

GMO Internet Group Enters AI and Robotics Business

Establishment of GMO AI & Robotics Corporation

~ AI & Robotics for Everyone~

GMO Internet Group (Group CEO: Masatoshi Kumagai), which operates internet infrastructure, advertising, finance, and crypto asset businesses under the corporate slogan "Internet for Everyone," established GMO AI&Robotics Corporation ("GMO AIR") on Tuesday, June 18, 2024. GMO AIR will launch a new business centered on supporting the introduction and utilization of AI, robots and drones.

GMO AIR, with the slogan "AI & Robotics for Everyone" aims to promote the widespread adoption and expansion of AI and robots to solve social issues, creating smiles and inspiration for everyone.



Business Overview

GMO AIR will not only procure robots from domestic and international sources by leveraging its global network, but it will also offer internet infrastructure products that GMO Internet Group has cultivated over the past 30 years (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.

1) AI Implementation and Utilization Support

We will provide AI solutions optimized for our customers' operations, improving work efficiency and maximizing productivity.

Consulting & Solutions

Our experts at GMO Internet Group will provide comprehensive support from AI implementation to utilization. We will offer consulting and optimal solutions to address each specific challenge.

1. AI Implementation Consulting
2. Data Analysis and Prediction Services
3. Business Automation Solutions
4. AI System Development
5. AI Security

Product Sales & Integration

We will offer cloud-based AI platforms, AI-equipped software and services, sales and rentals of hardware optimized for AI processing, and robotic system integration.

1. AI Platform Provision
2. AI-Equipped Software and Services
3. AI Hardware Sales and Rentals
4. Robotic System Integration

Education & Research

GMO Internet Group has promoted the use of AI to its approximately 7,800 partners (employees). Through the promotion of reskilling for non-engineers, it has achieved a monthly reduction of 106,000 work hours and expects to reduce costs by 1.8 billion yen in FY2024. We will provide our accumulated know-how on the use of AI and assist in the development of AI human resources. Additionally, we can offer research on the latest AI trends conducted by GMO Research & AI, Inc.

1. AI Human Resource Development
2. AI Research and Information Provision

Startup Support & Ecosystem Formation

Through GMO VenturePartners Inc. and GMO AI & Web3 Inc., which handles investment activities within the GMO Internet Group, we will invest in and support AI & robotics companies worldwide, advancing the formation of an AI ecosystem.

1. AI Startup Support
2. AI Ecosystem Formation

2) Support for Introduction and Utilization of Robots and Drones

We will provide comprehensive support from the introduction to the utilization of robots and drones, assisting with the optimal selection, installation, and operation of equipment.

