



Financial Results Presentation - Q3 of the Fiscal Year Ending March 2025 (FY03/25)

Datasection Inc.

February 27, 2025

Securities Code: 3905



1. FY03/25 Q3 Results
2. FY03/25 Forecast
3. New Strategy
(AI-Related New Business)
4. Financing through the issuance
of stock acquisition rights
5. Appendix

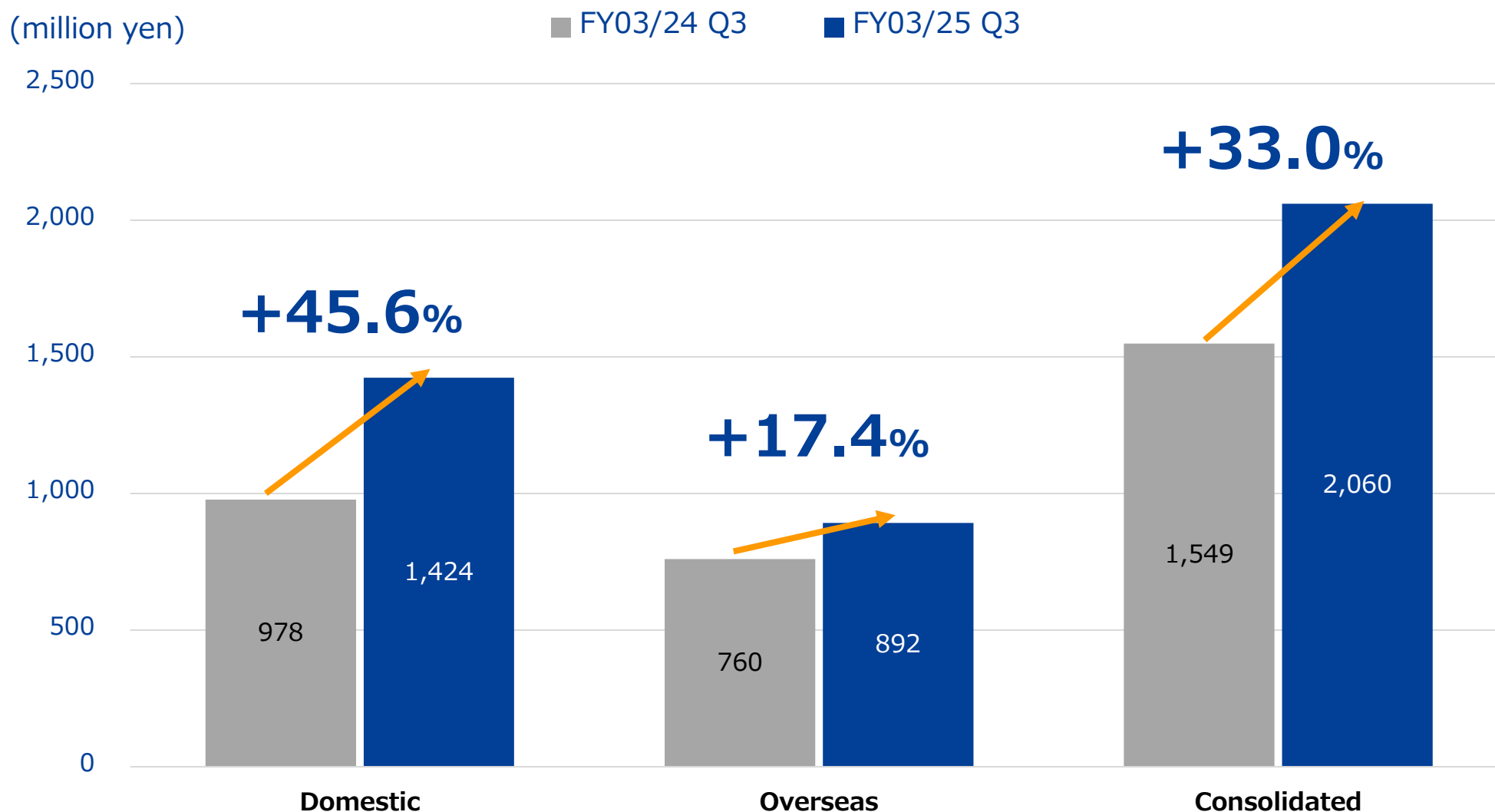
1. FY03/25 Q3 Results

- In addition to contributions across all domestic business segments, the inclusion of MSS Inc., which became a wholly owned subsidiary as of July 1, and robust order performance at main overseas subsidiaries resulted in increased net sales (+33.0% YoY).

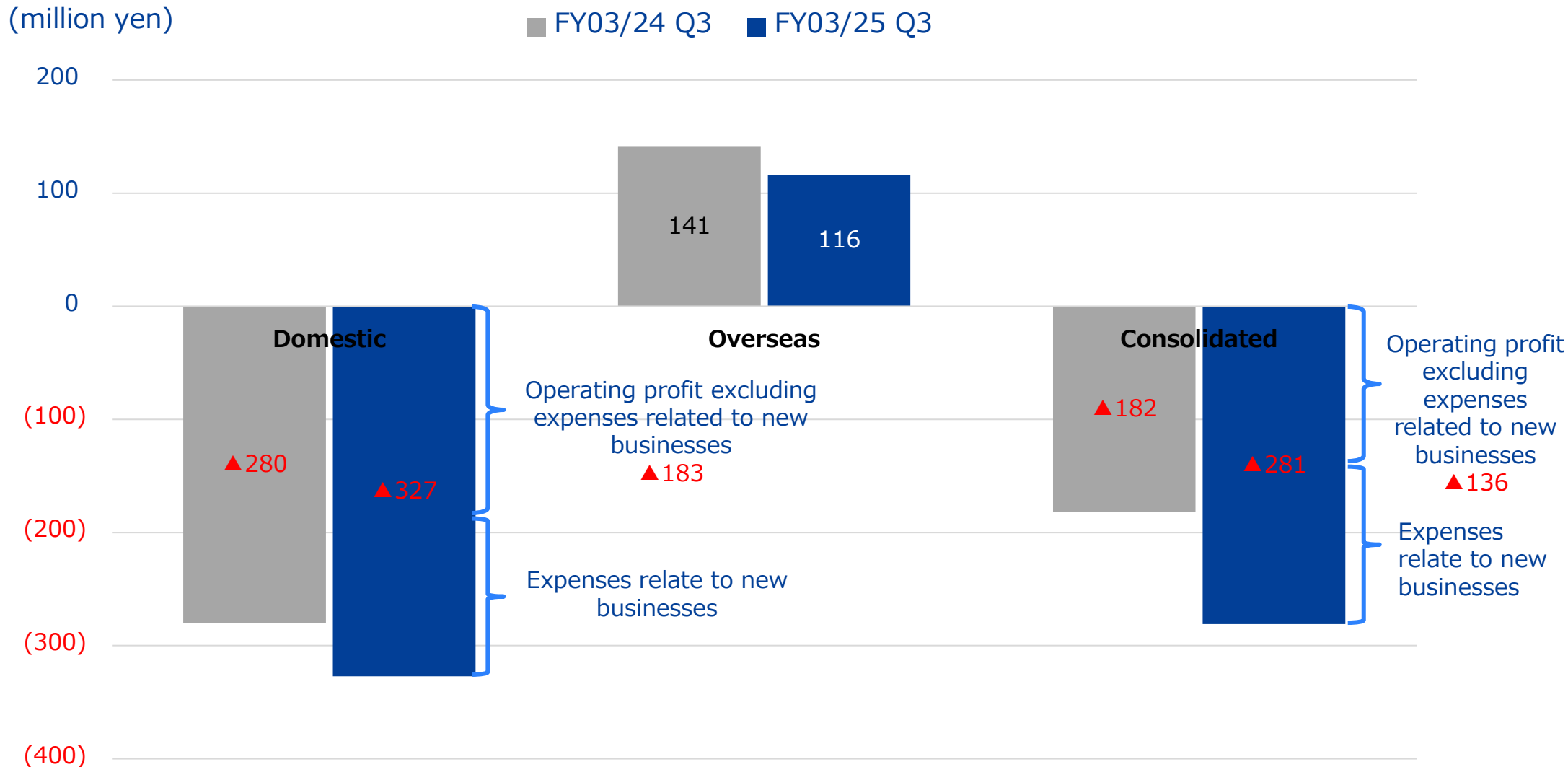
(million yen)	FY03/25 Q3 Results	YoY comparison	
		Results	Change
Net sales	2,060	1,549	+511
Operating profit	▲281	▲182	▲98
(Operating profit excluding expenses related to new businesses)	▲136	▲182	+46
Adjusted EBITDA*	▲49	▲23	▲26
(Adjusted EBITDA excluding expenses related to new businesses)	95	▲23	+118
Ordinary profit	▲381	▲217	▲163
Profit attributable to owners of parent	▲403	▲852	+448

(*) Adjusted EBITDA: operating profit + depreciation + amortization of intangible assets + stock-based compensation expenses + M&A-related expenses

- Net sales continued to grow both in Japan and overseas
- Domestic business is driving growth in line with the plan to transform the portfolio of existing businesses



- Operating loss due to restructuring costs at the parent company
- Overseas, profits decreased due to the amortization of software developed in previous years, but the decrease was within the scope of the plan

