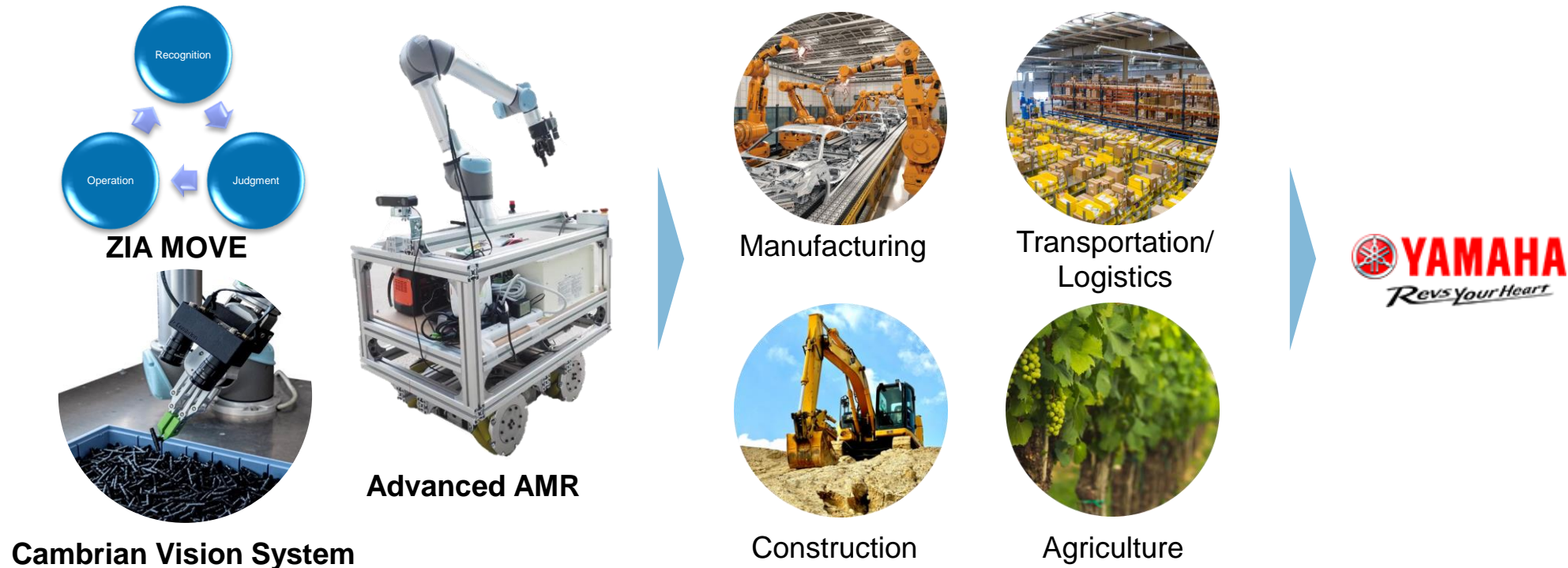
\*2 Building Energy Management System, An energy management system that measures and visualizes the amount of electricity used within a building, and also controls air conditioning and lighting equipment



# Focus area strategy

## Robotics field

- Realize a full pipeline of autonomous driving based on low-cost Visual SLAM that is robust against environmental changes (ZIA MOVE)
- Collaborate with AMR/AGV vendors in the development of service robots for manufacturing, transportation and logistics, construction, building facility management, etc.
- For Cambrian vision system, which acts as the eyes of a picking robot, accelerate the introduction of multiple systems to customers' assembly lines by leveraging its ability to work with various robot arms and pick difficult objects such as glossy and transparent objects
- Enter the FA inspection market where technology/product/customer synergies are expected



- Real-time 3D engine and high-performance, high-compression video engine on a single chip (industry's first), enabling both beautiful video expression and reduction of machine chassis cost
- Expand market share due to the booming pachislot market and the penetration of ZEEG's standard chassis equipped with RS1 into the pachislot and pachinko machine industry
- Aim to expand market share and enter new customers in market segments where we can demonstrate the superiority of our unique 2D/3D integrated chip
- Capture the amusement machine peripheral business

