arm

Arm in Physical AI

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*AI-generated image

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Such forward-looking statements include, but are not limited to, projections and estimates of the TAM for our products and our expectations regarding revenue, licensing and royalty mix and growth, in both the near and long-term; our expectations regarding the impact of the introduction of new products on our existing operations, customer base, and demand; our vision for the future of Arm and AI computing; our ability to implement new products and business initiatives, including the expansion of our business model into production silicon; Arm AGI CPU and its expected performance, scale, efficiency and projected energy savings; our annual product roadmap; data center and agentic AI growth generally, including anticipated data center capacity; the Company's partnerships and customer expectations; projections relating to our future financial results, growth, products and services; our financial position; our market opportunity, demand and growth drivers; and any other statements that are not historical facts.

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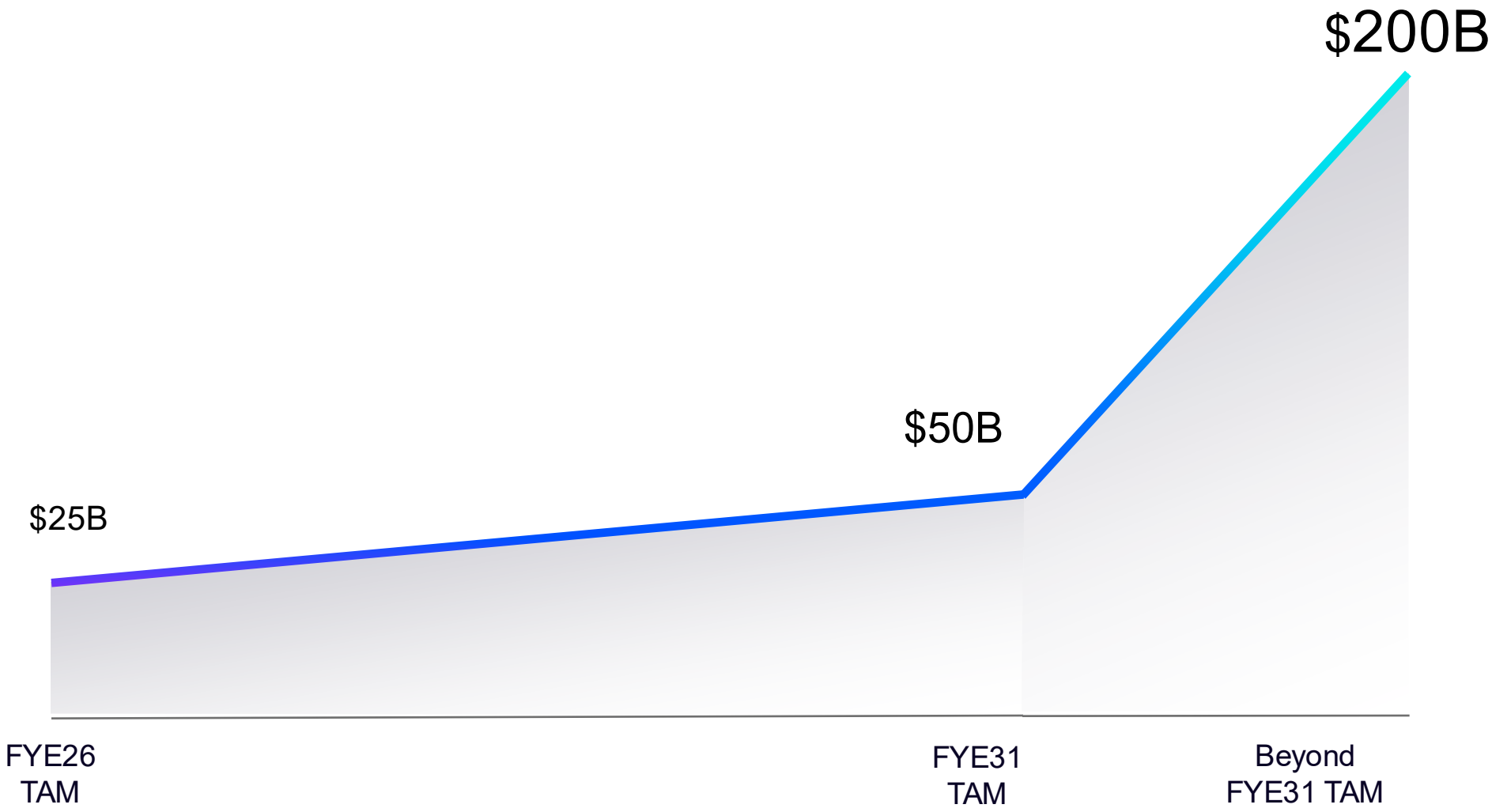
Physical AI TAM



