Financial Materials for FY2025 1Q

CYBER SECURITY CLOUD

Cyber Security Cloud, Inc.

Growth of TSE: 4493

May 15, 2025

Contents

Highlight of Investment

Growth industry

Provides cloud products to defend from hackers.

Industry Leader

#1 in Japan market share for core product.

High ARR growth rate

Approximately 20% growth in ARR YoY.

Global achievements

Business operation in over 100 countries around the world.

I

Overview of the Financial Results for FY2025 1Q

Executive Summary

Revenue (1Q) — P6

1.1 billion yen

YoY +24.4%

Operating income (1Q) — P6

0.24 billion yen

YoY -23.6%

ARR (Annual Recurring Revenue) — P7

4.47 billion yen

YoY +30.9%

Churn rate — P8

攻撃遮断くん (Shadankun)　　**1.06**%

Waf Charm　　**0.79**%
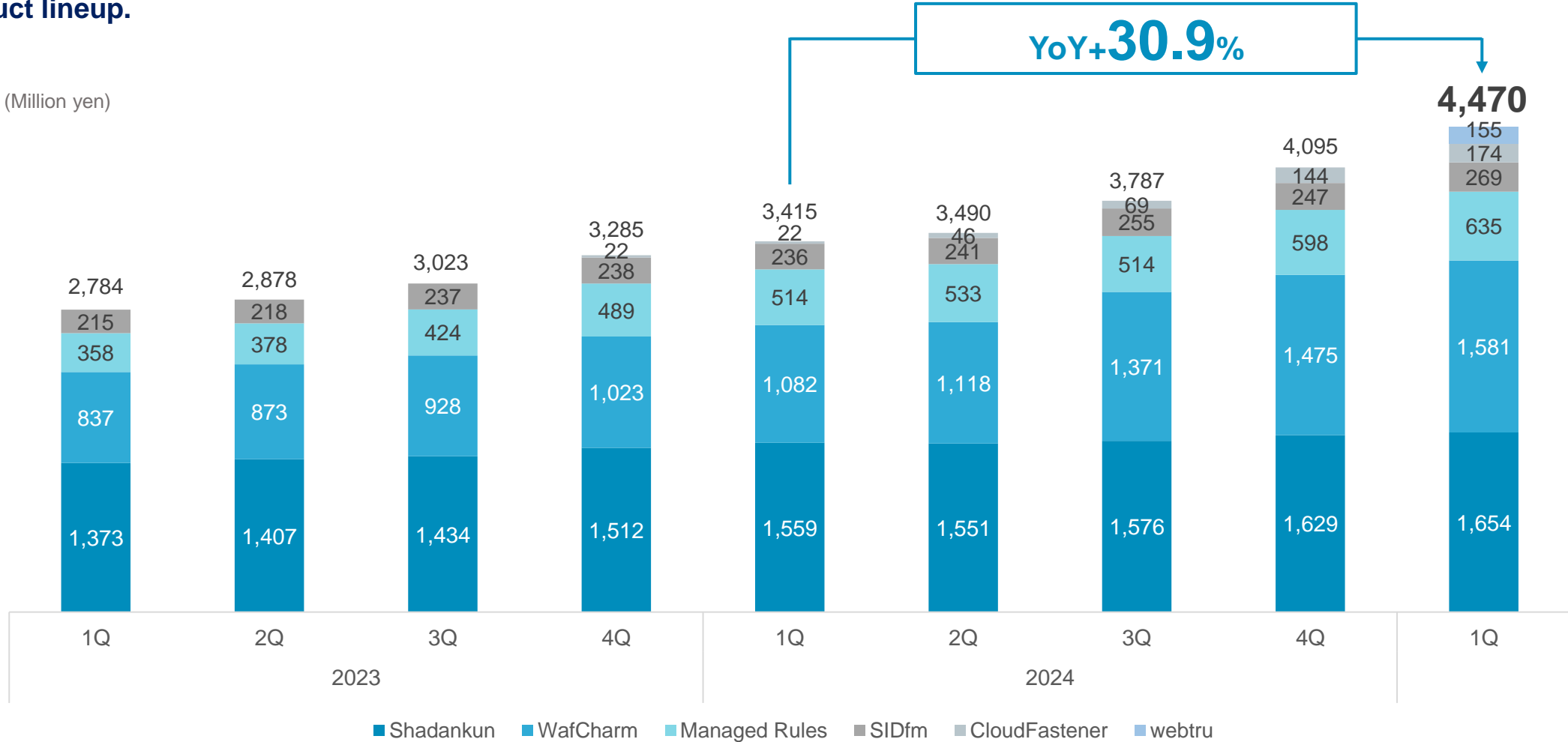
Overview of Results

- **As the growth of WafCharm and CloudFastener contributed to the results, sales grew 24.4% year on year.**
- **In Q1 2024, operating profit temporarily increased due to a one-time project awarded by the Digital Agency.**

(Million yen)	1Q of FY 2024 (Consolidated)	1Q of FY 2025 (Consolidated)	YoY	Forecasts for FY 2025 (Consolidated)	Achievement Rate
Revenue	953	1,186	+24.4%	5,000	23.7%
Gross Profit	690	762	+10.5%	—	—
Operating Income	315	240	-23.6%	1,000	24.1%
Operating Income Margin (%)	33.1%	20.3%	-12.8pt	20.0%	—
Ordinary Income	342	210	-38.7%	1,000	21.0%
Net Income Attributable to Owners of the parent	235	162	-30.9%	693	23.4%

Variation in ARR

- **Driven by the growth of WafCharm and CloudFastener, ARR increased by 30.9% year over year.**
- **In February 2025, CSC added webtru, a consent management tool from its newly consolidated subsidiary DataSign, Inc., to our product lineup.**

YoY+30.9%

(Million yen)

	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Total	2,784	2,878	3,023	3,285	3,415	3,490	3,787	4,095	4,470
webtru									155
CloudFastener									174
SIDfm	215	218	237	238	22	46	69	144	269
Managed Rules	358	378	424	489	236	241	255	247	635
WafCharm	837	873	928	1,023	514	533	514	598	1,581
Shadankun	1,373	1,407	1,434	1,512	1,082	1,118	1,371	1,475	
					1,559	1,551	1,576	1,629	1,654