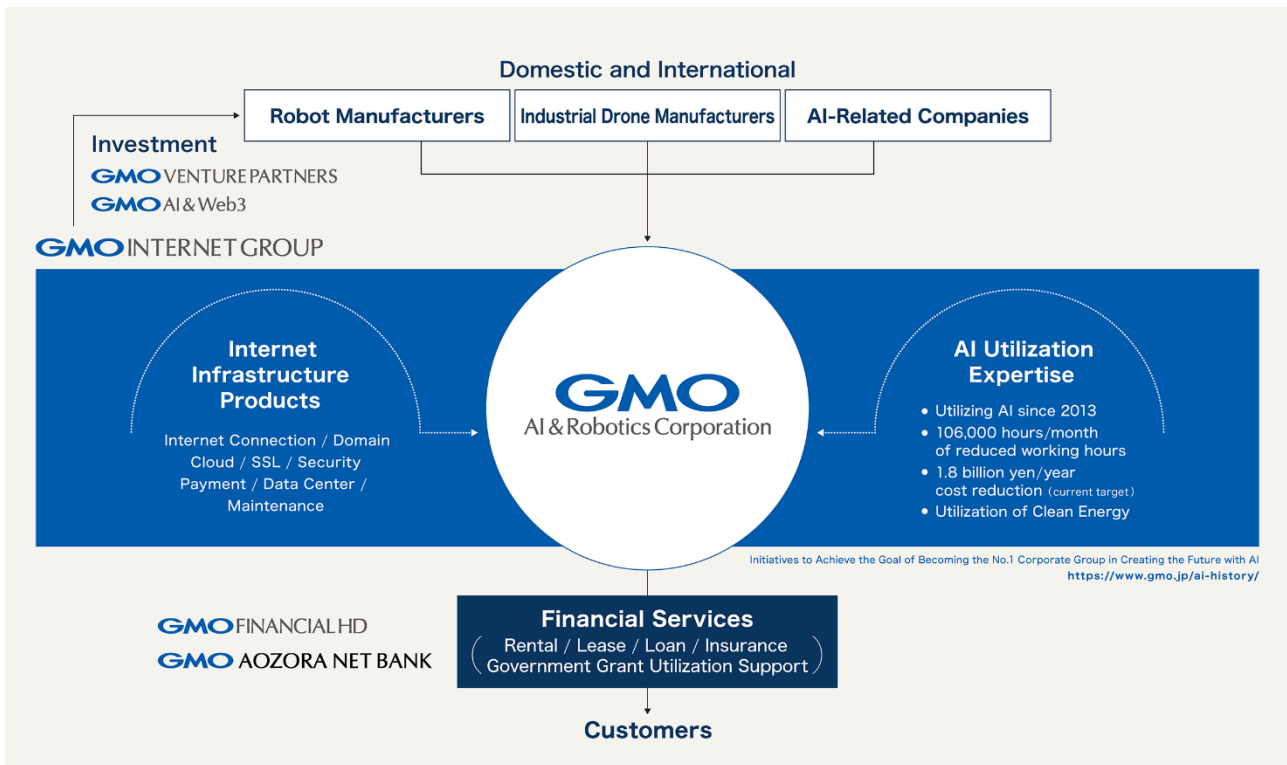
Examples of Proposed Robots

- **Arm-type:** Assembly, welding, painting, conveyance, picking, inspection, etc.
- **Humanoid-type:** Customer service, guidance, nursing care, disaster relief, entertainment, etc.
- **Multilegged-type (including crawler-type):** Security, patrol, disaster relief, surveying, agriculture, etc.
- **Wheeled-type:** Mobility, transportation, guidance, security, inspection, etc.
- **Crawler-type:** Construction sites, disaster sites, agriculture, plant facility inspection, etc.
- **Drone/Aerial:** Aerial photography, surveillance, inspection, logistics, pesticide spraying,

disaster response, etc.

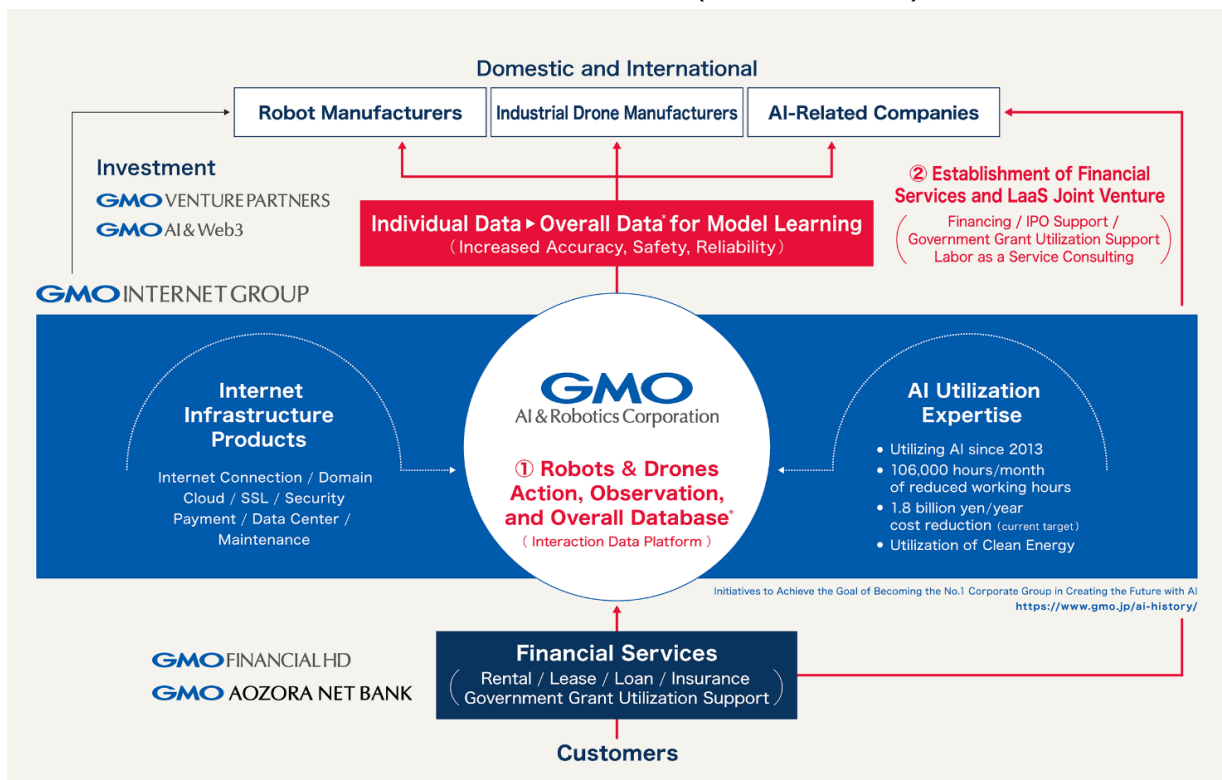
Details: URL: Official website <https://ai-robotics.gmo/en/>

GMO AIR Business Model Diagram



Future Vision

We aim 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.

