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To: All Concerned Stakeholders

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Announcement of Exclusive Sales Agreement with Seceon Inc.

Information Development Co., Ltd. (“ID”) and ID’s subsidiary, Information Development America Inc., announce the execution of an exclusive sales agreement in Japan with the US company Seceon Inc. (head office: Westford, Massachusetts (US), Founder & CEO: Chandra Pandey; “Seceon”).

1. Seceon Solution

Seceon’s Open Threat Management (“Seceon OTM”) is a solution that leverages a range of functions and information, such as artificial intelligence (AI), machine learning, and global threat information, to ascertain the state of a company’s network and quickly detect threats that have infiltrated a customer’s computing environment.

- **SoC-in-a-Box™ – Full-Service Security Operation Center**

Seceon OTM detects and disables known and unknown threats using a combination of the newest methods, such as AI, machine learning, behavioral analysis, and dynamic threat information analysis. What was once a manual process conducted at a Security Operation Center (“SOC”) is now completely automated, which drastically cuts security-related costs for Seceon customers.

By some estimates, many traditional security solutions are incapable of detecting 75% of the threats that infiltrate corporate networks, but Seceon OTM can detect them all. Seceon OTM minimizes damage because it can detect a threat inside 24 hours, as opposed to the 200-day (or longer) period it may take to expose a security breach with other security products.

- **Easy Installation and Automated Operation**

Seceon OTM is provided as a virtual resource (instead of software requiring installation), which means that it can be used right away regardless of a customer’s computing environment. It can also be used straight out of the box because AI takes care of tasks required by traditional security products, such as rule customization and optimization. Seceon OTM can also detect sophisticated threats from the very first day, before the machine-learning process is complete, because it is linked to a threat information database.

- **Simple and Intuitive User Interface**

The Seceon OTM user interface is simple, advanced, and intuitive. Alerts are displayed concisely in plain

English—instead of in technical jargon—whenever a threat is detected. So staff can tell what’s going on at a glance and take quick action.

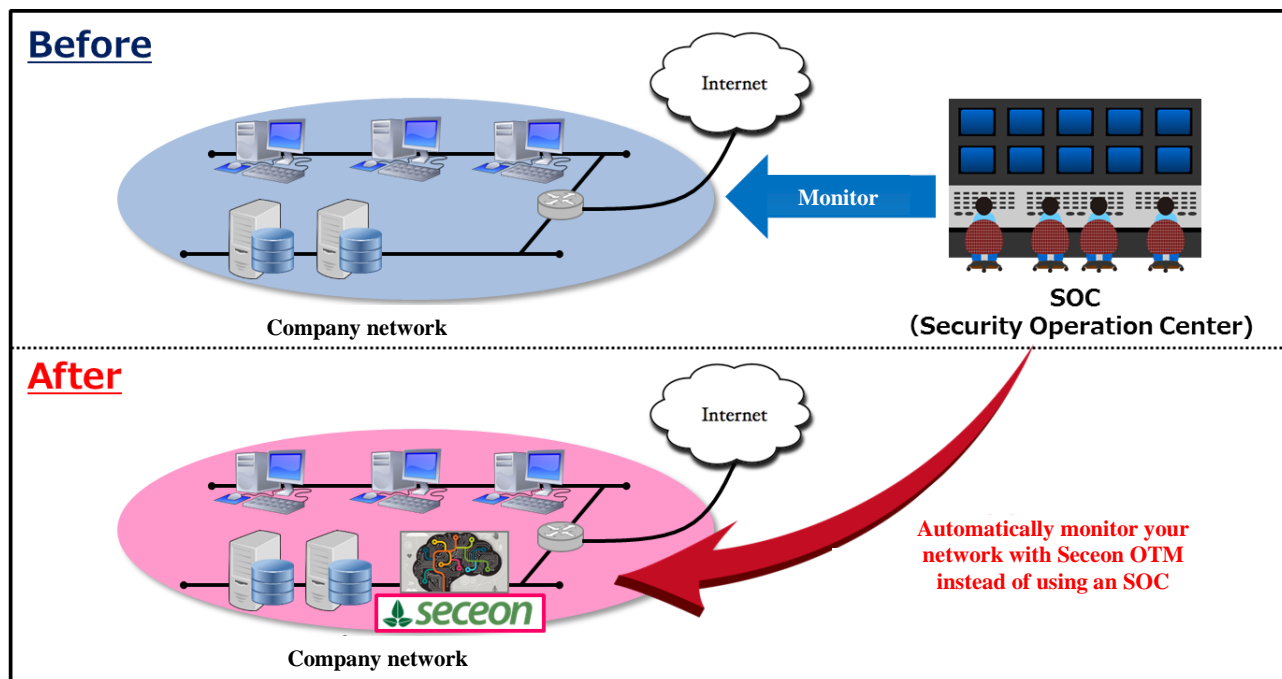


Figure: Seceon OTM Installation – Before and After

2. Background

With the advance of the Internet of Things (IoT), cybersecurity threats are increasingly targeting the “things” we use every day, not just computer-centric IT devices. From the attacker’s perspective, this means that cyber threats can yield a significant ROI, and these kinds of threats will grow in the future as part of an “efficient criminal business.”

But from everyone else’s perspective, it is difficult to protect against the latest threats using gateway-type security products, such as traditional antivirus software or firewalls. In a shift, quickly detecting threat infiltrations using multi-tiered protections and monitoring and minimizing damage is now part of best practices in cybersecurity, instead of attempting to achieve comprehensive protection.

The ID Group has built up significant operational know-how in the IT industry over the past 45 years and has collaborated with security vendors for the past 17 years. It will offer Japanese customers the latest AI security solutions provided by Seceon, contributing to the improvement of corporate cybersecurity.

3. Purpose of the Sales Agreement

Seceon’s solution is cutting edge in Europe and the US, and the sales agreement is an opportunity for the ID Group to introduce to Japanese customers the latest security solutions, even by global standards.

By working together and sharing know-how, both companies will seek to merge the latest technology with optimal solutions.

4. Outline of Seceon

Seceon is a US venture firm that develops and sells cybersecurity products. Mr. Chandra Pandey, Founder & CEO of Seceon, has been a key figure in the development of network devices at major global companies like IBM and 3com. He is a respected member of the network security industry, and one of his signature accomplishments was the dramatic increase in sales at Juniper Networks as the person in charge of enterprise product development.

- (1) Name: Seceon Inc.
- (2) Main line of business: Development and sales of cybersecurity products
- (3) Year of establishment: 2015
- (4) Head office: Westford, Massachusetts, US
- (5) Representative: Chandra Pandey (Founder & CEO)
- (6) Number of employees: 43 (as of November 2016)
- (7) Relationship to ID: There is no capital, personnel, or transactional relationship. Seceon does not fall under an affiliated party of ID. Furthermore, the related personnel or affiliates of Seceon do not fall under affiliated parties of ID.

5. Outlook

This sales arrangement will have minimal impact on the results and financial position of ID and the ID Group.

[Product or Service Inquiries]

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