2023 | 2024

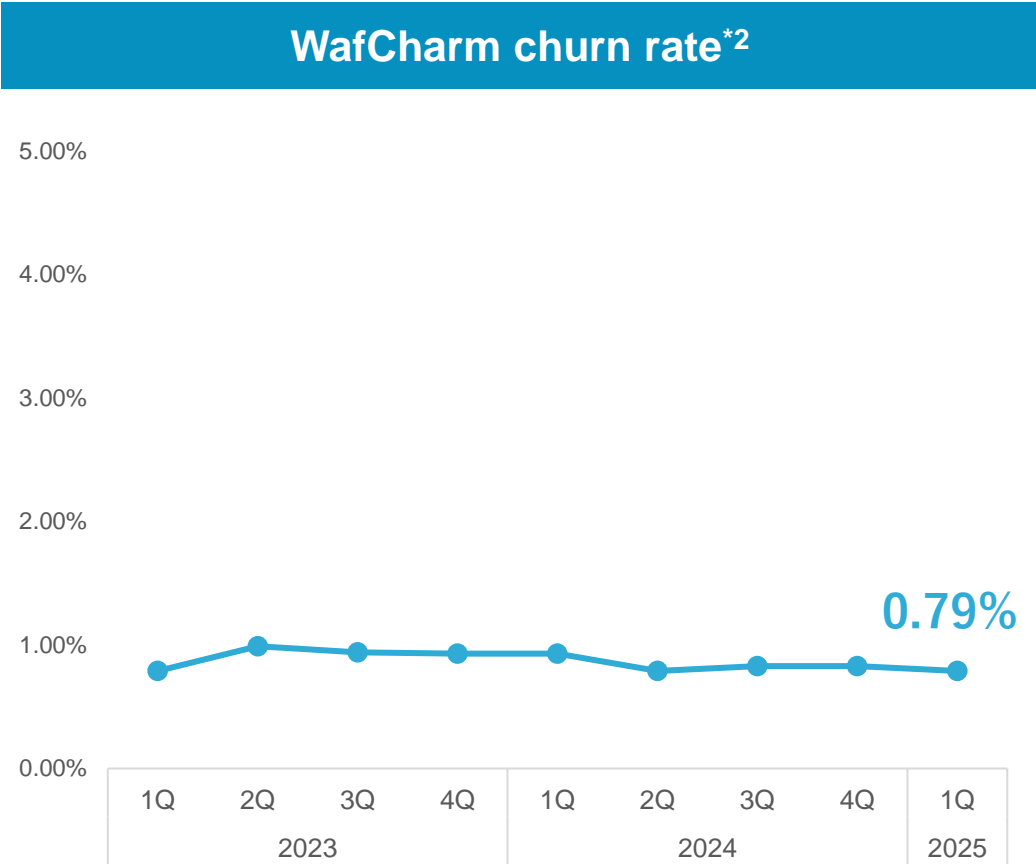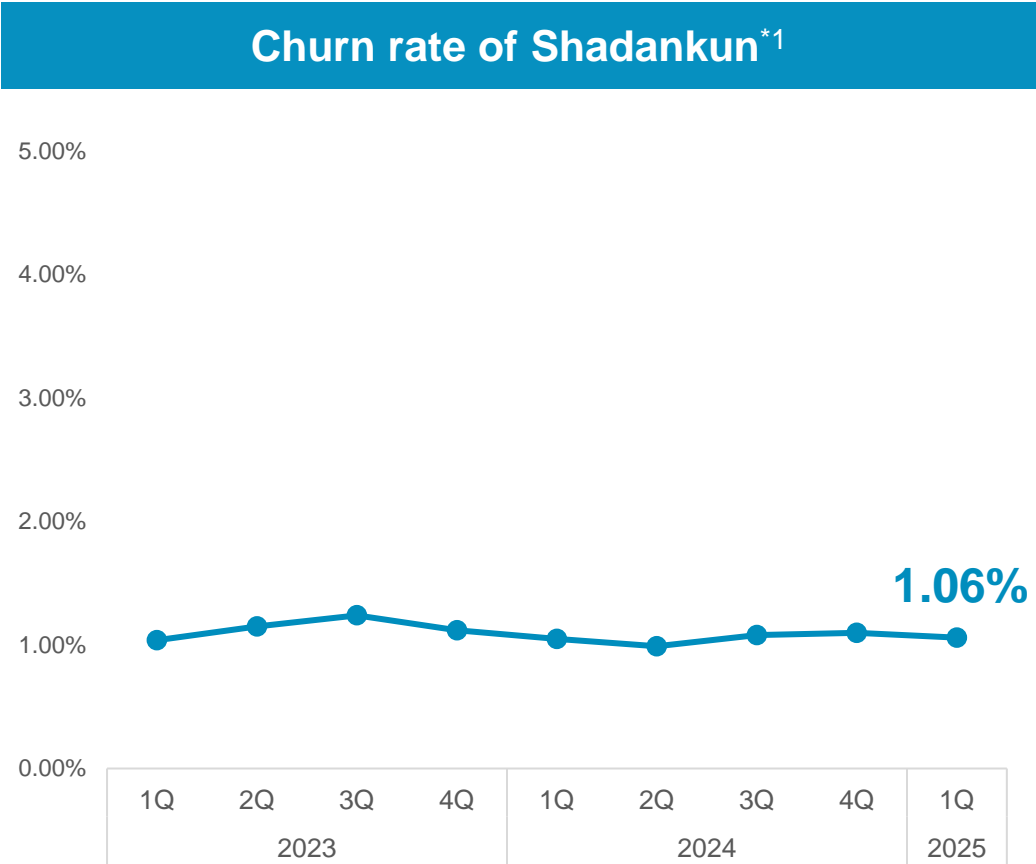■ Shadankun ■ WafCharm ■ Managed Rules ■ SIDfm ■ CloudFastener ■ webtru

ARR: Annual Recurring Revenue. It is calculated by multiplying the MRR at the end of the month concerned by 12 to convert it to an annual amount.
MRR stands for Monthly Recurring Revenue in a subscription-based model and is the sum of the monthly recurring revenues from existing customers.

Churn rates of Shadankun and WafCharm

- **The churn rates of the two products have been stable, with no significant changes.**

Churn rate of Shadankun[1]

1.06%

5.00%
4.00%
3.00%
2.00%
1.00%
0.00%

| 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | 1Q |
| 2023 | | | | 2024 | | | | 2025 |

WafCharm churn rate[2]

0.79%

5.00%
4.00%
3.00%
2.00%
1.00%
0.00%

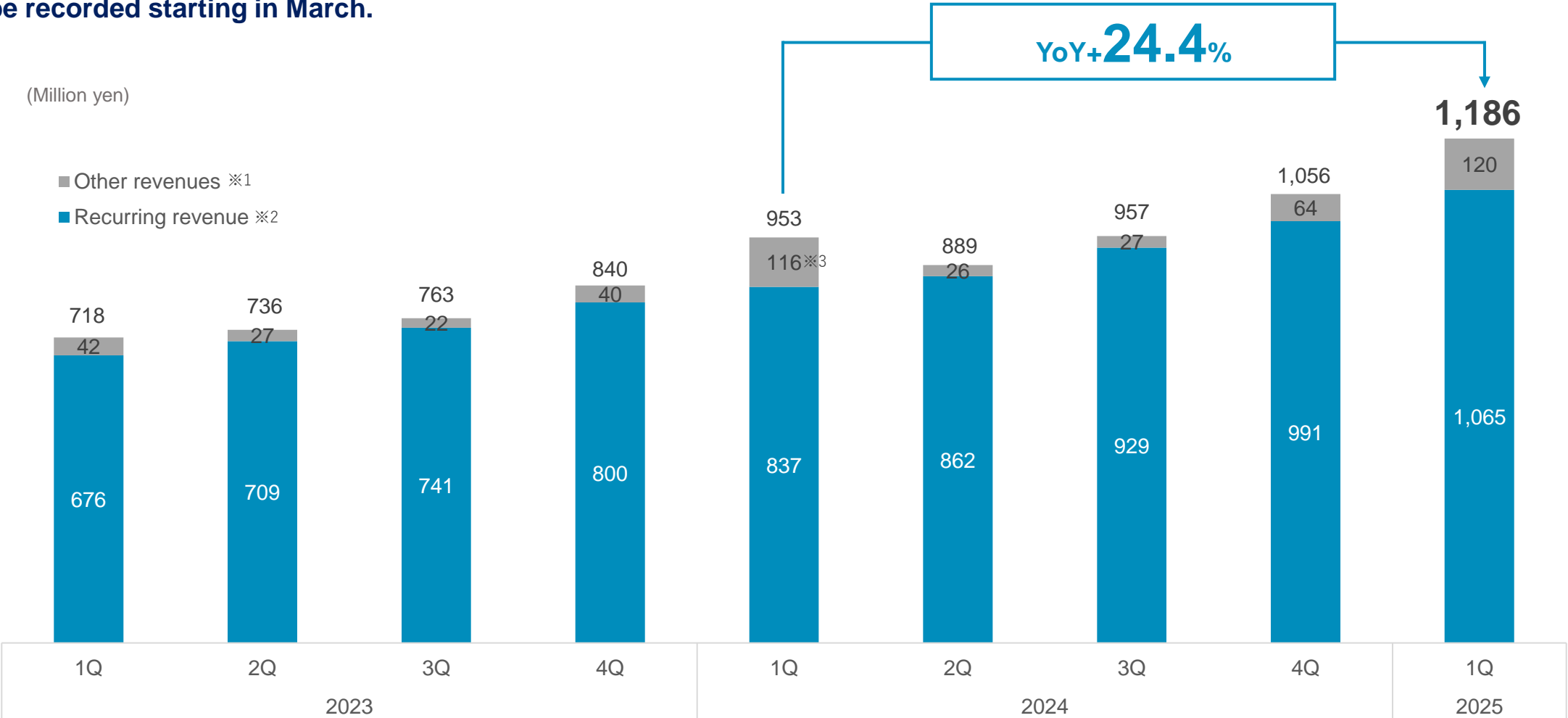| 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | 1Q |
| 2023 | | | | 2024 | | | | 2025 |

[1] Produced based on the average MRR churn rate of each product in the last 12 months. MRR churn rate is calculated by dividing the MRR lost in the month concerned by the MRR as of the end of the previous month.
[2] Produced based on monthly average churn rate (Number of users who stopped paying fees during the month ÷ Number of fee-paying users at the end of the previous month)

Variation in Revenue

- **Recurring revenue continued to grow steadily, supported by strong order performance for WafCharm and CloudFastener.**
- **Other revenue increased, supported by contract-based sales from Generative Technology, Inc. Revenue from DataSign, Inc. began to be recorded starting in March.**

YoY+**24.4**%

(Million yen)