Background of the Establishment of the New Company

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 2026.¹ 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.

GMO Internet Group believes that industrial revolutions occur in approximately 55-year cycles. Considering 1995 as the beginning of the Internet Revolution, 2024 marks 29 years since its inception, signifying the latter half of the Internet Revolution. We are convinced that the protagonists of this period will be "AI and robots."

Under such circumstances, while some data indicates that many people in Japan are still cautious about using generative AI², it has been predicted that Japan will be short of 11 million workers by 2040³. 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.

References:

1. [Artificial Intelligence Robotics Market Size, Share, Industry Growth, Trends and Analysis \(2030\) \(marketsandmarkets.com\)](https://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)

Outline of the New Company

Company name	GMO AI & Robotics Corporation
location	26-1 Sakuragaokacho, Shibuya ku, Tokyo, JAPAN
Board of Directors	Chairman of the Board Masatoshi Kumagai Representative Director Tomohiro Uchida
Advisor	Professor, Graduate School of Engineering, the University of Tokyo Yutaka Matsuo
	General Manager Future Robotics Technology Center, Chiba Institute of Technology
capital	100 million yen
shareholder	GMO Internet Group, Inc. 100%.
Business Segments	AI Implementation and Utilization Support Consulting & Solutions Product Sales & Integration Education & Research Startup Support & Ecosystem Formation Support for Introduction and Utilization of Robots and Drones

[GMO Internet Group's Use of AI] <https://www.gmo.jp/ai-history/>

Approximately 10 years ago, GMO Internet Group hired its first data scientist, marking the beginning of our AI research and development, particularly in the analysis of financial data. This has led to numerous achievements. 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. Under the slogan "**Becoming the No.1 Corporate Group Pioneering the Future with AI**" we are accelerating our efforts to achieve this vision.

(1) Time and Cost Savings

In the fiscal year 2023, we held an internal competition called "AI SHIAOUZE (Let's AI Together with love) ChatGPT Utilization Contest," with a total prize pool of 10 million yen. This contest gathered various projects related to AI initiatives and new services, many of which have been implemented into actual services.

Additionally, we conduct mandatory regular AI seminars for all employees. Starting in 2024, we have implemented an AI human resource development program called "Tiger's Den" as a reskilling initiative for non-engineers. (<https://www.gmo.jp/news/article/8802/>)

(2) Improving the Quality of Existing Services

By incorporating AI into existing services, such as generating text and images with generative AI, we provide customers with more convenient services across a wide range of areas, including domains, hosting, e-commerce, advertising, media, and security.

(3) Providing New Services to the AI Industry

We are promoting support for further expansion of the AI industry.

- On May 24, 2023, we renamed our hands-on CVC, "GMO Web3, Inc.," to "GMO AI & Web3 Inc." to expand our support for AI startups. We are already providing support to promising AI startups.
- Providing ".ai" domain names through "ONAMAE.com byGMO" domain registration service. (<https://www.onamae.com/service/domain/ai/>)
- Together with AI experts, we established "GMO Oshiete AI, Inc.," and launched the generative AI prompt portal site "OSHIETE AI byGMO,". (<https://oshiete.ai/>)
- We have launched a GPU hosting service for AI developers on the easy-to-use, ultra-fast VPS "ConoHa VPS," featuring NVIDIA's "NVIDIA H100 Tensor Core GPU" and "NVIDIA L4 Tensor Core GPU." (<https://www.conoha.jp/>)
- In December 2023, we joined the "NVIDIA Partner Network" and will work towards promoting the use of GPUs in Japan. (<https://www.gmo.jp/news/article/8720/>)
- In April 2024, we received certification from the Ministry of Economy, Trade and Industry for our supply assurance plan regarding "cloud programs," designated as specific critical materials under the Economic Security Promotion Act. To support the expansion of Japan's AI industry, we will invest approximately 10 billion yen in GPU servers to provide the cloud infrastructure that forms the foundation for generative AI. (<https://www.gmo.jp/news/article/8933/>)