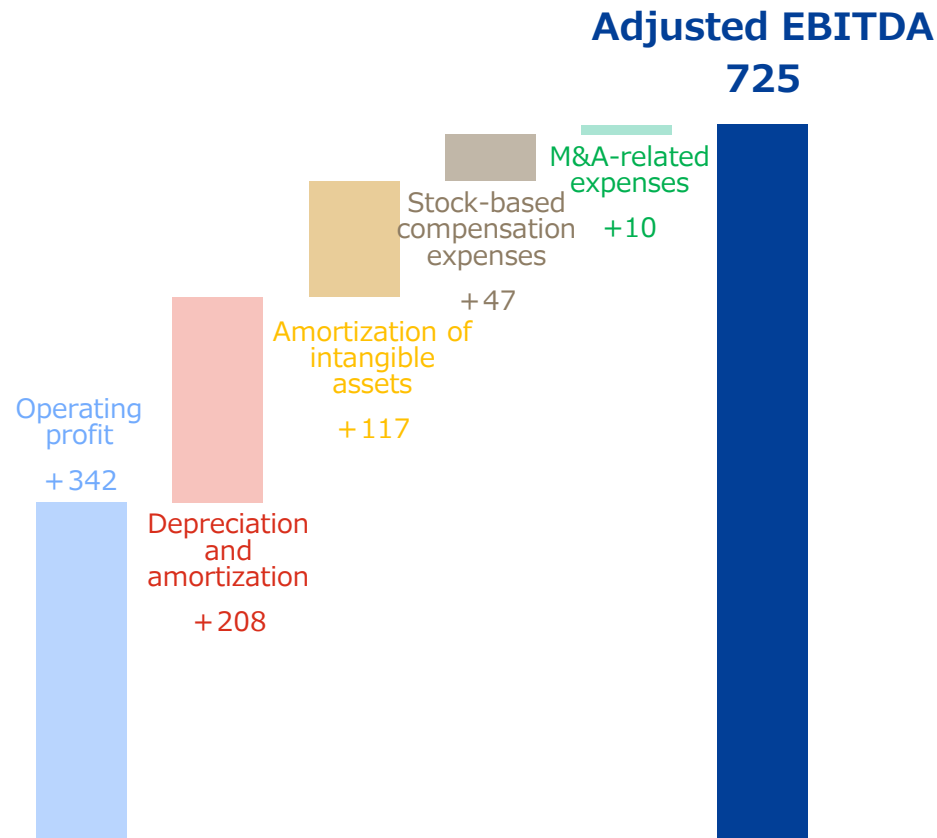


- Adjusted EBITDA, which indicates the Company's ability to generate cash flow in real terms, is expected to return to profitability on a fiscal year basis

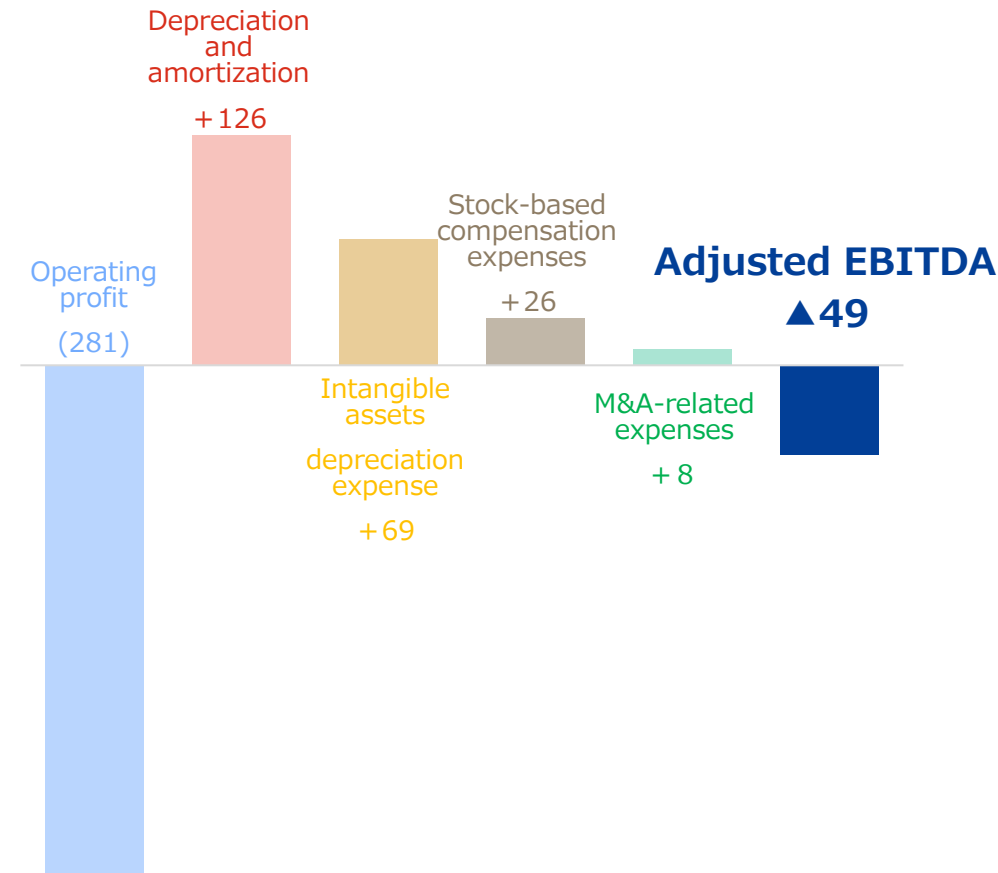
*Adjusted EBITDA = operating profit + depreciation + amortization of intangible assets + stock-based compensation expenses + M&A-related expenses

< Upwardly revised plan for FY03/25 >

(million yen)