1,186

■ Other revenues ※1
■ Recurring revenue ※2

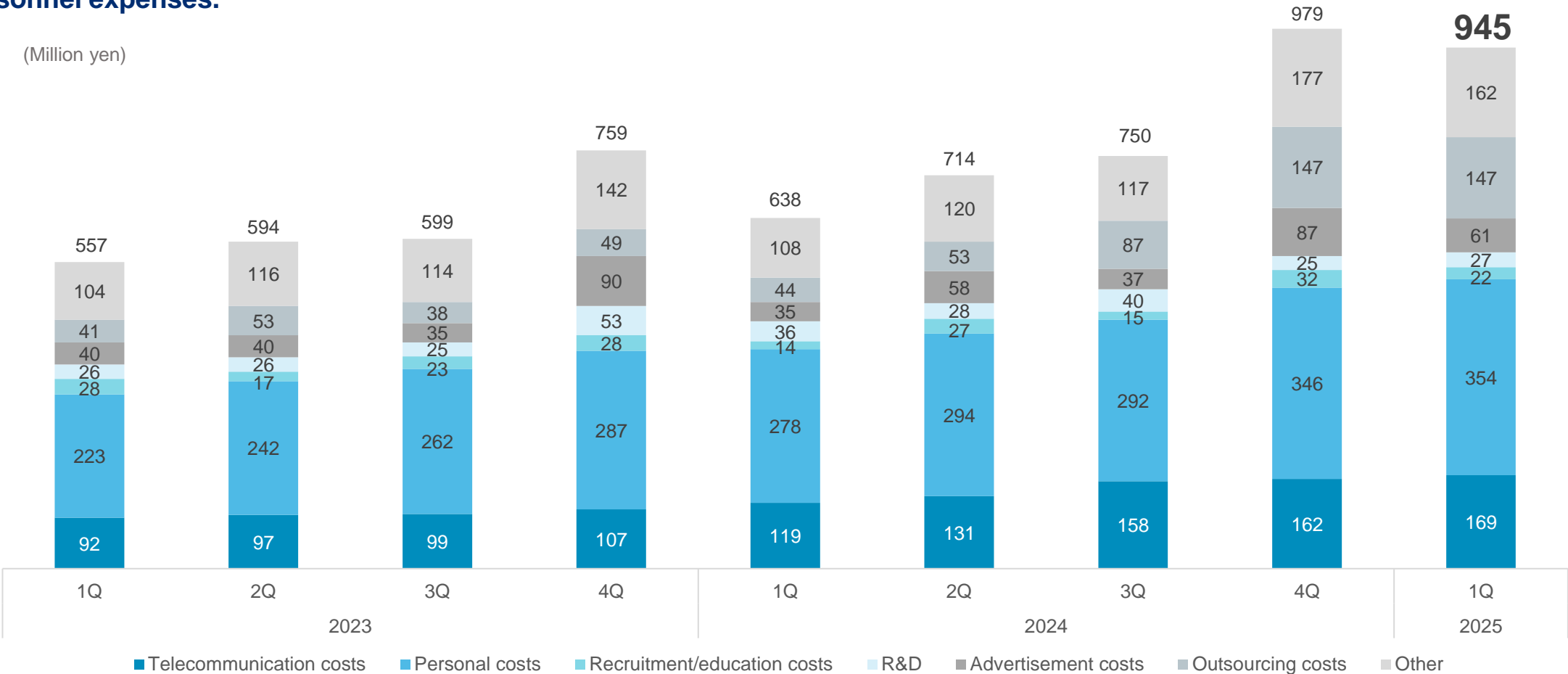|	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Total	718	736	763	840	953	889	957	1,056	1,186
Other	42	27	22	40	116 ※3	26	27	64	120
Recurring	676	709	741	800	837	862	929	991	1,065
		2023				2024			2025

*1 Total revenue, including the initial installation costs for Shadankun and spot contracts for vulnerability diagnosis, etc.
*2 Sum of MRRs of Shadankun, WafCharm, Managed Rules, SIDfm, and CloudFastener.
*3 Including a revenue of about 70 million yen from government cloud projects entrusted by the Digital Agency

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Operating Costs (Cost of Revenue and SG&A)

- **Personnel and outsourcing expenses increased year over year due to the consolidation of Generative Technology, Inc. as a subsidiary and continued development investments in CloudFastener.**
- **Following the consolidation of DataSign, Inc. as a subsidiary in March 2025, CSC anticipates a further rise in costs, primarily driven by personnel expenses.**

(Million yen)

Chart data:

	2023 1Q	2023 2Q	2023 3Q	2023 4Q	2024 1Q	2024 2Q	2024 3Q	2024 4Q	2025 1Q
Total	557	594	599	759	638	714	750	979	**945**
Telecommunication costs	92	97	99	107	119	131	158	162	169
Personal costs	223	242	262	287	278	294	292	346	354
Recruitment/education costs	28	17	23	28	14	27	15	32	22
R&D	26	26	25	53	36	28	40	25	27
Advertisement costs	40	40	35	90	35	58	37	87	61
Outsourcing costs	41	53	38	49	44	53	87	147	147
Other	104	116	114	142	108	120	117	177	162

■ Telecommunication costs ■ Personal costs ■ Recruitment/education costs R&D ■ Advertisement costs ■ Outsourcing costs ■ Other

# Employees who Support the Growth of Cyber Security Cloud

- **Headcount increased significantly following the consolidation of DataSign, Inc. as a subsidiary in March 2025.**
- **In April 2025, CSC welcomed new graduate hires and continues to recruit talent to support future growth.**
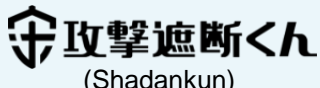
Number of Employees*

(Employees)

FY2023	FY2024	FY2025 1Q
120	146	169

Personnel Composition as of the End of Mar. 2025

169

Corporate
Engineers
Business
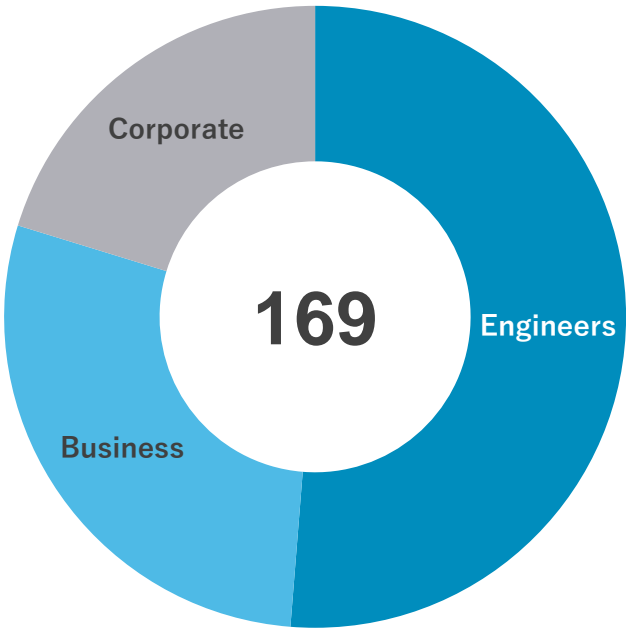
*The reported headcount includes temporary staff and reflects the combined total of employees from both the Japan and U.S. entities.
Generative Technology, Inc. has been consolidated since 2024, and DataSign, Inc. since 2025.

(For reference) Major KPIs of Each Product

		FY2024				FY2025	YoY
		1Q	2Q	3Q	4Q	1Q	
攻撃遮断くん (Shadankun)	ARR (million yen) [*1]	1,559	1,551	1,576	1,629	1,654	+6.1%
	No. of client enterprises	1,292	1,278	1,271	1,297	1,322	+2.3%
	Churn rate (%) [*2]	1.05	0.99	1.08	1.10	1.06	+0.01pt
Waf Charm	ARR (million yen)	1,082	1,118	1,371	1,475	1,581	+46.2%
	No. of users	1,236	1,232	1,271	1,288	1,313	+6.2%
	Churn rate (%) [*3]	0.93	0.79	0.83	0.83	0.79	-0.14pt
AWS WAF Managed Rules	ARR (million yen)	514	533	514	598	635	+23.6%
	No. of users	3,639	3,716	3,793	3,841	3,903	+7.3%
SIDfm	ARR (million yen)	236	241	255	247	269	+13.8%
	No. of users	200	204	215	217	225	+12.5%
CloudFastener	ARR (million yen)	22	46	69	144	174	+665.4%
webtru ウェブトゥルー	ARR（million yen）	-	-	-	-	155	-
Total	ARR (million yen)	3,415	3,490	3,787	4,095	4,470	+30.9%

*1 Calculated by multiplying the MRR at the end of the month concerned by 12 to convert it to an annual amount.
MRR stands for Monthly Recurring Revenue in the subscription model and means the total monthly recurring revenue from existing customers.
*2 Calculated from the average MRR churn rate in the latest 12 months. MRR churn rate means the virtual churn rate obtained by dividing the MRR lost in the month concerned by the MRR at the end of the previous month.
*3 Based on the average monthly churn rate of the number of users. Number of users who stopped paying fees during the month ÷ Number of fee-paying users at the end of the previous month.