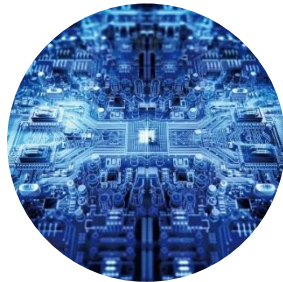


x

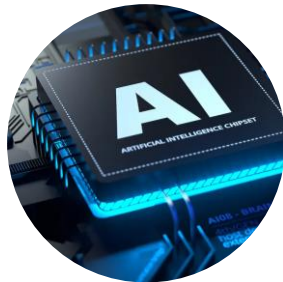




- Provide small size, low power consumption, and high-performance IPs optimized for customers' digital equipment applications and embedded SoCs
- Earn stable running royalties from broad customers/applications such as digital still cameras, OA equipment, TVs, and surveillance cameras
- Development and market launch of next-generation AI IP/semiconductor



GPU IP



AI IP



**RENESAS**

**FUJIFILM**  
Value from Innovation

**OM SYSTEM**

**REGZA**

## Video inspection area (integration of safety and robotics)

- Promote infrastructure video inspection business leveraging Visual SLAM, Autonomous driving control, and AI analysis with major partners, and horizontally develop the results
- Offer high-value added video analysis services as a recurring model

【Data Center Inspection】



Data center operating companies

【Steel Tower Inspection】



Telecommunications infrastructure  
management companies  
Joint R&D with Tsukuba University

【In-building Inspection】



General contractors

【Transport in Semiconductor Factory】



Semiconductor manufacturing  
system companies

# KPI (Key performance indicator)

## ● Change in KPI

[Previous]

Sales (% of sales) from IP core license business in the safety and robotics fields



[From now on]

Sales from safety, robotics, and the fusion of these two fields, as well as in other field

## ● Background

- More customers in the safety and robotics fields are looking for solution packages that combine products and professional services, rather than just providing IP licenses and software.
- This KPI is in line with our direction to pursue higher value-added products.
- Aligning with the KPI of "Achieving a sustainable society through business activities" identified as a materiality of sustainability