Based on estimates

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Physical AI: Spans industries and form factors

Autonomous vehicles

Robotics

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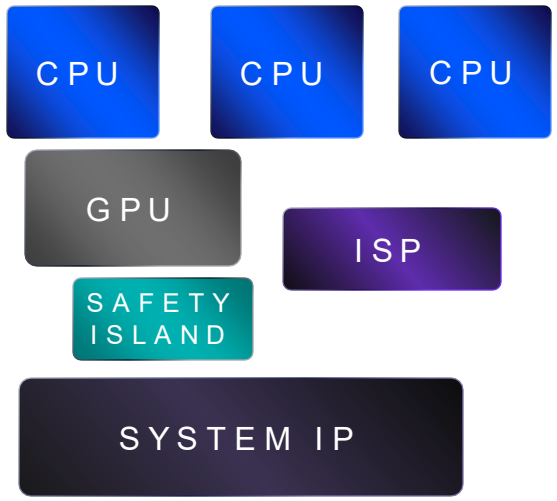
CSS targets high-growth, high-value compute in ADAS, AV & robotics

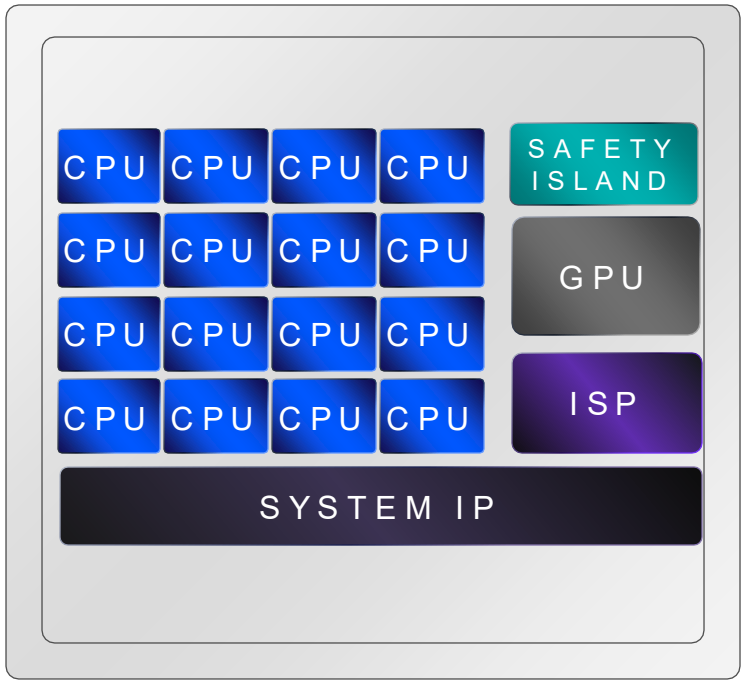
IP portfolio transitions to Armv9
Royalties starting this year



2x faster TTM

~20% less engineering effort

Arm Zena CSS platform
Royalties starting in 2028



- Optimized for ADAS, AV & robotics – highest growing value compute domain
- More than 2x royalty rates on v8 to v9 transition
- 2x royalty rates on CSS vs Armv9 IP

Based on estimates

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Strong position in auto as the world transitions to physical AI platforms