(For reference) Statement of Income

(million yen)	FY2023				FY2024				FY2025
	Consolidated 1Q	Consolidated 2Q	Consolidated 3Q	Consolidated 4Q	Consolidated 1Q	Consolidated 2Q	Consolidated 3Q	Consolidated 4Q	Consolidated 1Q
Revenue	719	736	764	840	953	889	957	1,056	1,186
Cost of Revenue	227	219	232	245	263	294	346	433	423
Gross Profit	491	516	531	595	690	595	611	623	762
Gross Profit Margin	68.3%	70.2%	69.5%	70.9%	72.4%	66.9%	63.9%	59.0%	64.3%
SG&A	329	374	366	514	375	420	404	546	521
Operating Income	162	142	164	80	315	174	207	76	240
Operating Income Margin	22.6%	19.3%	21.5%	9.6%	33.1%	19.6%	21.7%	7.2%	20.3%
Ordinary Income	162	159	175	62	342	206	149	134	210
Net Income Attributable to Owners of the parent	110	109	120	86	235	137	98	103	162

(For reference) Balance Sheet and Statement of Cash Flows

(million yen)	FY2023	FY2024	FY2025 1Q
	Consolidated	Consolidated	Consolidated
Current Assets	1,621	2,146	3,731
Fixed Assets	536	634	1,109
Total Assets	2,157	2,781	4,840
Current Liabilities	663	866	890
Fixed Liabilities	184	91	278
Total Liabilities	848	958	1,169
Net Assets	1,309	1,822	3,671
Total Liabilities and Net Assets	2,157	2,781	4,840

| (million yen)	FY2023	FY2024*
	Consolidated	Consolidated
Cash Flow From Operating Activities	578	633
Cash Flow From Investing Activities	-106	-175
Cash Flow From Financing Activities	-93	-595
Net Increase (Decrease) In Cash and Cash Equivalents	390	-87
Cash and Cash Equivalents at the Beginning of period	1,330	1,754
Increase in Cash and Cash Equivalents Resulting From New Consolidation	34	-
Cash and Cash Equivalents at the End of period	1,754	1,667

*As CSC did not prepare a cash flow statement for the first quarter of the fiscal year ending December 2025, the most recent quarterly cash flow statement is presented instead.

II Topics in FY2025 1Q

ITOCHU Techno-Solutions Starts Offering "CTC-SOC for Public Cloud powered by CloudFastener"

- **CloudFastener integrated into the in-house SOC service of ITOCHU Techno-Solutions Corporation (CTC), now available as part of their offering.***
- **With CTC's extensive track record in system operations and its strong customer base, CSC expects this partnership to drive further user growth.**
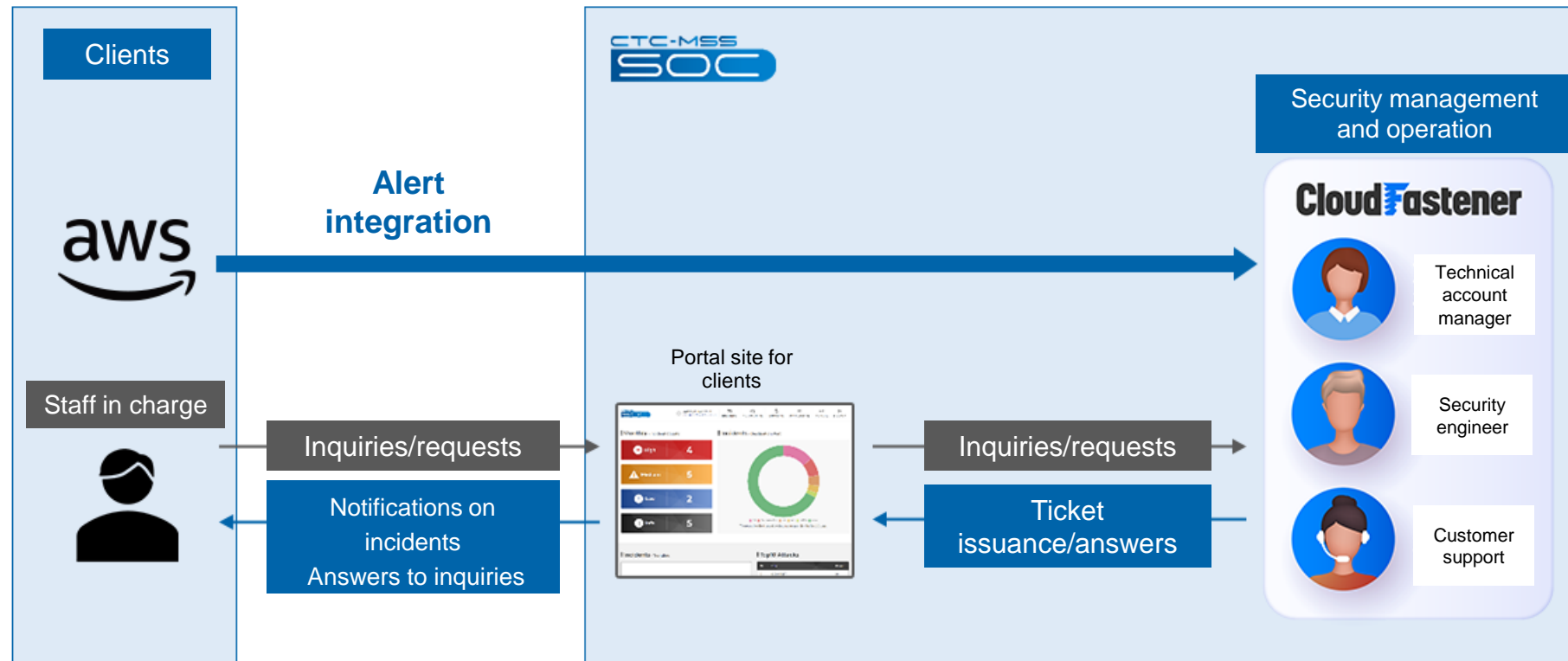
By addressing the cloud security challenges faced by many companies, CSC is accelerating the sales of CloudFastener.

*SOC (Security Operation Center): A specialized organization that monitors a company's networks and systems 24/7/365 to detect, analyze, and respond to cyberattacks.

Strategy to Accelerate Sales Within the AWS Ecosystem – Enhancing Credibility Through Certifications

- **Leveraging the expertise gained from WafCharm and Managed Rules, CloudFastener has earned multiple AWS certifications within approximately a year and a half since its launch.**

- **CSC became the first Japanese software company to obtain the AWS Level 1 MSSP Competency, positioning itself to accelerate customer acquisition both in Japan and overseas.**

Over 140,000 AWS partners provide services across more than 200 countries and regions* → Within the AWS community, "trust" and a proven "track record" are essential to stand out among numerous partners. → **CloudFastener has steadily strengthened its credibility by obtaining a certification that no other Japanese company has achieved.**

Date	Key Certifications Obtained	Highlights
May 2024	Amazon Security Lake Subscriber Partner	• The first Japanese company to receive the certification • Increased exposure through AWS • Enhanced credibility through meeting strict technical requirements
December 2024	Amazon Security Lake Ready	• The first Japanese company holding this certification • Featured on the partner page of AWS Marketplace
March 2025	AWS Level1 MSSP Competency (Software)	• The first Japanese company to receive the certification (14th globally) • Increased brand recognition through listing on the AWS Partner page

*As of November 2024

Steady Progress in the Adoption of CloudFastener

- **An increasing number of companies that provide services to listed corporations and municipalities, where high levels of security are essential, are adopting CloudFastener.**

- **In addition to its robust security features, CSC's proven support capabilities, developed through years of business operations, have been highly evaluated and played a key role in adoption decisions.**

Recent use cases

Schoo
Securities Code：264A

In preparation for a stock market listing, the company has begun building mechanisms to maintain even higher security standards. CloudFastener was adopted as a trusted service capable of reliably managing all aspects of AWS security.

SHIFTPLUS

Enhancing AWS security is critically important when providing services to local governments. CloudFastener was adopted to enable advanced security operations within the AWS environment.

Major adopting companies

istyle

AIN GROUP

GLOBERIDE

Photosynth

A Inc.

FinMed asi

Co-hosted Joint Seminars with Global Partners to Accelerate Customer Acquisition

- **CSC held targeted seminars in North and South America, focusing on local companies.**
- **Given the widespread concerns over cybersecurity in these regions, CSC aims to steadily acquire customers by effectively leveraging local partner networks.**

Jan. 31, 2025

- Co-hosted with U.S. Partner CStream Inc.
- The seminar featured CloudFastener and was targeted primarily at healthcare and SaaS companies, which often face significant challenges in security and compliance.

Mar. 12, 2025

- Co-hosted a Webinar with a South American Partner
- Introduced WafCharm and CloudFastener alongside the latest cybersecurity trends.

Apr. 1-2, 2025

- Participated in the External Event "Cyber Risk and Insurance Innovation USA"
- Engaged with IT decision-makers from the insurance industry and companies exploring cyber insurance, capitalizing on their growing interest in cybersecurity.

Recognized for its potential to contribute to strengthening Japan's cybersecurity, CSC secured funding from a government-affiliated investment fund

- CSC raised a total of 2.1 billion yen in growth capital through a third-party allotment of shares to investors including the government-affiliated "JIC VGI Opportunity Fund I (OPF1)."