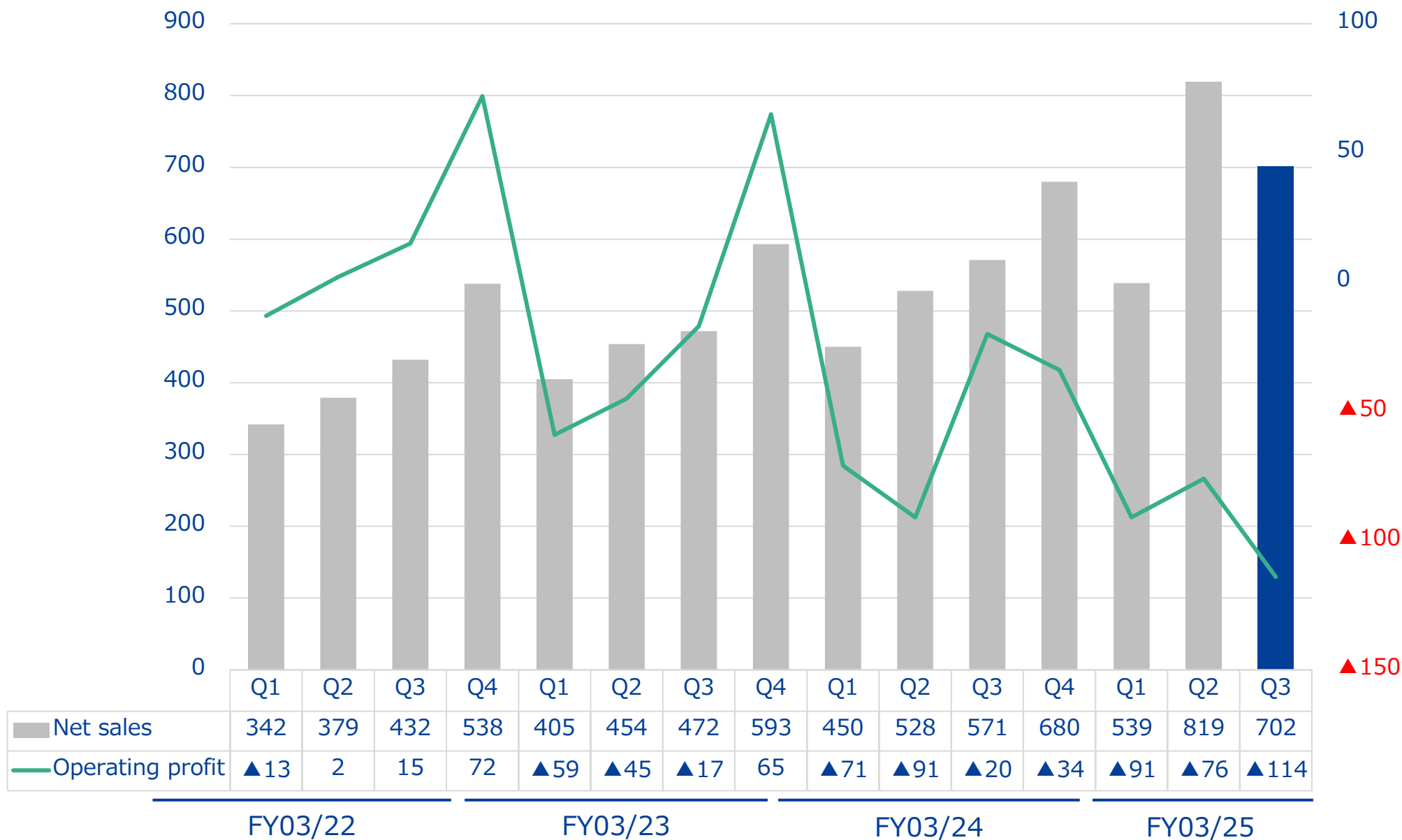
<FY03/25 Q3 Results>



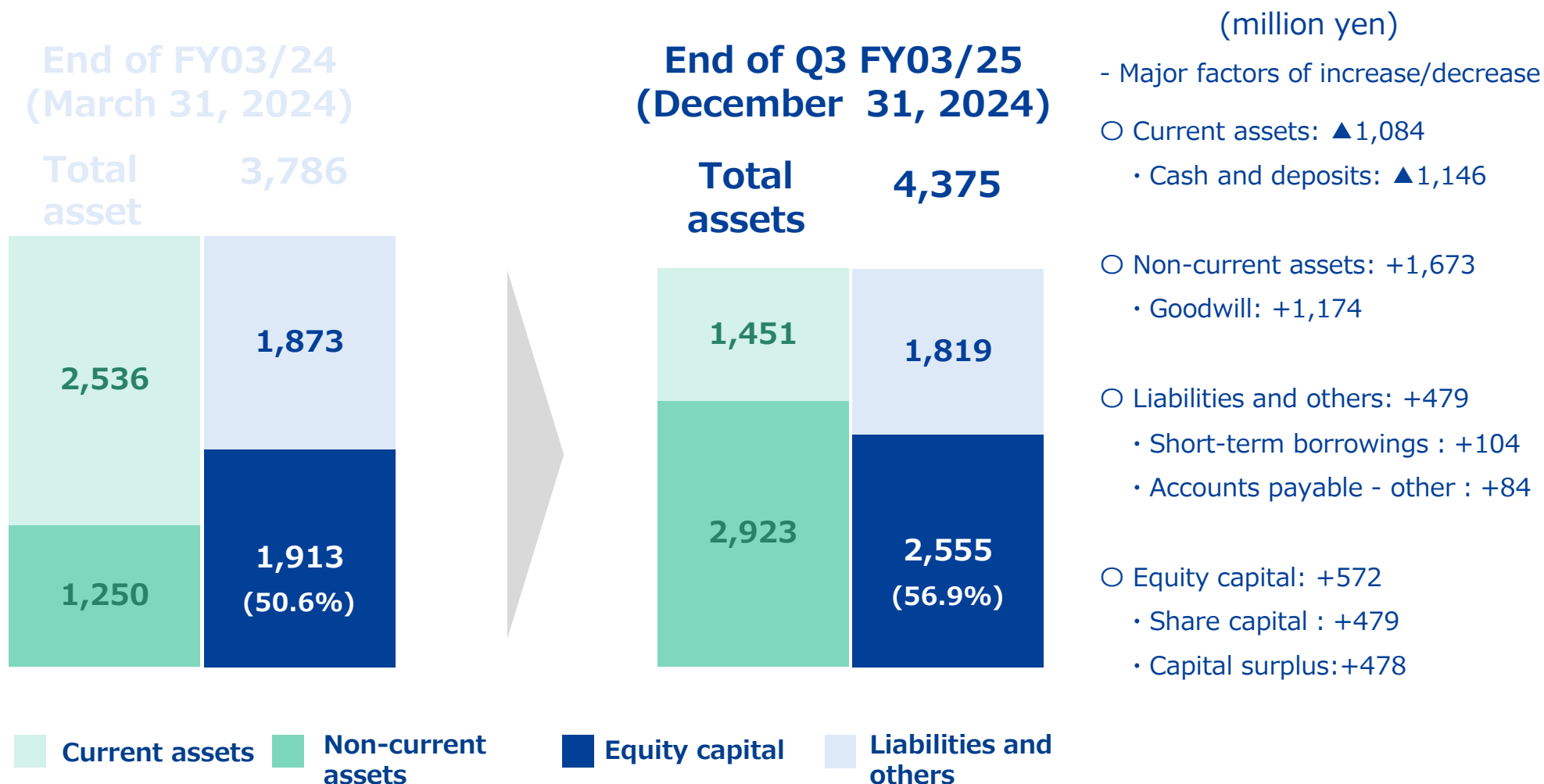
Quarterly Sales and Operating Profit (Consolidated)

1. FY03/25 Q3 Results

(million yen)



- Goodwill from the acquisition of MSS Inc., completed as of 1 July (reflected in the consolidated BS at the end of Q1 and in the consolidated PL at the beginning of Q2), resulted in an increase in total assets



- To realize the vision of promoting the AI data center business in Asia, Europe, and the U.S. as quickly as possible, we hired executives and board members with significant influence in each region
- We became a company with Audit and Supervisory Committee to further enhance governance as we grow



Norihiko Ishihara
President and Representative Director
Executive Officer and CEO



Pablo Casado Blanco
Chairman of the board



John Ellis Bush
Director



Shigeyuki Tsuchida
Director
Audit and Supervisory Committee Member



German Alcayde Fort
External Director
Audit and Supervisory Committee Member



Tsuyoshi Hirayama
External Director
Audit and Supervisory Committee Member

- Reached basic agreement on business collaboration with four more NVIDIA partner suppliers
- Began discussions on manufacturing capacity for GPU server racks, such as those for Sakai City, Osaka Prefecture and for Spain

NVIDIA has partner server manufacturers

Diversification of server procurement and securing volume (Negotiations with each server supplier)



Source: Nihon Keizai Shimbun, *Hon Hai Ai sa ba de kasegu juyokkani 4-6 ki kessan* [Foxconn profits from AI servers, Q4-Q6 earnings on 14th] August 13, 2024)

- A basic agreement has been signed with Shin-Etsu Chemical Industries (“SSI”), which has a proven track record and expertise in data center design and construction, regarding a business partnership for the EPC (Engineering, Procurement, and Construction) of AI data centers, covering design, procurement, construction, and operation

Management comment

// A basic agreement has been signed with SSI, which has a proven track record and expertise in data center design and construction, to establish ourselves as a leading company in the design, construction, and operation of AI data centers. We aim to provide innovative solutions, establish the standard for next-generation AI data centers, and deliver more sustainable and efficient services

// Under this agreement, SSI will serve as our EPC contractor, jointly undertaking the design, procurement, construction, and operation of AI data centers both domestically and internationally. Additionally, SSI will be responsible for the operation and maintenance of the AI data centers after construction, and will also engage in the formation, financing, and promotion of new AI data center projects

(1) Name	Shinetsu Science Industry	
(2) Location	R-DEPOT 3F N-West 610-12 , OozaminamiNaganoNishigo-cho, Nagano-shi, Nagano-ken	
(3) Representatives	Kotaro Kosaka, Chairman Goro Sasaka, President and CEO	
(4) Business Activities	Data center design and construction	
(5) Capital	999 million JPY	
(6) Date of Establishment	28 December 2015	
(7) Major Shareholders and Shareholding Ratios	not disclosed due to confidentiality obligations with SSI	
(8) Relationship with listed companies	Capital Relationships	No applicable items
	Personnel Relationships	No applicable items
	Transaction Relationships	No applicable items
	Status Regarding Related Parties	No applicable items
(9) Management Performance and Financial Status	Not disclosed due to confidentiality obligations with SSI	

Source: SSI

2. FY03/25 Forecast

- The preparation for the establishment of the DS AI Infrastructure Global Investment Fund is progressing, with the business expected to begin during this fiscal year and GP fees anticipated. Additionally, there are no revisions to the performance outlook disclosed on 14 August, due to the expected impact on performance from the consolidation of MSS Inc. as subsidiary

(million yen)	FY03/24 results	FY03/25 forecast			
		Initial forecasts	After August 14 revision	Change (Amount)	Change (%)
Net sales	2,229	2,650	3,312	+1,083	18.9%
Operating profit	(216)	80	342	+558	—
Adjusted EBITDA	47	425	725	+678	797.0%
Ordinary profit	(235)	55	317	+552	—
Profit attributable to owners of parent	(1,261)	17	217	+1,478	—

Reprint) Performance Forecast and Supplemental Explanations 2. FY03/25 Forecast

(million yen)	Initial plan	Revised plan	Change	Supplementary explanation
Net sales	2,650	3,312	+662	<ul style="list-style-type: none"> GP fees: Half of the assets will start to be managed from Q4 (@145 yen) 50% of GP fees are assumed to be received by the Group Sales: USD2B x @ ¥145 x 1/Q4 x 2% compensation level x 50% of the Group's receipts x 50% of asset premiums = 362.5M Operating profit: Assumes 20% cost of sales = 362.5M x 80% = 2,290M Contribution by MSS Inc.: Reflects projected increase Current forecast Sales: 750M (+300M from initial plan) Operating profit: 10M (+10M from initial plan) Goodwill: Calculated with 12-year amortization period (+38M from initial plan) *increase in burdens
Operating profit	80	342	+262	
Adjusted EBITDA	425	725	+300	
Ordinary profit	55	317	+262	Non-operating income/expenses are unchanged due to decreases in borrowings and foreign exchange fluctuations (due to offsetting of shareholder loans).
Profit attributable to owners of parent	17	217	+200	Total effective tax rate is adjusted to 30% in line with the profit increase.

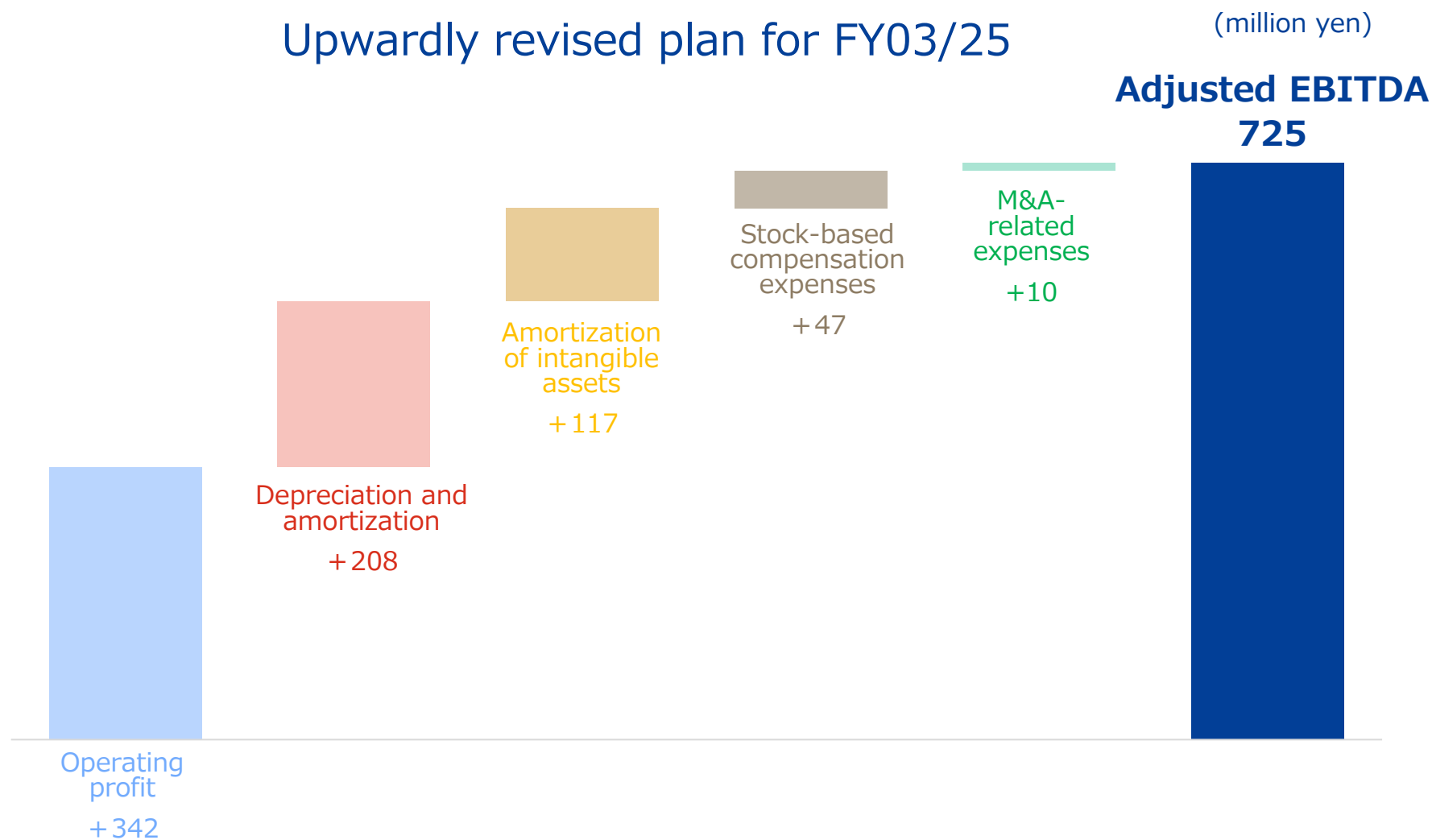
- Progress in preparations for the establishment of DS AI Infrastructure Global Investment Fund is expected to result in sales of 362 million yen for this fiscal year
- Sales are expected to increase by 300 million yen due to the consolidation of MSS Inc. as a subsidiary
- Consolidated net sales are expected to be 3,312 million yen, an increase of 662 million yen from the previous forecast