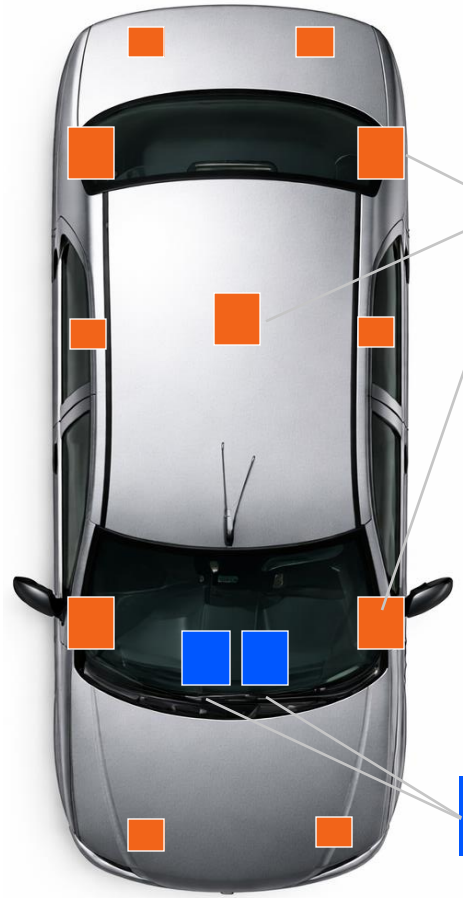
Distributed auto compute

Centralized high value compute

IP uplift to Armv9
Zena CSS platform

Higher value compute
Zena CSS platform

Market creation
Significant TAM expansion



Domain controllers & ECUs

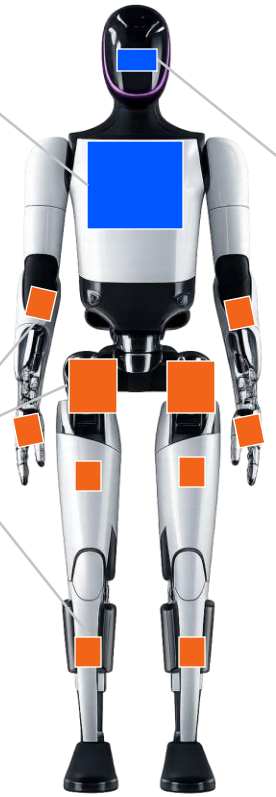
ADAS & IVI ECUs

Central perception compute

Infotainment & interaction compute

Zonal controllers

Central perception compute



Interactive compute

Local control/ MCUs

Royalty growth

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Strong position in auto as the world transitions to physical AI platforms

Distributed auto compute

Centralized high value compute

IP uplift to Armv9
Zena CSS platform

Higher value compute
Zena CSS platform

Market creation
Significant TAM expansion

4 high performance & high value compute planes optimizing on Arm

Perception-driven intelligence

Interaction-driven intelligence

Actuation execution

Cloud

Royalty growth

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Autonomy requires exponentially more vehicle compute

Driving demand for Arm-based solutions and CSS platforms

TESLA

April 2019

Arm CPUs power Tesla's Full Self-Driving computers, scaling compute with each generation

nuro

February 2024

Arm-based compute powers the Nuro Driver, enabling AI for next-gen autonomous mobility, including robotaxis

RIVIAN

December 2025

Custom Armv9 silicon powers Rivian's next-generation autonomy platform debuting with R2

AGIBOT

January 2026

Arm-based compute powers AGIBOT's humanoid robots, enabling AI workloads from perception to real-time control

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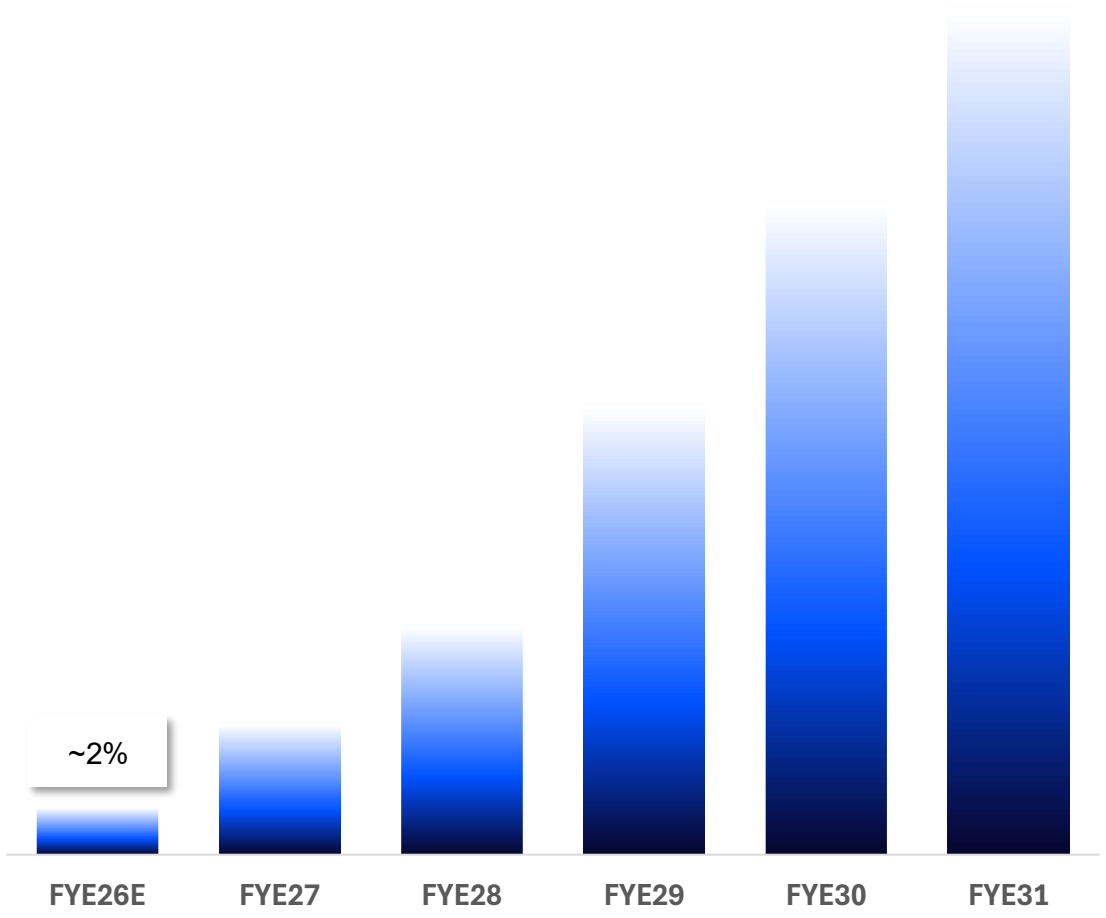
Shift to Armv9 & CSS penetration expected to drive significant royalty growth