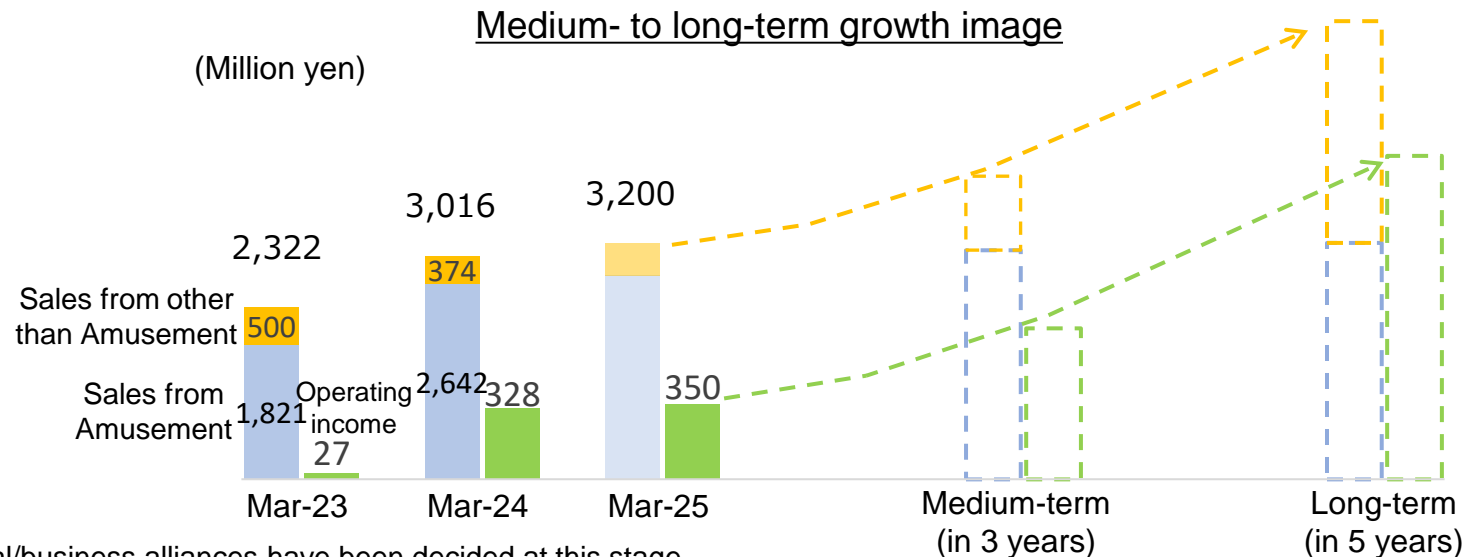
## ● KPI results

(Million yen)		FY03/2021	FY03/2022	FY/03/2023	FY03/2024
	Safety	49	163	170	71
	Robotics	166	236	185	168
	Other field	148	111	144	134
Sales		363	512	500	374

# Medium- to long-term growth image

Based on a stable revenue base in the amusement field, ensure growth in other fields

- Amusement field  
Secure stable growth in the medium term and a stable revenue base in the long term by expanding the customer base and capturing amusement machine peripheral businesses, etc.
- Other than amusement field
  - In the video inspection business for social infrastructure, expand revenues and profits through sales of inspection robots as well as recurring revenues from the combination of services
  - In addition to Cambrian vision systems, introduce synergistic technologies and products for the FA inspection market. Pursue rapid business development in the medium term
  - Make cutting-edge investments in developments of AI IP/semiconductors and generative AI, etc., for market introduction
  - Actively pursue M&A and capital/business alliance\* opportunities to complement resources/products and deepen market/industry knowledge



\* No M&A or capital/business alliances have been decided at this stage.





# Risk information



Item	Major risks	Probability/ Timing of actualization	Impact	Countermeasures
Technology obsolescence and R&D failures	Graphics processing and AI technologies are evolving at a very fast pace, and there is a risk that we would fall behind. There is also a risk that our research and development may be delayed or aborted.	Medium/ Uncertain	Large	We will keep a close eye on technological trends and proactively promote technology development. In addition, we will strive to secure excellent engineers necessary for technology development.
Customers' market trends	Since the Company's revenue is partly linked to the number of shipments of amusement machines, in-vehicle products, and other products in which our products are embedded by customers, there is a risk that revenue would decrease in the event of sluggish sales of customers' products or a decrease in the number of shipments due to changes in laws and regulations.	Low-High/ Uncertain	Large	We will aggressively develop new markets and new products by gathering information from customers and external organizations. Although we are unable to deal with laws and regulations on our own, we will work closely with our channels and end customers to determine the degree of impact on our business performance and take actions such as making disclosures as necessary.
Securing and developing human resources	Securing excellent human resources is a prerequisite for our future growth. However, securing those for AI and other advanced technologies is becoming increasingly difficult. If we are unable to secure talents, there is a risk that our business growth would be restricted.	Medium/ Medium-Long term	Large	We are making efforts to attract human resources by providing flexible work systems such as the introduction of a discretionary work system and attractive compensation systems such as the stock compensation system.

Note) For other risks, please refer to "[Risk Factors](#)" on our website.



- Forward-looking statements contained within this document are based on currently available information and involve risks and uncertainties, including macroeconomic conditions and trends in the industries in which we are engaged. As such, actual results may differ materially from those anticipated.
- The purpose of this document is to provide information for the purpose of understanding our company and is not to solicit investment in securities issued by our company. Please refrain from making any investment decisions based entirely on this document.
- The latest status including the progress of "Business Plan and Growth Potential" is disclosed in June each year after the announcement of full-year financial results. The next disclosure is scheduled to be made in June 2025.