- Based on the upward revision to earnings forecasts, we expect a significant increase in both sales and profits for the fiscal year



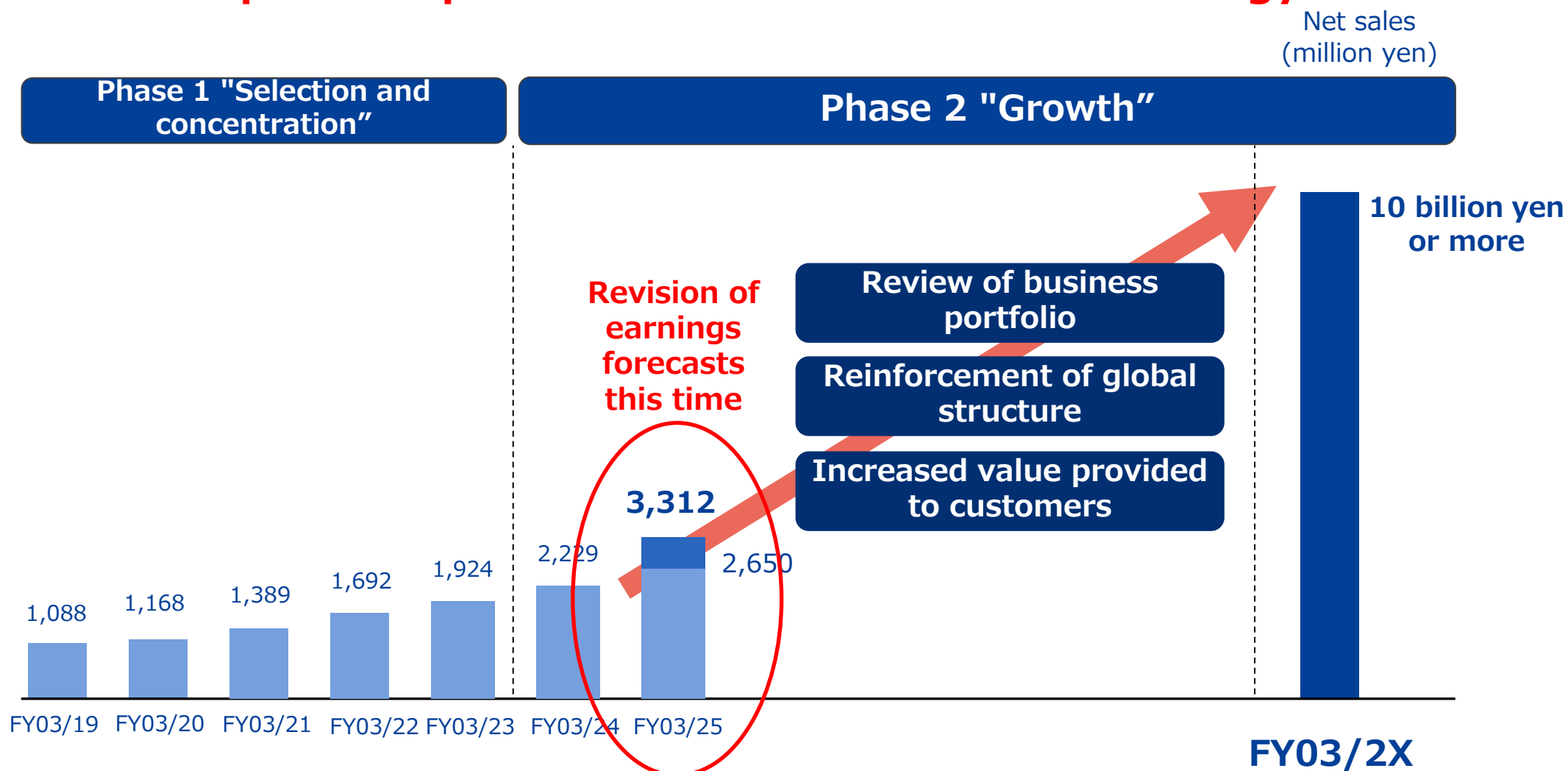
- Adjusted EBITDA is also expected to increase significantly, mainly due to the upward revision to profit forecasts

*Adjusted EBITDA = operating profit + depreciation + amortization of intangible assets + stock-based compensation expenses + M&A-related expenses



3. New Strategy (AI-Related New Business)

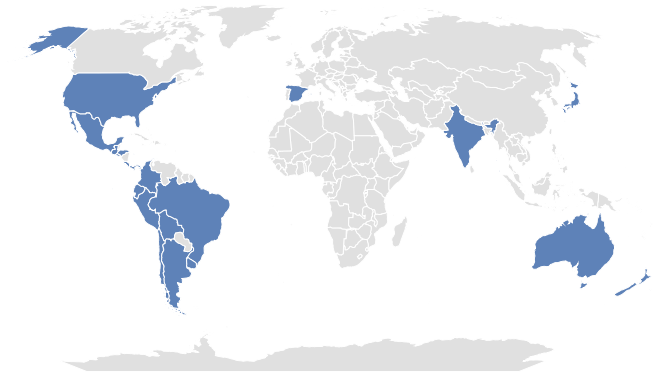
From "selection and concentration" to "growth" phase Cooperative promotion of new AI-related strategy



Based on a strong global presence and a unique business plan, we aim to become a leading company in the AI market

- Accelerating the acquisition of essential technologies to accelerate new business development
 - Securing top-tier engineering resources
 - Developing platforms for AI cloud services
- We have a **strong partnership and network** in the AI industry
- On 3 June, 2024, we reached an agreement to develop the largest AI data center in Asia
- We will **continue to pursue the construction and operation of AI data centers globally**

Our Global Expansion











Cor

Our company has a business foundation for expanding its own products to over 20 countries

Japan
India
Australia
New Zealand
Chile
Colombia
Peru
Argentina
Ecuador
Bolivia
Brazil
Uruguay

Panama
Guatemala
Honduras
El Salvador
Costa Rica
Spain
Mexico
United States...

The environment surrounding the AI data center business

	Key Functions required for AI Data Centers	Challenges faced by the industry
During Development	 GPU	NVIDIA products are facing supply constraints in the market
	 Servers and other peripheral devices	The production capacity of NVIDIA's partner manufacturers is facing constraints
	 Land, Equipment	It would take more than three years to develop from scratch
	 EPC	Due to the construction boom, it is difficult to secure contractors
After Commencement of Operations	 AI Cloud operation	Developing a hyperscaler-level platform with the highest efficiency and operability is challenging
	 Data center operation	There are only a limited number of companies with the expertise to operate the latest equipment
	 Power	The power capacity is under strain across Japan
	 Customer development	If we don't test the functionality ahead of our competitors, it will be difficult to secure largescale customers



By overcoming the challenges faced by the AI data center business, we aim to gain a competitive advantage even against hyperscalers

Challenges in the Data center business



Datasection's Strategy



Realized Business Model



Only companies that can solve the following challenges will succeed in the Data center business

- Can the company secure GPUs and servers while avoiding political risks?
- Does the company have the technology to develop infrastructure software for AI data centers?
- Can the company complete development and construction at a fast pace?
- Can the company secure a large amount of power capacity?

By forming strategic partnerships centered around technology, the company is addressing industry bottlenecks and aiming to commercialize its business at the fastest possible pace

- 1 Established a partnership with leading Taiwanese manufacturers to secure GPUs on a priority basis
- 2 Since its IPO in 2014, the company has strengthened its AI cloud capabilities with experienced engineers
- 3 Collaborating with construction contractors with industry experience to develop capacity plans at an early stage
- 4 Established a method for repurposing idle factories with existing power capacity for use in operations

Through our strategy, we have already achieved the following results

- Agreed to collaborate with four Taiwanese manufacturing partners of NVIDIA in the procurement of GPUs
- Developed the DS Cloud Stack, which maximizes the efficiency of AI model inference and GPUs
- Partnered with CUDO and SSI, which have a proven track record in Europe and Asia
- Reached an agreement to build AI data centers by repurposing existing factories in Sakai City and Spain

1

Through a business partnership with Taiwanese suppliers, Strategy (AI-Related New Business) we have successfully secured GPU servers, even in a constrained market.