- This fundraising was realized as part of an initiative highly aligned with the Ministry of Economy, Trade and Industry's policy to strengthen Japan's cybersecurity industry.

Overview and Investment Rationale of JIC VGI Opportunity Fund I (OPF1)

- OPF1 is one of the initiatives under the Japanese government's "Five-Year Startup Development Plan," led by Japan Investment Corporation (JIC). The fund aims to promote innovation, enhance international competitiveness, and address industrial and social challenges in Japan through strategic investments.

- Amid growing recognition of cybersecurity as a critical policy issue, OPF1 chose to support CSC—an organization that develops its own security products domestically—as part of its mission to foster homegrown technologies and industries in the cybersecurity domain.

Purpose of the Fundraising

- **Investment in CloudFastener**
  CSC aims to position CloudFastener as a core business driver by accelerating its development and securing specialized talent in security and engineering.

- **Funding for M&A Activities**
  CSC seeks to strengthen its capabilities across the entire value chain—from system design to operation—in the cloud and cybersecurity domains, through strategic mergers and acquisitions.

"Cybersecurity Industry Development Strategy" by the Ministry of Economy, Trade and Industry (METI)
A comprehensive policy package aimed at enabling the continuous creation of promising cybersecurity products and services from Japan.

Future Roadmap

Within 3 years: Increase the number of cybersecurity companies and professionals

Within 5 years: Expand the market share of Japanese companies and implement critical technologies in society

Within 10 years: Contribute to national security and the elimination of the digital trade deficit

KPI

Increase domestic companies' total revenue from 0.9 trillion yen to over 3 trillion yen

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※ https://www.meti.go.jp/shingikai/mono_info_service/sangyo_cyber/wg_cybersecurity/enhanced_security/pdf/20250305_2.pdf

III Growth Strategy FY2022 to FY2025 and Mid-Term Strategy

Provide reliable services around the world as a global security software maker from Japan

To become **the leading security company in Japan in the field of web security.**
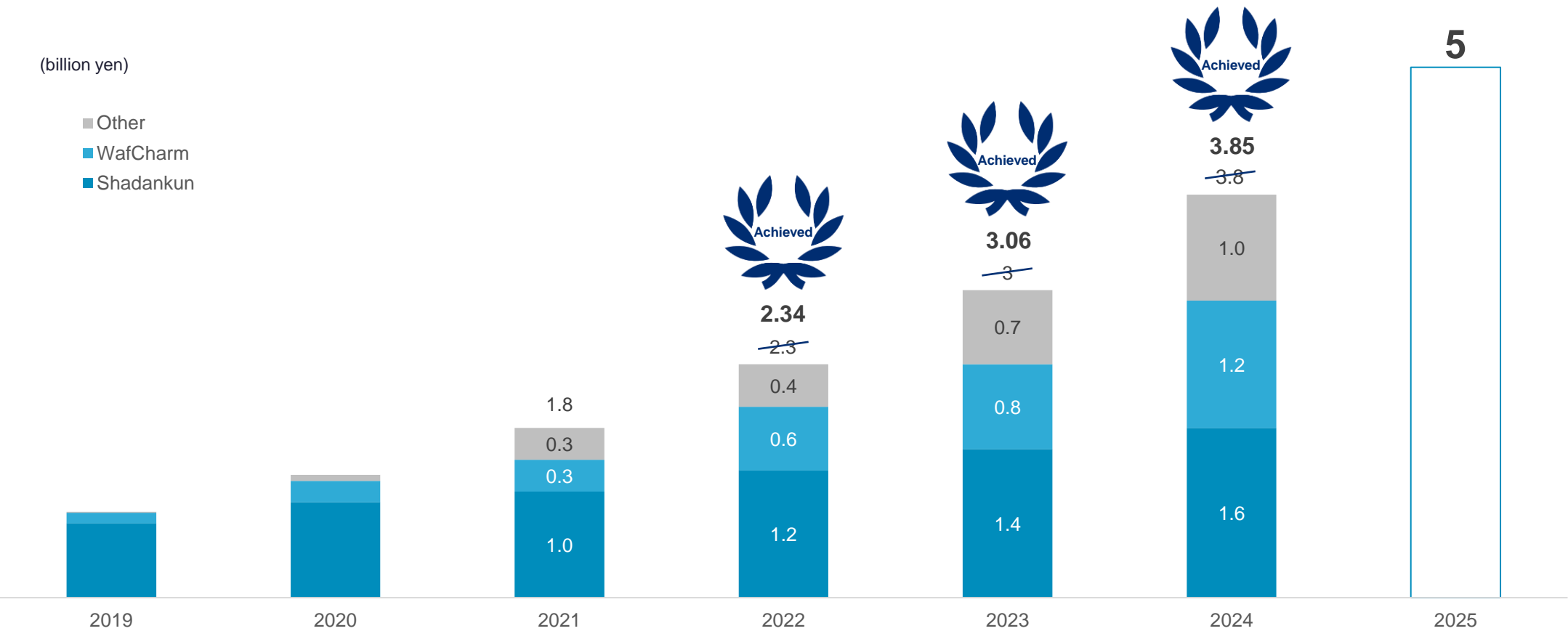
Financial targets are **revenue of 5 billion yen and an operating income of 1 billion yen.**

To accelerate global expansion and **increase overseas sales ratio to 10%**

Financial target (1) Achievement of sales of 5 billion yen

- **Targeting top domestic companies in the 'Web Security' field, CSC aims for a sales revenue of 5 billion yen**
- **CSC aims to achieve an overseas sales ratio of over 10%[1] by not only leveraging WafCharm but also capitalizing on the strong performance of Managed Rules and the introduction of our new service, CloudFastener**
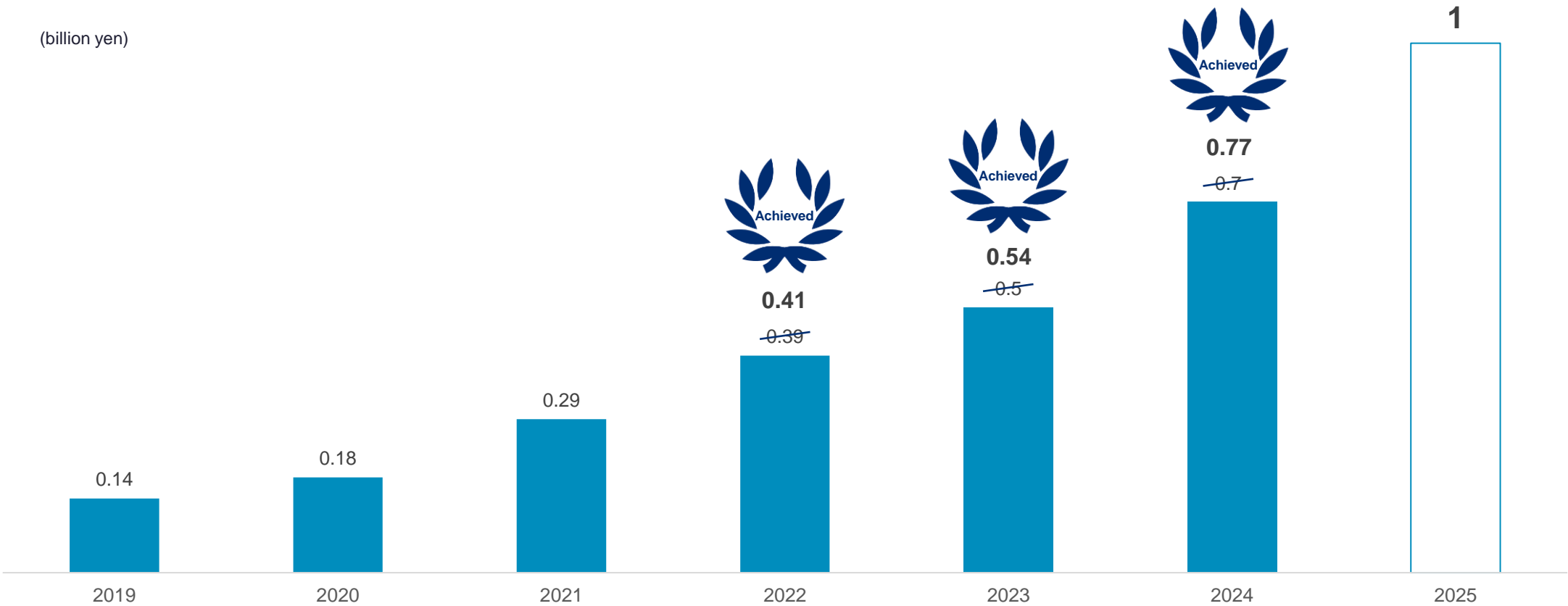
(billion yen)

- Other
- WafCharm
- Shadankun

Year	2019	2020	2021	2022	2023	2024	2025
Other			0.3	0.4	0.7	1.0	
WafCharm			0.3	0.6	0.8	1.2	
Shadankun			1.0	1.2	1.4	1.6	
Total			1.8	2.34 (~~2.3~~)	3.06 (~~3~~)	3.85 (~~3.8~~)	5

Achieved (2022, 2023, 2024)

*1 CSC targets overseas revenue exceeding 500 million yen from its AWS-related services, including WafCharm, Managed Rules, and CloudFastener.