- Increasing complexity and more cores per chip required for autonomy
- Shift to Armv9 architecture and CSS starts now and greatly increases royalty per device

Armv9 & CSS share of PAI royalty revenue



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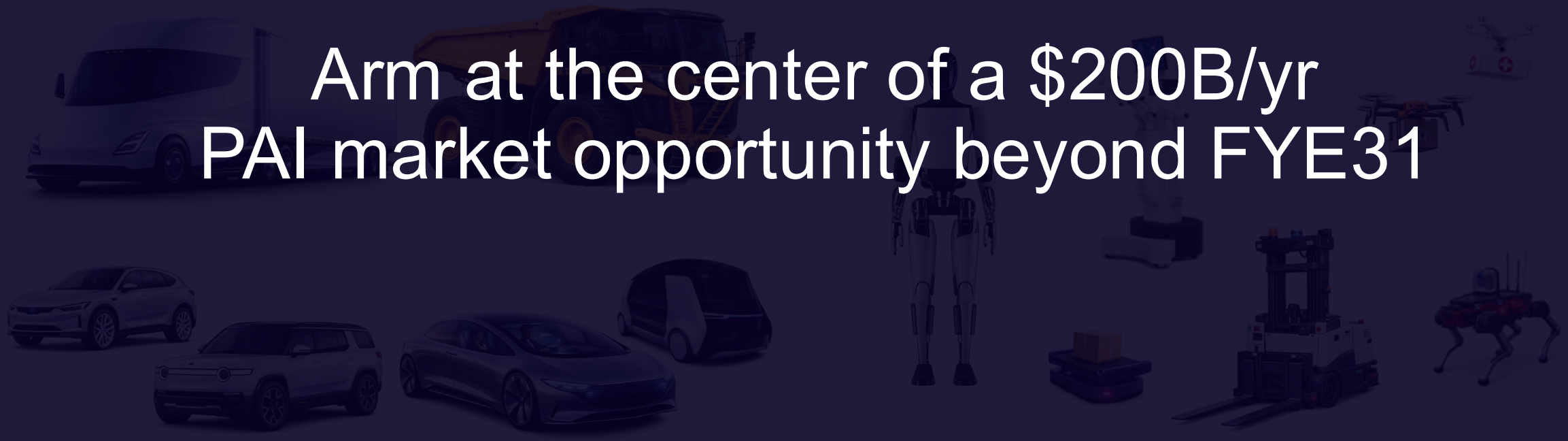
Autonomous vehicles

Robotics

Arm at the center of a $200B/yr PAI market opportunity beyond FYE31



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Arm optimized Physical AI software increases royalties and lowers switching costs

Arm optimized application stacks

OS
(Open source & commercial)

Linux, Xen Project, freeRTOS, Red Hat, AUTOSAR, WNDRVR, android, ROS, Wittenstein, Green Hills Software Inc., ...

Middleware
(Open source & commercial)

Elektrobit, DiSTI, Qt, HARMAN, Panasonic, here, Dolby, cerence, LG, DSP Concepts, NAVINFO, mapbox, tomtom, eSOL, NVIDIA CUDA, ETAS, ...

Applications
(ADAS, cockpit, AD, robotics)

Unreal Engine, AGIBOT, alexa, Gemini, Tesla, SoftBank Robotics, Agility Robotics, STRADVISION, AUTOBRAINS, TENSOR, XPENG, HUMANOID, FIGURE, ...

AI/ML
(Open source & commercial)

PyTorch, ONNX, NVIDIA CUDA, LLAMA.CPP, TensorFlow, databricks, mongoDB., DeepMind, SKILD AI, Physical Intelligence, ...

Dev cloud
(Simulation & OTA)

aws, GitHub, Google Cloud, excelfore, NVIDIA ISAAC, GAZEBO, MuJoCo, ...

Arm migration programs move legacy application stacks to Arm

Legacy OS	Legacy middleware	Legacy applications	Legacy AI/ML	Legacy dev cloud

Logos presented for illustrative ecosystem representation only

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