# Supplementary material



# Group Business Description

Business	Description	Major Customers
IP Core* <sup>1</sup> License Business	<p>Development and license offer of hardware IP (logic design data etc.) and software IP (mainly hardware control drivers and supporting tools for contents creation) necessary for drawing detailed images and artificial intelligence*<sup>2</sup> (AI) such as deep learning*<sup>3</sup></p> <p>a) License fee: Compensation through offering IP core license in the process of developing products such as home appliances by customers</p> <p>b) Recurring revenue</p> <ul style="list-style-type: none"> <li>•Running royalty: Compensation received according to the number of products incorporating IP core shipped by customers</li> <li>•Subscription fee: Compensation received from customers based on the actual use of our cloud services (PV: number of page views)</li> </ul> <p>c) Maintenance and service fee: Revenue from maintenance of IP based on maintenance contract, etc.</p>	Semiconductor manufacturer/ Manufacturer of final product with embedded semiconductor
Product Business	<ul style="list-style-type: none"> <li>•Development, manufacturing (outsourced) and sales of graphics LSI*<sup>4</sup> (SoC*<sup>5</sup>) mainly for amusement equipment</li> <li>•Sales of vision system (object detection by camera) for collaborative robot*<sup>6</sup></li> <li>•Development, manufacturing (outsourced) and sales of AI LSI (FPGA*<sup>7</sup>) for AI equipment, other</li> </ul>	Trading company/Sler Manufacturer of final product with embedded Semiconductor
Professional Service Business	Provision of design service of studying and optimizing the entire SoC system by integrating various IP cores of the Company, software service of developing and optimizing algorithm based on GPU* <sup>8</sup> /vision /AI technology cultivated through development of in-house products, etc.	Manufacturer of final product with embedded semiconductor

\*1: Partial circuit modules within an LSI, designed for a specific function (e.g. graphics IP core). IP stands for Intellectual Property.

\*2: Software and system that enable computers to make human-like perceptions and judgments such as computer programs that understand and judge sentences, images, conversations, sounds, etc.

\*3: A type of machine learning method that realizes artificial intelligence by utilizing human brain imitated neural network mechanism, which is being commercialized in the field of image recognition

\*4: Large-scale integrated circuits composed of silicon wafers (materials with properties intermediate between conductors and insulators used in the manufacture of semiconductor products). LSI stands for Large Scale Integration and is also called "semiconductor".

\*5: Integrated circuit (design method) that integrates a series of functions (systems) required on one semiconductor chip. SoC stands for System on a Chip.