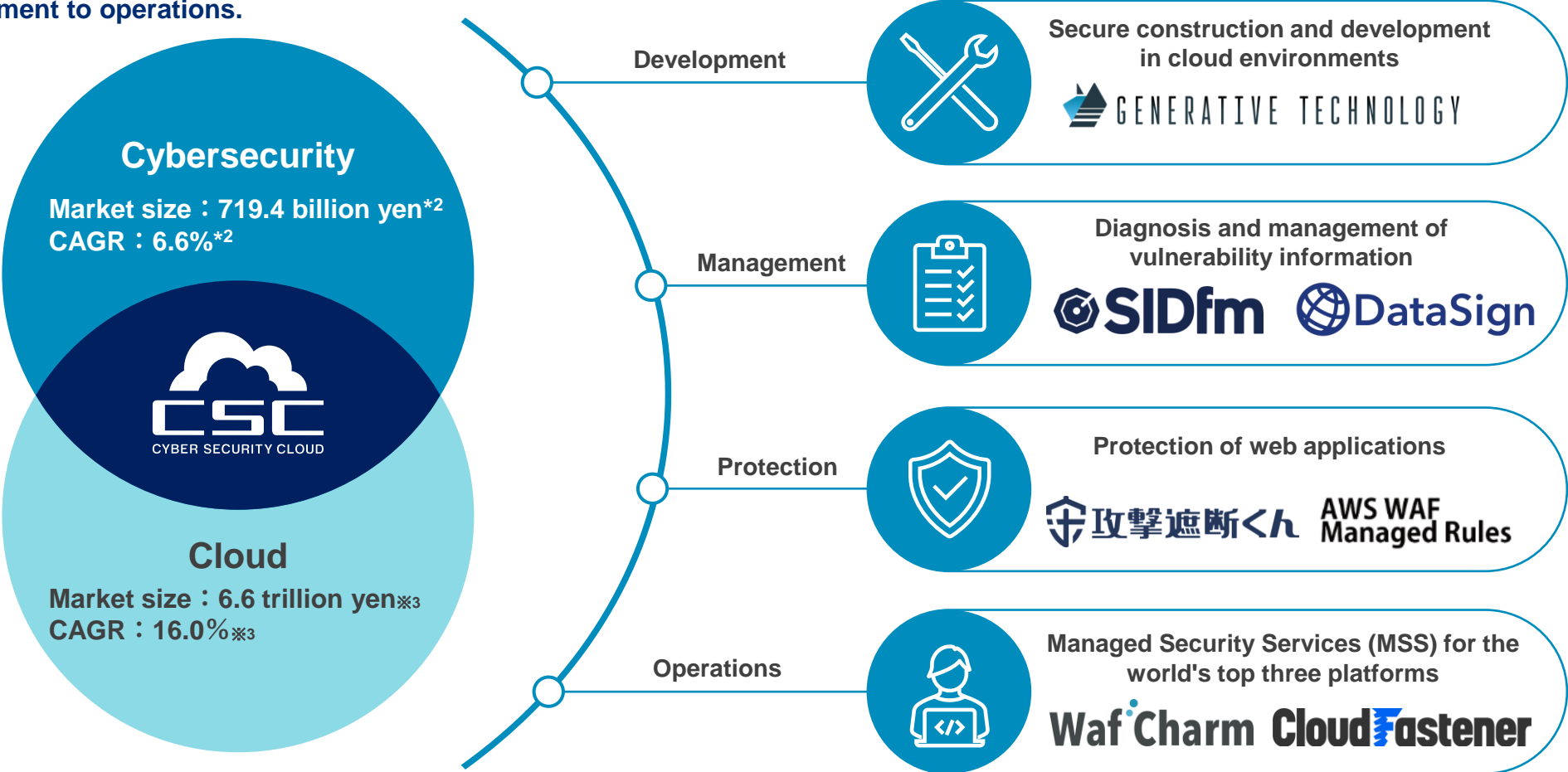# Financial target (2) Operating income of 1 billion yen in 2025

- CSC plans to execute aggressive marketing activities to expand recognition both domestically and internationally, with a focus on our new service.
- While making preemptive investments, CSC also aims to continue profit growth and strive to achieve an operating profit of 1 billion yen by FY2025.

(billion yen)

2019	2020	2021	2022	2023	2024	2025
0.14	0.18	0.29	**0.41** (~~0.39~~) Achieved	**0.54** (~~0.5~~) Achieved	**0.77** (~~0.7~~) Achieved	**1**

[Mid-to-Long-Term Strategy] Focus on Cloud × Cybersecurity

- CSC is targeting two high-growth and large-scale markets: the ever-evolving "cloud industry" and the" cybersecurity sector", where there is a shortage of specialized talent.

- Our goal is to become a one-of-a-kind company specializing in this domain by providing an end-to-end solution covering the entire process from cloud system development to operations.

Cybersecurity

Market size：719.4 billion yen*2
CAGR：6.6%*2

Cloud

Market size：6.6 trillion yen※3
CAGR：16.0%※3

Development
Secure construction and development in cloud environments
GENERATIVE TECHNOLOGY

Management
Diagnosis and management of vulnerability information
SIDfm · DataSign

Protection
Protection of web applications
攻撃遮断くん · AWS WAF Managed Rules

Operations
Managed Security Services (MSS) for the world's top three platforms
WafCharm · CloudFastener

*1 Refers to services such as AWS, Microsoft Azure, and Google Cloud that allow users to access various functions, including software and infrastructure, via the internet.
*2 Cybersecurity Market: Market size of the overall network security market in 2024. The CAGR is projected for 2023–2029, according to the "2024 Network Business Comprehensive Survey" by Fuji Chimera Research Institute.
*3 Cloud Market: Market size of the public cloud-related SI market within the domestic SI market in 2024. The CAGR is projected for 2022–2027, based on the "2024 Cloud Computing: Current Status and Future Outlook" by Fuji Chimera Research Institute.

[Mid-to-Long-Term Strategy] Revenue Growth Vision

- **CSC aima to grow security operations into the next core pillar of our business, driving ARPU growth and maximizing LTV through cross-selling.**

- **Our strategy is built on four key pillars: Sales, Product, Community, and M&A, with the goal of achieving disruptive growth.**

Future Revenue Growth Vision

- Development
- Management
- Operations
- Protection
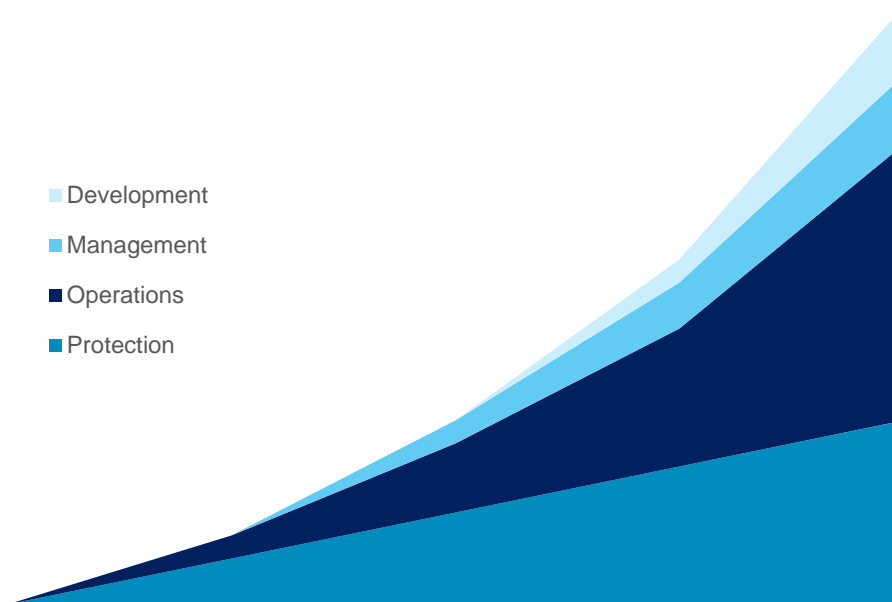
✓ In addition to our existing solutions, CSC aims to develop security operations into our second core service.

✓ Our goal is to establish our position as the No.1 cybersecurity company, capable of providing end-to-end services from cloud system development to operations.