3. New Strategy (AI-Related New Business)

November 15 / November 21 / December 2 / December 23, 2024

Reached basic agreement on business collaboration with four Taiwanese manufacturers (NVIDIA partner suppliers). Continuing discussions on the manufacturing capacity for GPU server racks, including those for Sakai City in Osaka and for Spain

NVIDIA has partner server manufacturers



Diversification of server procurement and securing volume (Negotiations with each server supplier)



NVIDIA と世界有数のサーバーメーカーがパートナーを組み、AI クラウドコンピューティングを推進

Foxconn、Inventec、Quanta、Wistron が NVIDIA HGX リファレンスアーキテクチャを利用し、ハイパースケールデータセンター向け AI システムを構築

台湾、台北 Computex -- (2017年5月30日) - NVIDIA (NASDAQ: NVDA) は、より迅速に AI クラウドコンピューティングの需要に応えるため、**世界有数の ODM である Foxconn、Inventec、Quanta、Wistron とのパートナープログラムを開始しました。**

NVIDIA HGX パートナープログラムを通じ、NVIDIA は、各 ODM に NVIDIA HGX リファレンスアーキテクチャ、NVIDIA GPU コンピューティングテクノロジー、デザインガイドラインの早期アクセスを提供します。HGX は、Microsoft の Project Olympus の取り組み、Facebook の Big Basin システム、NVIDIA DGX-1™ AI スーパーコンピュータにおいて利用されているのと同じデータセンター向けに設計されています。

HGX をスターター向けの「レシピ」として利用する ODM パートナーは、NVIDIA と協力し、ハイパースケールデータセンター向けの条件を満たす、さまざまな GPU アクセラレーテッドシステムをより迅速に設計し、市場化することができます。NVIDIA のエンジニアは、このプログラムを通じて ODM とより緊密に協力し、技術の採用から実動環境への展開までの時間が最短になるよう支援します。



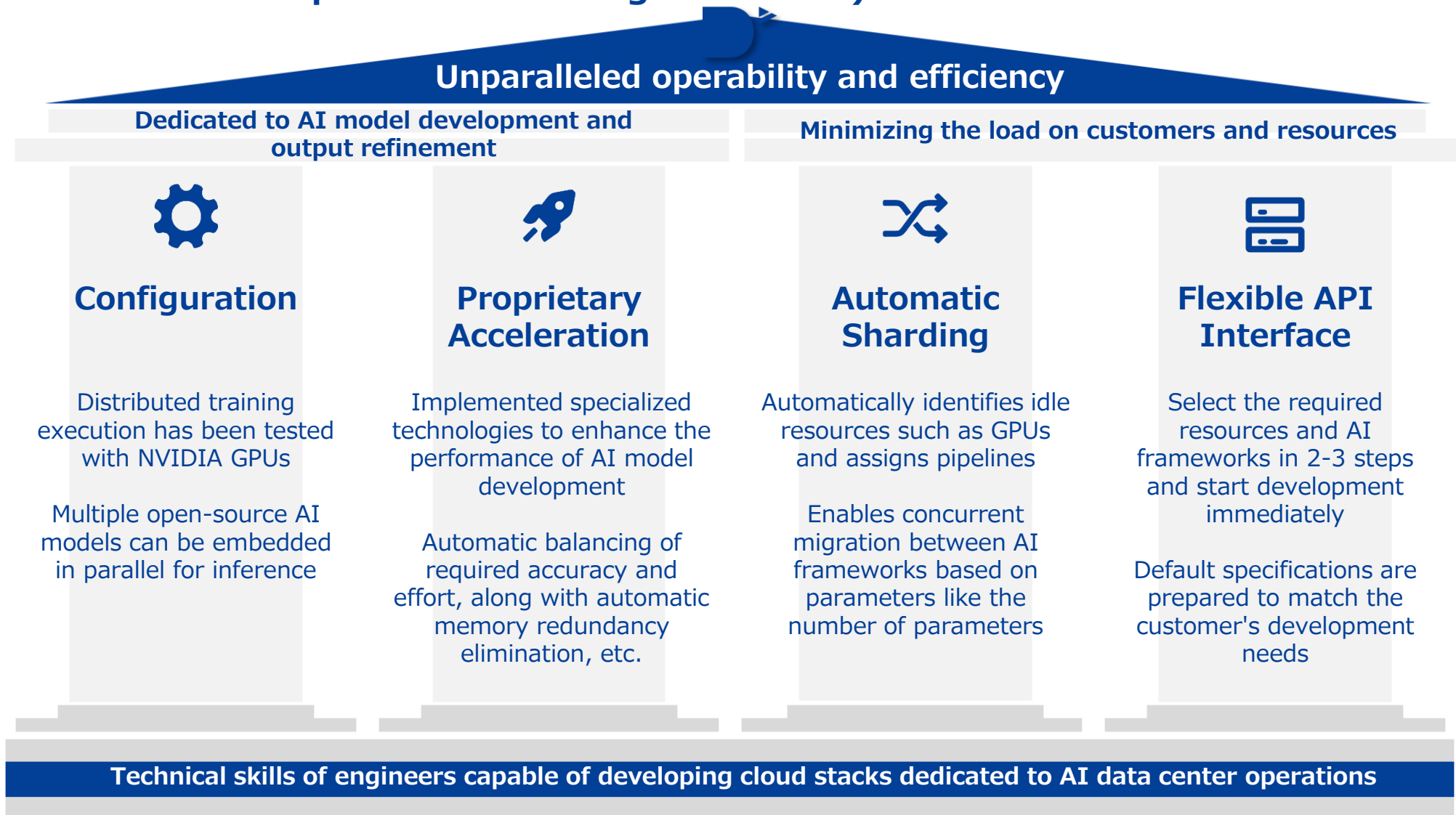
Supplier	Agreement Reached Date	2023 Sales (Billion Yen)
Supermicro	2024/4/12	-
Inventec	2024/11/15	2,364.2
Wistron	2024/11/21	3,982.4
Giga Computing	2024/12/2	-
Quanta Computer	2024/12/23	4,986.6

Source: Nihon Keizai Shimbun, Hon Hai Ai sa ba de kasegu juyokkani 4-6 ki kessan [Foxconn profits from AI servers, Q4-Q6 earnings on 14th] August 13, 2024)

2 The DS Cloud Stack we are developing maintains performance equal to or exceeding that of hyperscalers'

3. New Strategy (AI-Related New Business)

- The first cloud-based infrastructure software that enables efficient, flexible, and easy reasoning using open-source AI models (promoting validation and refinement of output results among AI models)



*Official press release is scheduled during the fiscal year ending March 31, 2025

3 Basic Agreement on Business Alliance for AI Data Centers with Shin-Etsu Science Industry

October 7, 2024

We entered into a basic agreement with SSI, which has experience and expertise in data center design and construction, to establish a business alliance regarding engineering procurement and construction (EPC) for the design, procurement, construction, and operation of AI data centers

Management comment

// A basic agreement has been signed with SSI, which has a proven track record and expertise in data center design and construction, to establish ourselves as a leading company in the design, construction, and operation of AI data centers. We aim to provide innovative solutions, establish the standard for next-generation AI data centers, and deliver more sustainable and efficient services

// Under this agreement, SSI will serve as our EPC contractor, jointly undertaking the design, procurement, construction, and operation of AI data centers both domestically and internationally. SSI will also be responsible for post-construction operation and maintenance of AI data centers, as well as the establishment, financing, and promotion of new AI data center projects

(1) Name	Shinetsu Science Industry	
(2) Location	R-DEPOT 3F N-West 610-12 , OozaminamiNaganoNishigocho, Nagano-shi, Nagano-ken	
(3) Representatives	Kotaro Kosaka, Chairman Goro Sasaka, President and CEO	
(4) Business Activities	Data center design and construction	
(5) Capital	999 million JPY	
(6) Date of Establishment	28 December 2015	
(7) Major Shareholders and Shareholding Ratios	not disclosed due to confidentiality obligations with SSI	
(8) Relationship with listed companies	Capital Relationships	No applicable items
	Personnel Relationships	No applicable items
	Transaction Relationships	No applicable items
	Status Regarding Related Parties	No applicable items
(9) Management Performance and Financial Status	Not disclosed due to confidentiality obligations with SSI	

Source: SSI

February 6, 2025

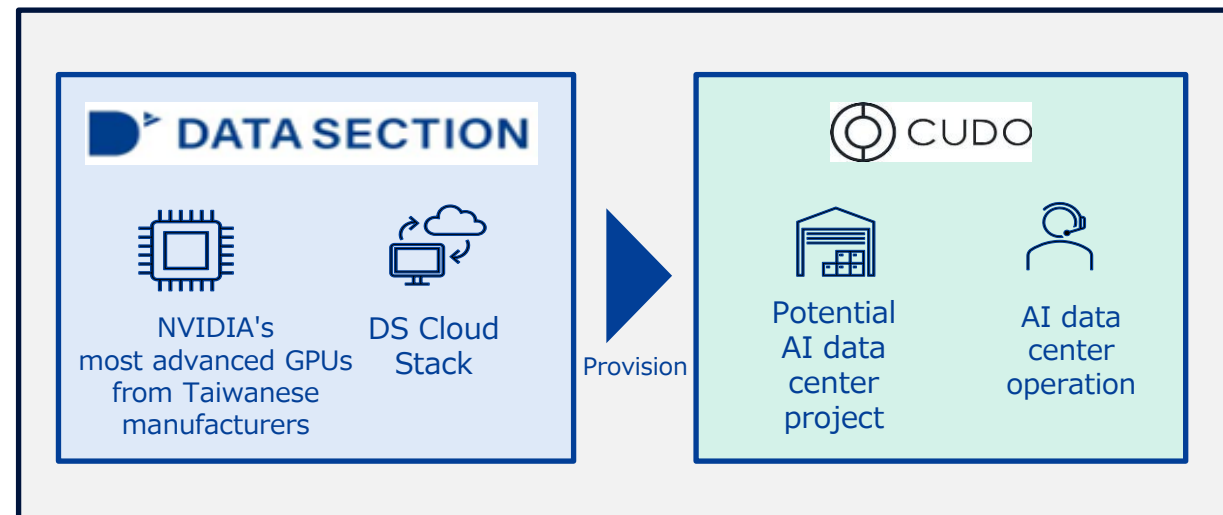
We signed a business alliance agreement with CUDO Ventures (“CUDO”), an NVIDIA- certified AI partner (NVIDIA Cloud Partner, “NCP”), for the AI data center business. We are currently discussing a capital alliance with the company.

