

Company Name: GMO Internet Group, Inc.  
(TSE Prime Market, Code: 9449)  
Address: 26-1 Sakuragaoka-cho, Shibuya-ku, Tokyo, JAPAN  
Representative: Masatoshi Kumagai, Founder, Chairman and Group CEO  
Contact: Masashi Yasuda, Director, Executive Vice President and Group CFO, Deputy to Group CEO, Head of Group Management Division  
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## **Notice Regarding Establishment of Subsidiary to Support the Introduction and Use of AI and Robotics**

GMO Internet Group, Inc. (the "Company") hereby announces that our Board of Directors has resolved at a meeting held on June 17, 2024, to establish a subsidiary.

1. Purpose of Establishing a Subsidiary (GMO AI & Robotics Corporation, hereafter GMO AIR)  
GMO Internet Group, with the catchphrase "Becoming the No.1 Corporate Group Pioneering the Future with AI," with the emergence of "ChatGPT" in November 2022, we foresaw a transformative shift and quickly began leveraging it across the entire group. Focusing on (1) time and cost savings, (2) improving the quality of existing services, and (3) providing new services to the AI industry, we stay updated with the latest AI developments, and are working to achieve these.

The AI robotic market is expected to grow at a CAGR (Compound Annual Growth Rate) of 38.6%, increasing from USD 6.9 billion in 2021 to USD 35.3 billion by 2026.<sup>1</sup> This reflects the rapid advancement in the development of robots, which have a high affinity with AI, driven by the accelerated evolution of AI due to innovations such as the evolution of GPUs.

Under such circumstances, while some data indicates that many people in Japan are still cautious about using generative AI<sup>2</sup>, it has been predicted that Japan will be short of 11 million workers by 2040<sup>3</sup>. In order to break through the near-future situation predicted by such data and promote the growth of the Japanese economy, GMO AIR was established to encourage the spread of AI, robots, and industrial drones in Japan.

GMO AIR, with the slogan "AI and Robots for Everyone," plans to develop business centered on supporting the introduction and utilization of AI and robots/drones.

GMO AIR will not only procure robots from domestic and international sources by leveraging its global network, but it will also offer GMO Internet Group's internet infrastructure products (including internet connectivity, domains, cloud services, SSL, payment services, security, data centers, and maintenance).

Additionally, leveraging the strengths of our financial business, we will provide services such as rentals, leases, loans, insurance, and government grant utilization support. Furthermore, based on AI research and applications that have been advanced since 2013, we will offer AI utilization know-how that can reduce work hours by 106,000 hours per month and cut costs by 1.8 billion yen annually to our customers.

GMO AIR aims to be a comprehensive trading company for AI and robots, offering customers integrated solutions through these products and services.

In the future, GMO AIR aims to build an "Interaction Data Platform" and provide "Financial Services/LaaS (Labor as a Service) Joint Venture Establishment (including financing, IPO Support, and government grant utilization support)" to domestic and international robot manufacturers and industrial drone manufacturers.

The behavioral and observational data (interaction data) obtained from robots and drones will be compiled into comprehensive data with high precision, safety, and reliability, and fed back to domestic and international robot and industrial drone manufacturers, as well as AI-related companies. We believe this will form a significant foundation for the development of the AI and robotics industry.

## References:

1. Artificial Intelligence Robotics Market Size, Share, Industry Growth, Trends and Analysis (2030) (marketsandmarkets.com)
2. Those who are positive about the use of generative AI at their workplaces are more than twice the number of those who are negative about it | GMO Research & AI survey
3. Book "Impact of 11 million worker shortage" (by Seito Furuya / Recruit Works Research Institute)

## 2. Outline of New Subsidiary

(1) Name	GMO AI & Robotics Corporation	
(2) Location	26-1 Sakuragaokacho, Shibuya ku, Tokyo, JAPAN	
(3) Name & Title of Representative	Representative Director Tomohiro Uchida	
(4) Business Description	Support the Introduction and Use of AI and Robotics	
(5) Capital	100 million yen	
(6) Establishment	June 18, 2024	
(7) Major Shareholders and Ownership Ratios	GMO Internet Group, Inc. 100%.	
(8) Relationship between the Company and said company	Capital relationship	The Company plans to find the company as a consolidated subsidiary of the Company.
	Personnel relationship	The Company's offers plan to concurrently serve as directors of the said subsidiary.
	Business relationship	The Company plans to sign a business entrustment contract with the said subsidiary.

## 3. Schedule

(1) Date of Resolution by the Board of Directors	June 17, 2024
(2) Date of Establishment of the Said Subsidiary	June 18, 2024 (planned)
(3) Date of Business Launch	June 18, 2024 (planned)

## 4. Future outlook

Regarding the consolidated results of the Company in the fiscal year ending December 2024, the Company considers that this has limited impact. The Company shall also immediately disclose any further important information which has come to light.