Strategies for Growth

① Sales-Led Growth
・Strengthen approaches to decision-makers
・Improve sales efficiency through enhanced partnerships

② Product-led Growth
・Highlight product value directly by enriching web content
・Strengthen alliances with major corporations for joint development

③Community-led Growth
・Provide platforms for users to share best practices
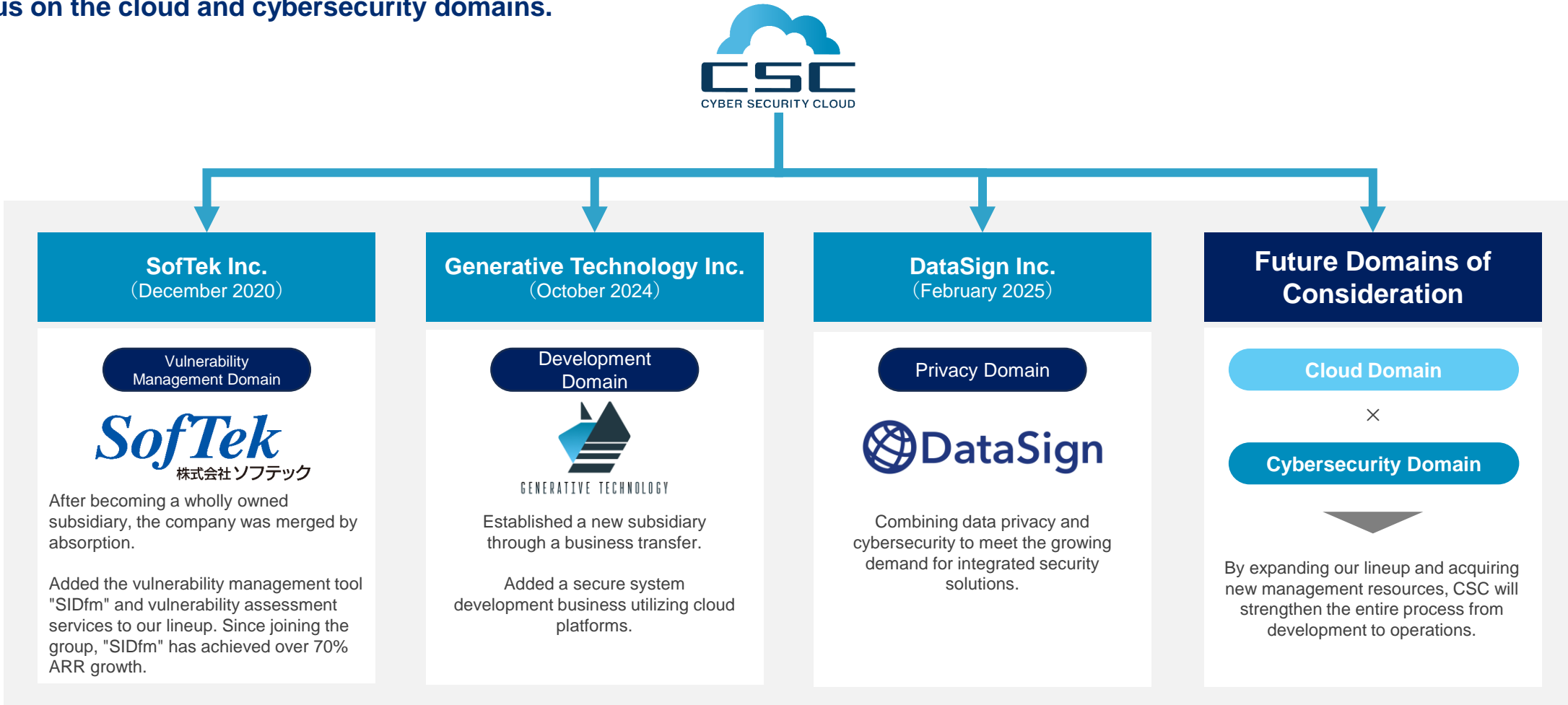・Leverage cloud platform community networks

④ M&A Growth
・Expand the service lineup and acquire new management resources
・Broaden the target scope to include not only products but also system development and operations

Our M&A Strategy

- **CSC has completed a total of three M&A transactions to date. With a focus on mid-to-long-term growth, CSC has incorporated M&A-driven expansion as one of our key strategies.**
- **Moving forward, CSC will continue to actively explore opportunities, expanding our targets from development to operations, with a focus on the cloud and cybersecurity domains.**

CSC CYBER SECURITY CLOUD

SofTek Inc. （December 2020）	Generative Technology Inc. （October 2024）	DataSign Inc. （February 2025）	Future Domains of Consideration
Vulnerability Management Domain	Development Domain	Privacy Domain	Cloud Domain
SofTek 株式会社ソフテック	GENERATIVE TECHNOLOGY	DataSign	×
			Cybersecurity Domain
After becoming a wholly owned subsidiary, the company was merged by absorption. Added the vulnerability management tool "SIDfm" and vulnerability assessment services to our lineup. Since joining the group, "SIDfm" has achieved over 70% ARR growth.	Established a new subsidiary through a business transfer. Added a secure system development business utilizing cloud platforms.	Combining data privacy and cybersecurity to meet the growing demand for integrated security solutions.	By expanding our lineup and acquiring new management resources, CSC will strengthen the entire process from development to operations.

(Reference) Softec Inc.: Result of the M&A

- Following the absorption-type merger in April 2022, CSC marketed SIDfm under its own brand, resulting in a 71.6% increase in ARR over four years since the acquisition.

- More than half of SIDfm users also use other CSC services, contributing to the company's overall ARR growth.

Variation in ARR

71.6% growth over 4 years

(Million yen)

247

144

2020年   2024年
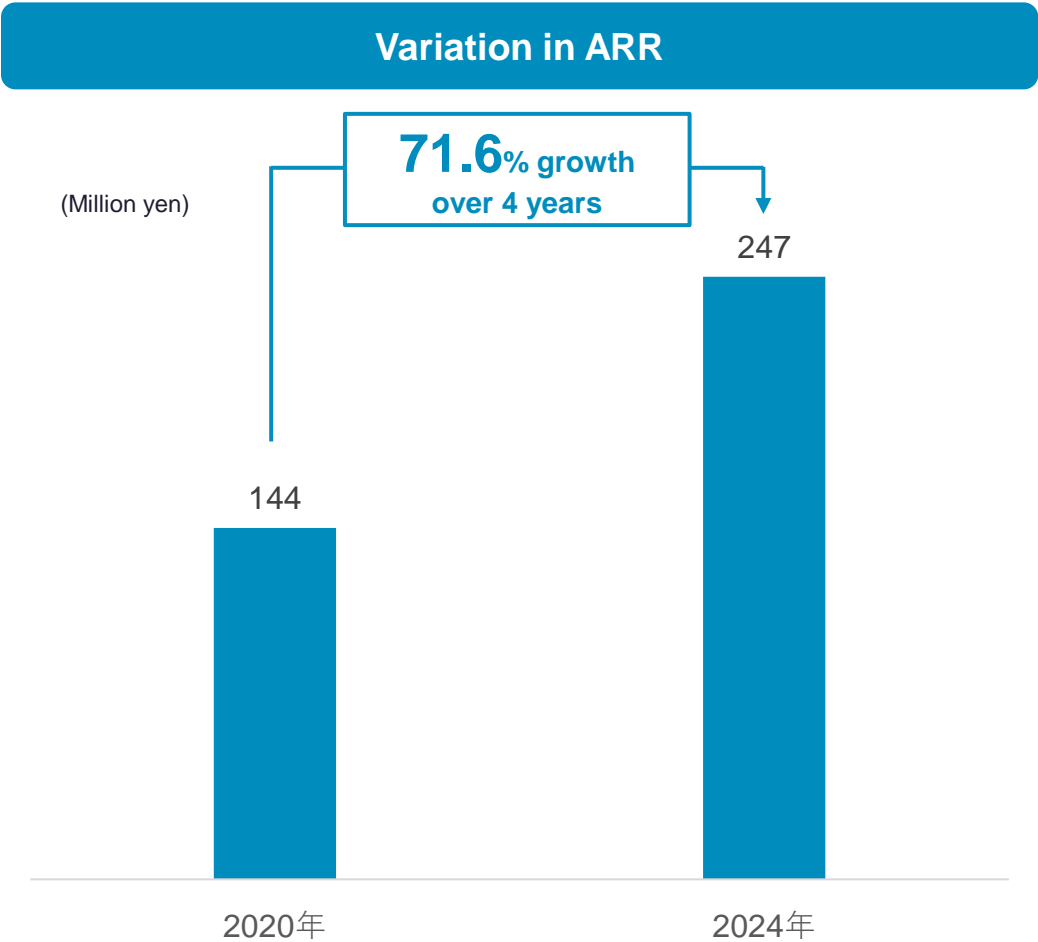
High cross-selling ratio

攻撃遮断くん

SIDfm ✕ Waf Charm

CloudFastener

Cross-sell rate 56%

Over half of clients acquired since the absorption-type merger in April 2022 use other products.