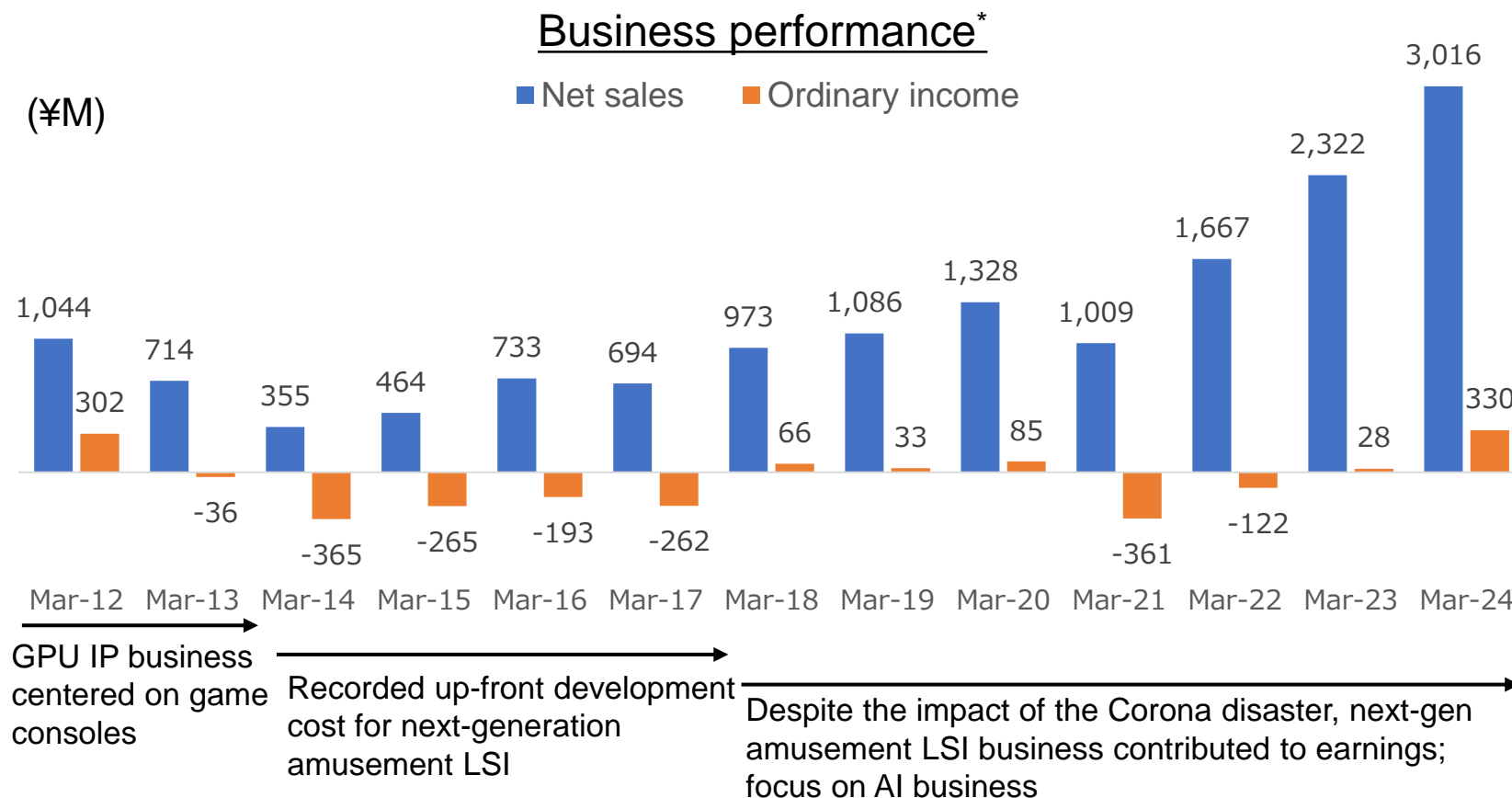
\*6: Robot that can works together with people without safety fences

\*7: Integrated circuit that allows buyers or designers to set and change the configuration after manufacturing. FPGA stands for Field Programmable Gate Array

\*8: Arithmetic unit or processor specialized in real-time image processing represented by computer games. GPU stands for Graphics Processing Unit. By utilizing its better performance in parallel computing performance than CPU, technologies called GPGPU (General-Purpose computing on GPU) that apply its computing resources to purposes other than image processing are applied to the AI/deep learning field.

# Performance review

- From GPU IP business mainly for game consoles at the time of listing, through LSI development for amusement, focusing on AI business in recent years
- Net sales reached a record high mainly due to growth in the amusement field and product business. Operating income, ordinary income, and net income attributable to owners of the parent grew significantly and reached new records since the listing.



\* Actual results on a non-consolidated basis for the fiscal year ended March 31, 2020, and full-year consolidated results for the fiscal year ended March 31, 2021 and beyond

## 6% increase in net sales and growth in operating/ordinary incomes for the fiscal year ending March 31, 2025

Under the Purpose "Making the Image Intelligent," create and offer products/services contributing to "realization of a safe and secure society" and "solution of social issues," while aiming for stable growth in image processing semiconductors

(Unit: million yen)	FY 03/2024 (Actual)	FY 03/2025	
		Forecast	% Change
<b>Net sales</b>	3,016	<b>3,200</b>	+6.1%
<b>Operating income</b>	328	<b>350</b>	+6.5%
<b>Ordinary income</b>	330	<b>350</b>	+5.9%
<b>Net income attributable to owners of the parent</b>	331	<b>290</b>	-12.5%

- Amusement: Stable growth for RS1 image processing semiconductors
- Safety/Robotics
  - Combine technologies and products including edge/cloud-enabled AI image recognition technology, SLAM/autonomous driving technology, and Cambrian vision system
  - Create and offer new businesses that solve social issues by integrating proprietary technologies, business expertise, customer bases, and ecosystems cultivated in these fields
- Other (IP): Acquire new IP business in addition to stable business bases such as GPU IP running royalties