The partnership will enable us to secure NVIDIA’s leading-edge GPUs and launch our DS Cloud Stack at an early date

Overview of CUDO

- Located in the United Kingdom
- As an NVIDIA-certified NCP, the company is highly skilled in AI cloud stacks and data center infrastructure
- It manages and operates thousands of NVIDIA GPUs for AI in the U.S., Middle East & Africa, Europe, and Asia, providing GPUaaS, storage, networking, and managed services
- The data center business has been expanding at an accelerated pace since the company received an NCP certification in May 2024

Content of the alliance



- Partnership with CUDO quickly provides all the essential elements for launching AI data centers
- For a potential project to be operated by CUDO, we have secured state-of-the-art GPUs from NVIDIA to provide our DS Cloud Stack at an early date

Source: CUDO

- A fund has been established to secure GPUs and raise the necessary capital for project development

	Item	Details	
1	Name	DS AI Infrastructure Global Investment Fund	
2	Location	Cayman Islands	
3	Purpose of structuring	Investment in AI global data centers (The fund holds shares in companies that operate AI data centers)	
4	Date of structuring	By March 2025 *Rescheduled from the original 2024 launch	
5	Fund investment	Target: US\$2 billion	
6	General Partner (GP)	Name	DS AI Investment (tentative name)
		Investment team	<ul style="list-style-type: none"> ■ Pablo Casado Blanco (Chairman) ■ Norihiko Ishihara (Representative Director, President and CEO) ■ Matias Jurado Alvarez, others
		Advisory board	HE Anders Fogh Rasmussen (former Secretary General of NATO, former Prime Minister of Denmark), others
		Co-GP	European banks are considering participating as Co-GPs.
		GP investment amount	1.0% of the total fund value (capital call method*)
		GP fee	<ul style="list-style-type: none"> ■ 2.0% of the total fund value (per annum) ■ 20.0% carried interest (8.0% hurdle rate)
7	Limited partner (LP)	Mainly European banks and AI data center collaboration partners	

*Capital Call method: Phased funding within the amount of the investment commitment depending on the fund's investment progress.



Achieving stable revenue through the execution of existing projects

FY03/25

- Conducting technical validation, establishing a service framework, and finalizing customer contracts
- Securing operational funds through the formation of the DSAI Fund and initiating the GP role
- Aiming to commence operations of data center businesses in both domestic and overseas, with a focus on generating revenue

Driving growth by globally expanding the current business model

FY03/26

- Standardization of the Sakai and Spain projects, and accumulation of additional projects
- Establishing methods for highly efficient data center operations through advanced algorithms and collaboration in cooling technology development
- Expanding fundraising efforts through the fund

Expanding the target customers for the AI data center business, and optimizing asset allocation

FY03/27

- Participation in national projects essential for security through the evolution of the scale and safety of the current business model (Europe, the United States, Japan)
- Maximizing fundraising through methods such as equity and funds to establish a position as a hyperscaler.
- Further business expansion and continuity through asset replacement and the reuse of second-hand servers

4. Financing through the issuance of stock acquisition rights

- Issuance of **20th series of stock acquisition rights (with an exercise price revision clause)**
- Structured to enable more flexible and expeditious financing given capital needs and market conditions, as well as to increase equity capital while taking into consideration the impact on dilution of existing shareholders' equity

20th series of stock acquisition rights (with an exercise price revision clause)	
Allottee	Hayate Management Co., Ltd. ("Hayate")
Reference stock price	668 yen
Initial exercise price	688 yen *100% of reference stock price
Revision of exercise price	Closing price of the immediately preceding trading day x 90% (rounded up to the nearest yen)
Lower exercise price	344 yen *50% of reference stock price
Issuance price	Total 15,488,000 yen (3.52 yen per unit)
Number of stock acquisition rights to be issued	44,000 (100 shares per unit)
Exercise period	March 7, 2025 - March 6, 2026 (1 year)
Estimated amount to be raised*	3,009,200,000 yen @ initial exercise price = 688 yen 1,495,600,000 yen @ lower exercise price = 344 yen
Dilution rate**	24.85%
Purpose of use of funds	(i) Development and construction of DS Cloud Stack (ii) Investments in joint ventures related to AI data center operations, DSAI fund investments (iii) Working capital such as recruitment, personnel expenses, and cash on hand (iv) Repayment of borrowings

* Initial exercise price x total number of shares issued - approximate cost of issuance. The total issue price is not included in the estimated amount to be raised due to payment through the offset of the allottee's loan claims against Datasection

** The number of shares to be delivered if all the stock acquisition rights are exercised will be 4,400,000 shares (44,000 voting rights), which is 24.85% of the total number of issued shares (17,703,051 shares) of Datasection as of February 13, 2025 (total voting rights as of September 30, 2024, the date closest to the date of the issuance resolution when the total voting rights can be confirmed by Datasection: 176,279 voting rights). The dilution rate based on voting rights is 24.96%. Both of these percentage figures are rounded down to two decimal places

- Following a comprehensive evaluation of the advantages and disadvantages, we have determined that this financing method is the best option at this time to meet our needs

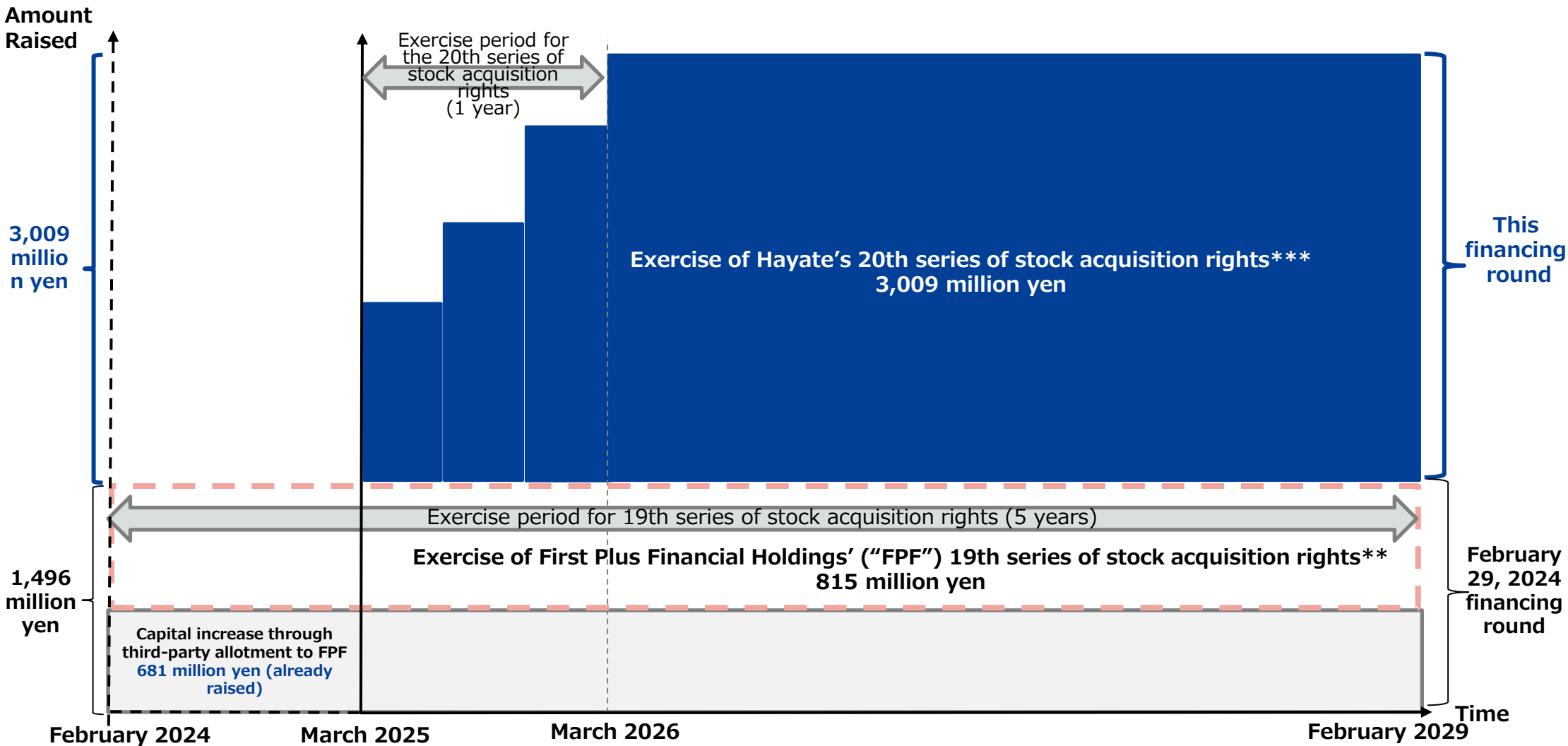
Advantages

- **Limitations on excessive dilution**
 - The maximum number of shares to be delivered is limited (however, the number may be adjusted in conjunction with adjustments to the exercise price following stock dilution events such as stock splits, etc.). Therefore, there will be no dilution beyond the initial estimate
 - A lower limit on the exercise price will be set, ensuring that economic dilution does not exceed a certain threshold
- **Mitigation of impact on stock price**
 - The exercise price will be revised based on the closing price of the trading day immediately preceding each revision date, with the possibility of upward adjustment
 - Exercise volume limits will be set, enabling multiple exercises and anticipated dispersion of exercise prices
- **Dilution can be mitigated in the event of future share price appreciation**
 - No maximum exercise price will be set. If share prices rise, the exercise price will be adjusted correspondingly, thereby mitigating dilution
- **Other**
 - Hayate, the allottee, does not intend to retain the common stock it acquires through exercise for an extended period of time, nor does it have any intention of participating in the management of Datasection

Disadvantages

- **Possibility that the amount raised will be less than the planned amount**
 - A lower limit on the exercise price will be set. Depending on the stock price level after issuance, some or all of the shares may remain unexercised
 - Exercise price will be revised downward
- **Prolonging of financing**
 - Financing may take longer to complete if stock liquidity decreases
- **Potential impact on business strategies**
 - If, as mentioned above, the amount raised is less than planned or it takes time to complete financing, it may not be possible to allocate funds in a timely manner, potential impacting the execution of management strategies
- **Constraints on future financing methods**
 - Shares, stock acquisition rights, etc., or securities with the right to convert into or acquire such shares or stock acquisition rights, etc. cannot be issued without prior written consent from the allottee, for a certain period. This restriction does not apply to (1) the issuance of stock acquisition rights to officers and employees of Datasection and its affiliates or stock issuance under a transfer restricted stock compensation plan, or (2) business alliances with other

- Raised 681 million yen in the February 29, 2024 financing round
- Intend to raise 3,009 million yen* in this financing round



* Amount to be raised assuming that full exercise of the 20th series of stock acquisition rights at the initial exercise price

** None of the 19th series of stock acquisition rights had been exercised as of August 22, 2024. FPF intends to exercise the stock acquisition rights in accordance with our capital needs. However, they may not be exercised depending on share price trends

- We plan to allocate most of the funds to the following three items when executing the new AI-related strategy outlined in the “Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2025,” announced on August 20, 2024

(i) Development and construction of DS Cloud Stack

- Amount: 1,000 million yen
- Planned expenditure period: March 2025 to June 2025
- Outline:
 - Costs associated with the development and construction of DS Cloud Stack (an operational optimization algorithm for large-scale AI GPU clusters)
 - Allocated to joint development in collaboration with NNJ (*), an external service provider, and to cover outsourcing costs to NNJ. Expenses incurred within the Group will be covered under (iii)

(ii) Investments in joint ventures related to AI data center operations, DSAI fund investments

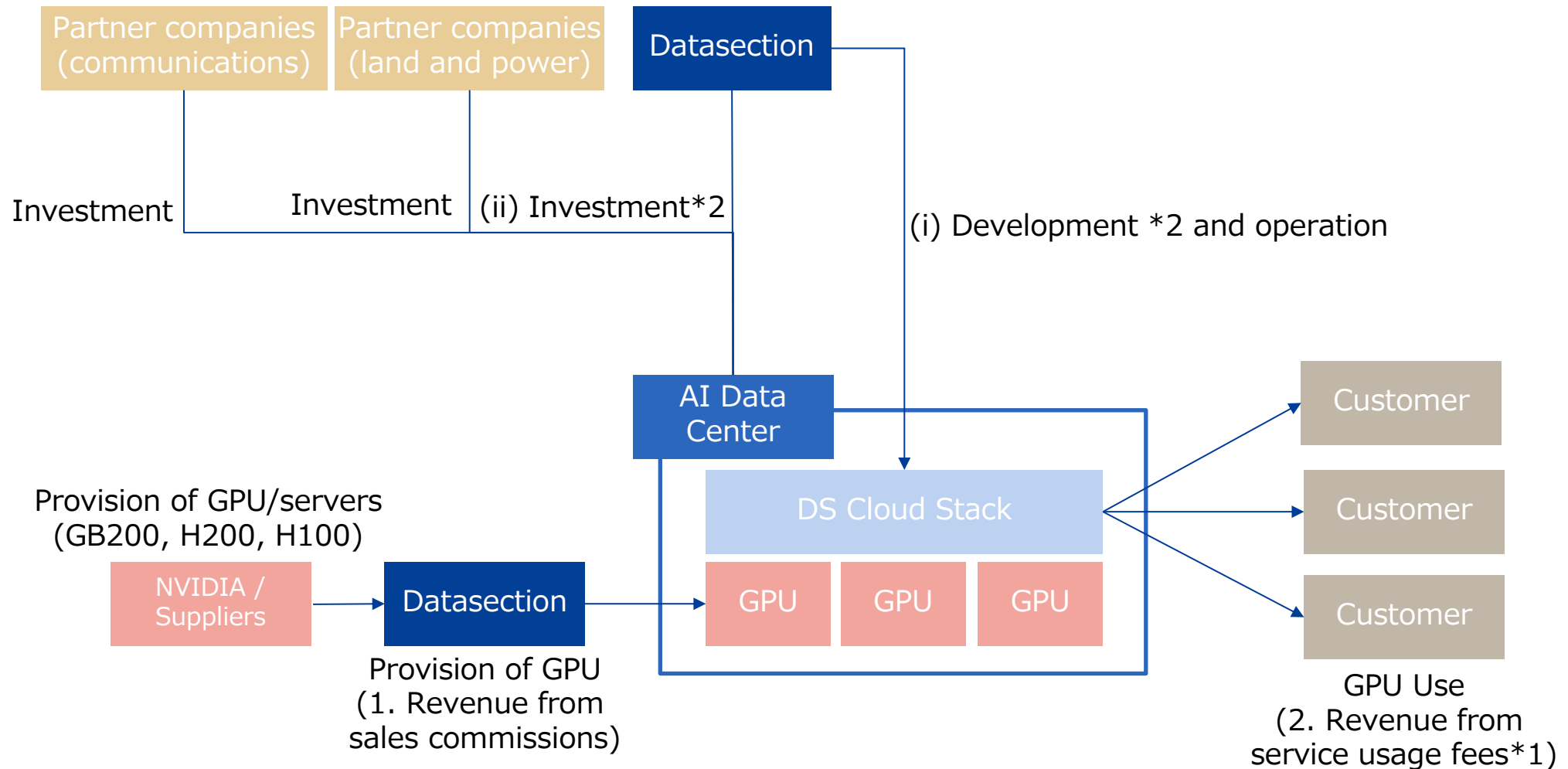
- Amount: 709 million yen
- Planned expenditure period: April 2025 to March 2026
- Outline:
 - Investment in joint ventures related to AI data center operations, or
 - The formation of a DSAI fund in which Datasection acts as GP or Co-GP to invest in AI infrastructure, such as AI data centers, on a global scale

(iii) Other uses (working capital including recruitment costs, personnel expenses and cash on hand, as well as debt repayment)

- Amount: 700 million yen (labor costs including recruitment, personnel, and cash on hand), 600 million yen (debt repayment)
- Planned expenditure period: April 2025 to March 2027 (labor costs including recruitment, personnel, and cash on hand)
March 2025 to February 2026 (debt repayment)
- Outline:
 - Working capital, including recruitment costs for engineers and corporate personnel responsible for the Group’s global AI data center and AI cloud business, as well as personnel expenses and cash on hand
 - Debt repayment to enhance financial stability (including a 384 million yen loan from Hayate)

(*) NowNaw Japan K.K. (location: Chuo-ku, Tokyo; representative: Reika Omi; hereinafter “NNJ”)

- For direct investment in AI data centers, there are two revenue models
- Returns from AI data center investments



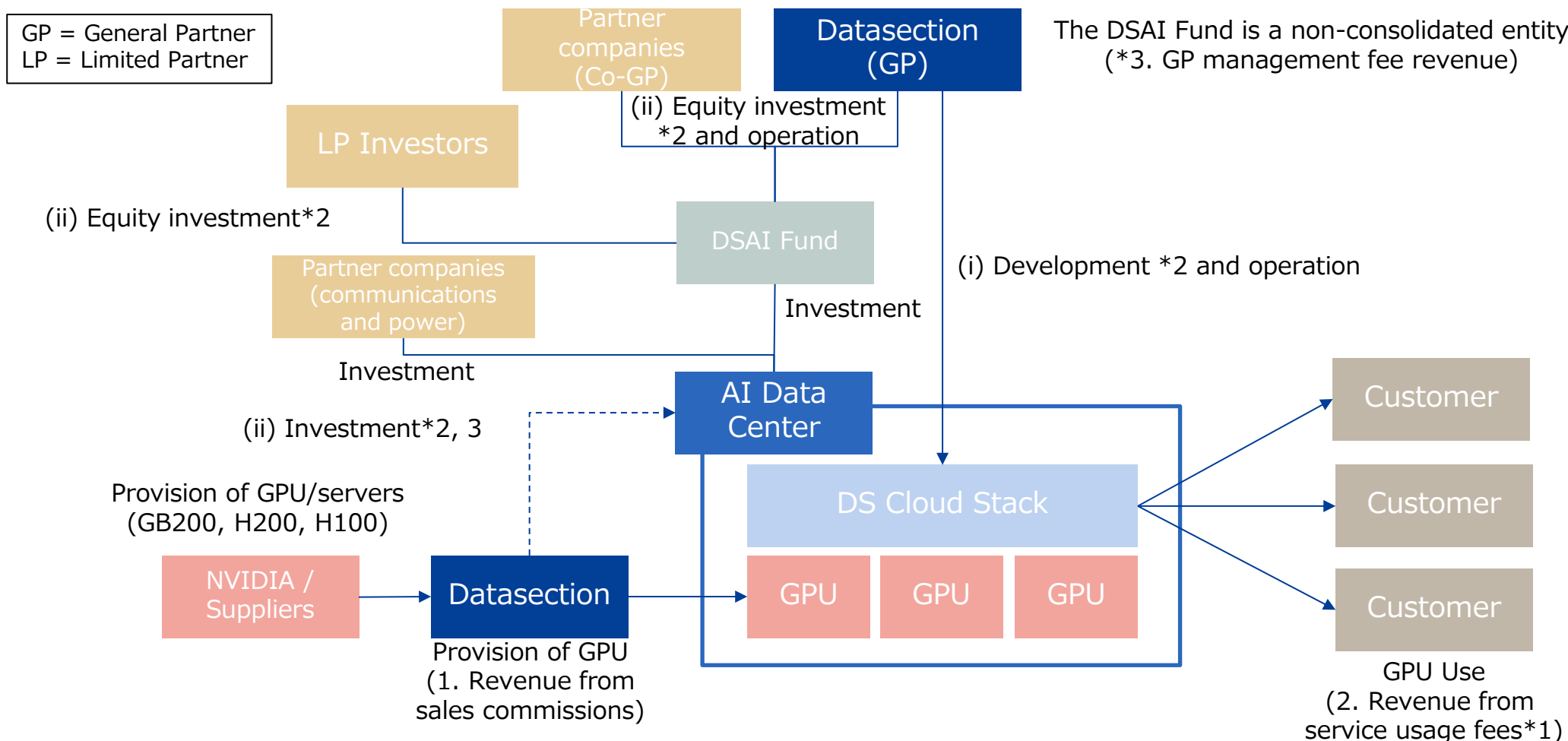
*1 Revenue from customers' GPU usage fees is shared between Datasection and AI data centers

*2 A portion of the funds raised in this financing round will be allocated to the following purposes:

(i) Development and construction of DS Cloud Stack: 1,000 million yen

(ii) Investments in joint ventures related to AI data center operations, DSAI fund investments: 709 million yen

- For AI data centers supported through funds, there are three revenue models
- Returns from DSAI Fund investment



*1 Revenue from customers' GPU usage fees is shared between Datasession and AI data centers

*2 A portion of the funds raised in this financing round will be allocated to the following purposes:

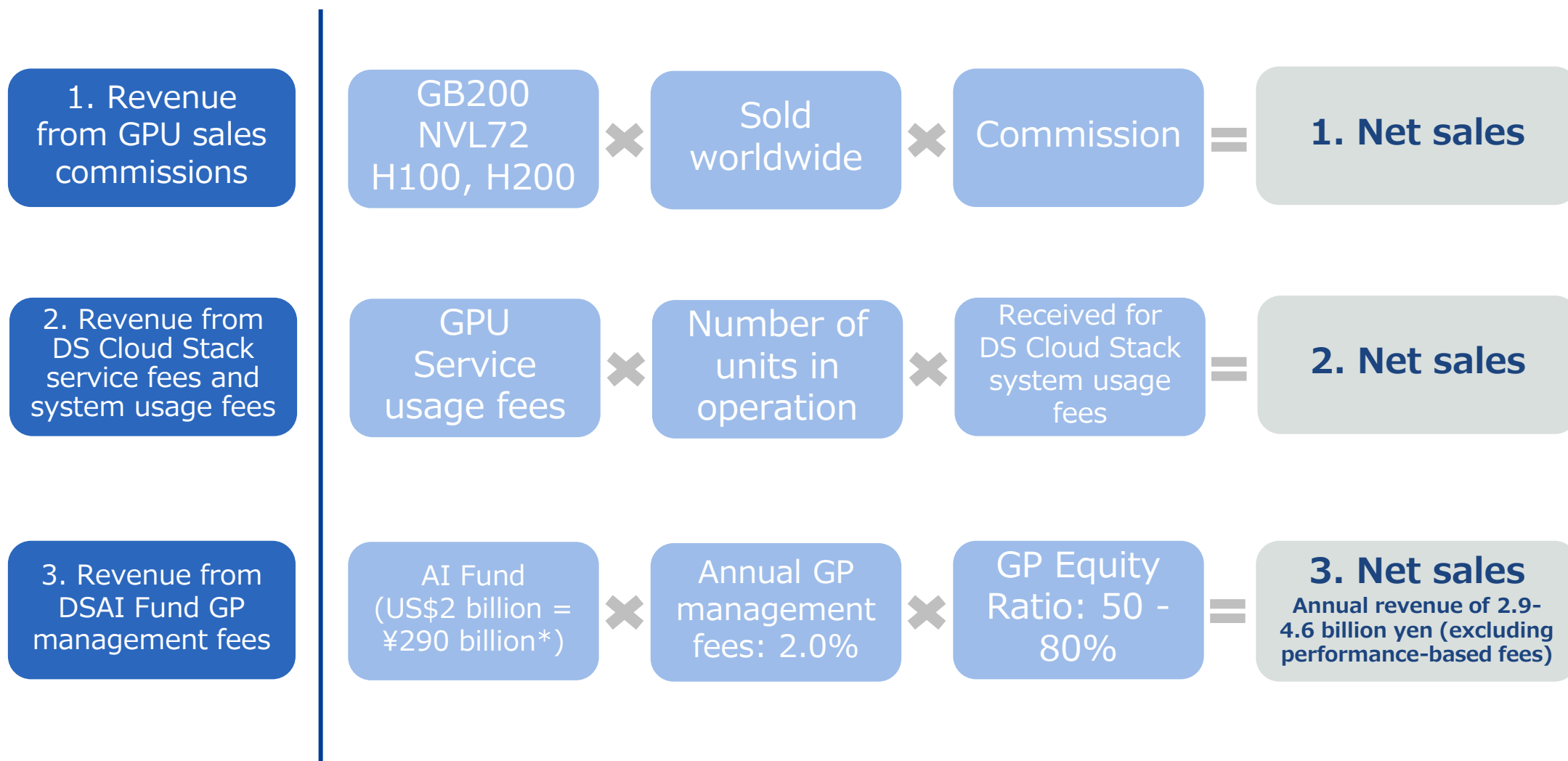
(i) Development and construction of DS Cloud Stack: 1,000 million yen

(ii) Investments in joint ventures related to AI data center operations, DSAI fund investments: 709 million yen

Datasession may also participate as an LP investor

*3 AI data centers directly invested in by Datasession may also be included in the DSAI Fund's portfolio

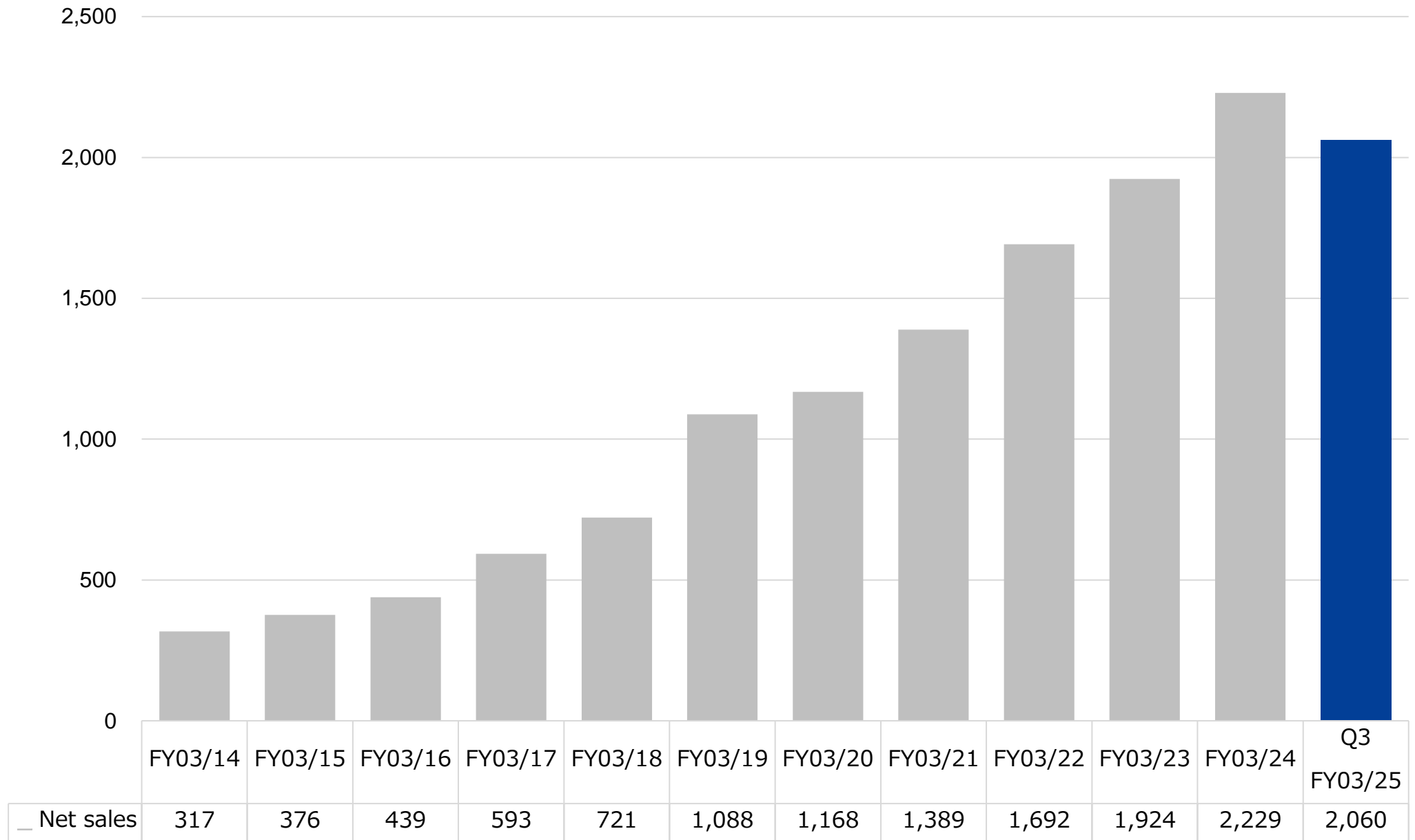
- The new AI business is expected to generate three primary revenue streams



(*) Uses the same exchange rate as the rate used in the Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2025, announced on August 20, 2024

5. Appendix

(million yen)



Consolidated Operating Profit

(million yen)



	FY03/14	FY03/15	FY03/16	FY03/17	FY03/18	FY03/19	FY03/20	FY03/21	FY03/22	FY03/23	FY03/24	Q3 FY03/25
Operating profit	57	85	28	79	45	100	14	18	77	▲55	▲216	▲281

Consolidated Ordinary Profit

(million yen)



	FY03/14	FY03/15	FY03/16	FY03/17	FY03/18	FY03/19	FY03/20	FY03/21	FY03/22	FY03/23	FY03/24	Q3 FY03/25
Ordinary profit	60	85	36	71	45	95	5	31	165	46	▲235	▲381

Consolidated Profit Attributable to Owners of Parent

(million yen)



	FY03/1 4	FY03/1 5	FY03/1 6	FY03/1 7	FY03/1 8	FY03/1 9	FY03/2 0	FY03/2 1	FY03/2 2	FY03/2 3	FY03/2 4	Q3 FY03/2 5
Profit attributable to owners of parent	45	63	26	36	16	37	▲17	▲41	2	▲530	▲1,261	▲403

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Cautions

- This document has been prepared by the Company for the purpose of providing investors with an understanding of the current status of the Company for their reference.
- The contents contained herein are prepared based on generally recognized economic, social and other conditions as well as certain assumptions that we have judged to be reasonable, but may be subject to change without notice due to changes in the business environment or other reasons.
- The materials and information provided in this document include so-called "forward-looking statements." They are based on current estimates, forecasts, and assumptions that involve risks and entail uncertainties that could cause results to differ materially from those in the statements.
- These risks and uncertainties include general industry and market conditions, and general domestic and global economic conditions such as interest rate and currency exchange fluctuations.
- The above earnings forecasts are based on management's assumptions in light of the information currently available to it and involve risks and uncertainties, and are not intended as a guarantee that they will be achieved. Therefore, investors are advised not to make investment decisions by solely relying on these forecasts.