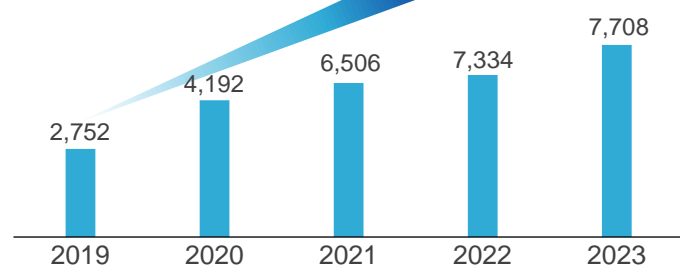**IV** Market Environment Surrounding Our Company

The current state of cybersecurity in Japan

- As cyber attacks become more complex and sophisticated, the scope of monitoring and defense continues to widen, yet there is a chronic shortage of security professionals
- With the advancement of stricter penalties for personal data breaches, companies are required to implement more robust security measures
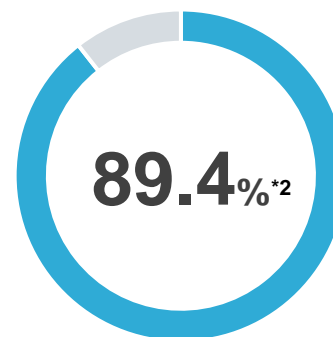
Challenges surrounding security

Cyber attacks are on the rise[*1]

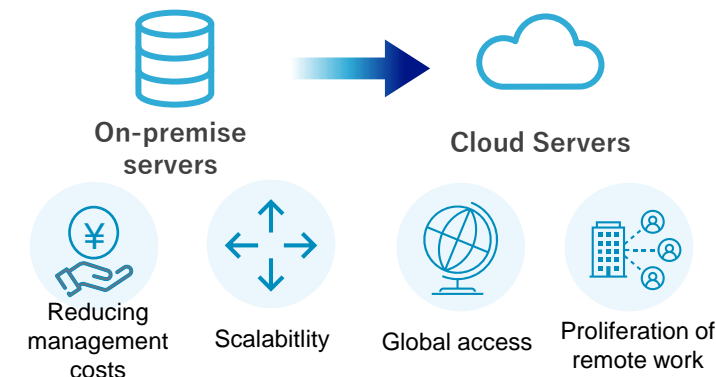■ # of cyber attack detections per day, per IP address

Approx **2.8x** in 4 years

2019	2020	2021	2022	2023
2,752	4,192	6,506	7,334	7,708

Shortage of security professionals

89.4%[*2]

Acceleration of the shift from on-premises to cloud

On-premise servers → Cloud Servers

Reducing management costs | Scalabitlity | Global access | Proliferation of remote work

National movements

- Amendments to the Personal Information Protection Act (2022)[*3]: Mandatory reporting to the Personal Information Protection Commission in the event of a data breach, with corporate penalties increased up to 100 million yen.
- Cyber Management Guidelines 3.0 (2023)[*4]: Disclosure of the 'three principles' that managers should recognize and the 'ten critical items' that should be directed to the Information Security Officer (CISO, etc.)."

*1 National Police Agency Public relations materials (as of September 21, 2023)
*2 NRI Secure Insight 2022
*3 Personal Information Protection Commission
*4 Ministry of Economy, Trade and Industry: "Cybersecurity management Guidelines Ver. 3.0"

The cybersecurity needs of Japanese companies

- Even companies that are short on security personnel need a mechanism that can reliably prevent increasingly sophisticated cyber attacks
- It is also important that a small number of personnel, who may not have high specialization, can continue to operate the system

Challenges for companies in security

Due to a shortage of manpower, the following problems are occurring:

- Aware importance of cybersecurity but have no idea what to do.

- No budget

- Unable to respond in-house in case of an emergency

Traditional security management has its limitations…

Features and services demanded by companies

A system that realizes the sophistication and efficiency of security management by utilizing tools that can detect and defend against new attacks

e.g.

- A system that automatically blocks cyber attacks just by being implemented

- Pricing that is accessible to small and medium-sized enterprises
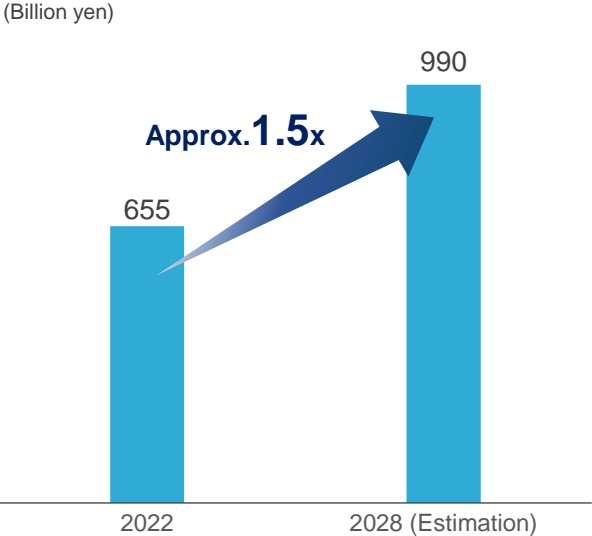
- Support available 24 hours a day, 365 days a year in Japanese
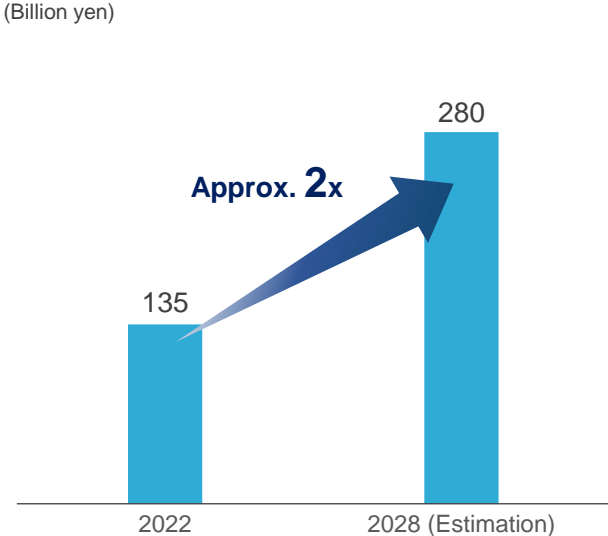
Market size in Japan

- Security investment is accelerating across Japan, with the cloud security market significantly driving this growth
- High growth is anticipated within the security domain CSC operates in, and CSC aims to steadily capture the increasing demand over the medium to long term

Domestic security investment scale[1]	Size of the domestic cloud security market[1]	Market size in the sector relevant to our products[2]

(Billion yen)

Domestic security investment scale[1]

- 990 (2028 Estimation)
- Approx. **1.5x**
- 655 (2022)

(Billion yen)

Size of the domestic cloud security market[1]

- 280 (2028 Estimation)
- Approx. **2x**
- 135 (2022)

(Billion yen)

Market size in the sector relevant to our products[2]

- 335 (2028 Estimation)
- Approx. **1.9x**
- 181 (2022)
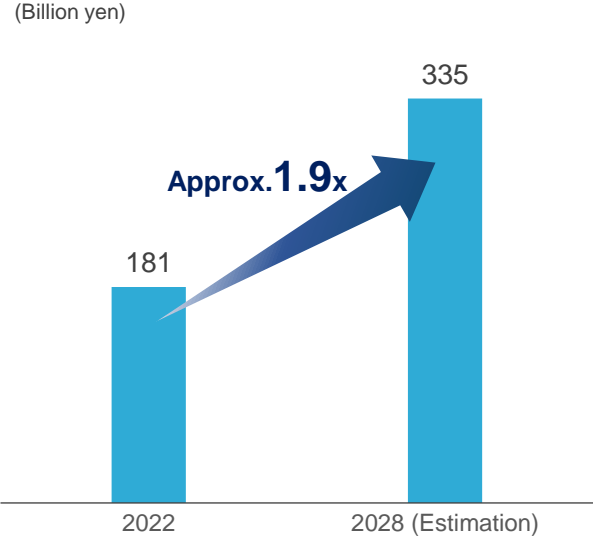
*1 Fuji Chimera Research Institute: "2023 Network Security Business Survey Comprehensive Market Edition," released December 14, 2023
*2 Fuji Chimera Research Institute: "2023 Network Security Business Survey Comprehensive Market Edition," released December 14, 2023
   Our sector = WAF (Web Application Firewall) market + Vulnerability management market + MSS (Managed Security Service) market

The potential of the market in CSC's business domain

- **By looking beyond the domestic market to the global stage, CSC can capture a vast market.**

Global Market

Approx. 6,510 billion yen

**WAF
(Web Application
Firewall)**

Approx.

810 billion yen*1

**Vulnerability
Management**

Approx.

1,900 billion yen*2

**MSS
(Managed Security
Service)**

Approx.

3,800 billion yen*3

Positioning of Our Company in the Cyber Security Market

- **Our company is one of a few domestic makers that develop, operate, and sell software in-house in the Japanese cyber security market, where overseas products are dominant.**

Web security

Trading firms that offers service consultancy services

Many security firms

In-house products

Company A

Company B

Company C

Company D
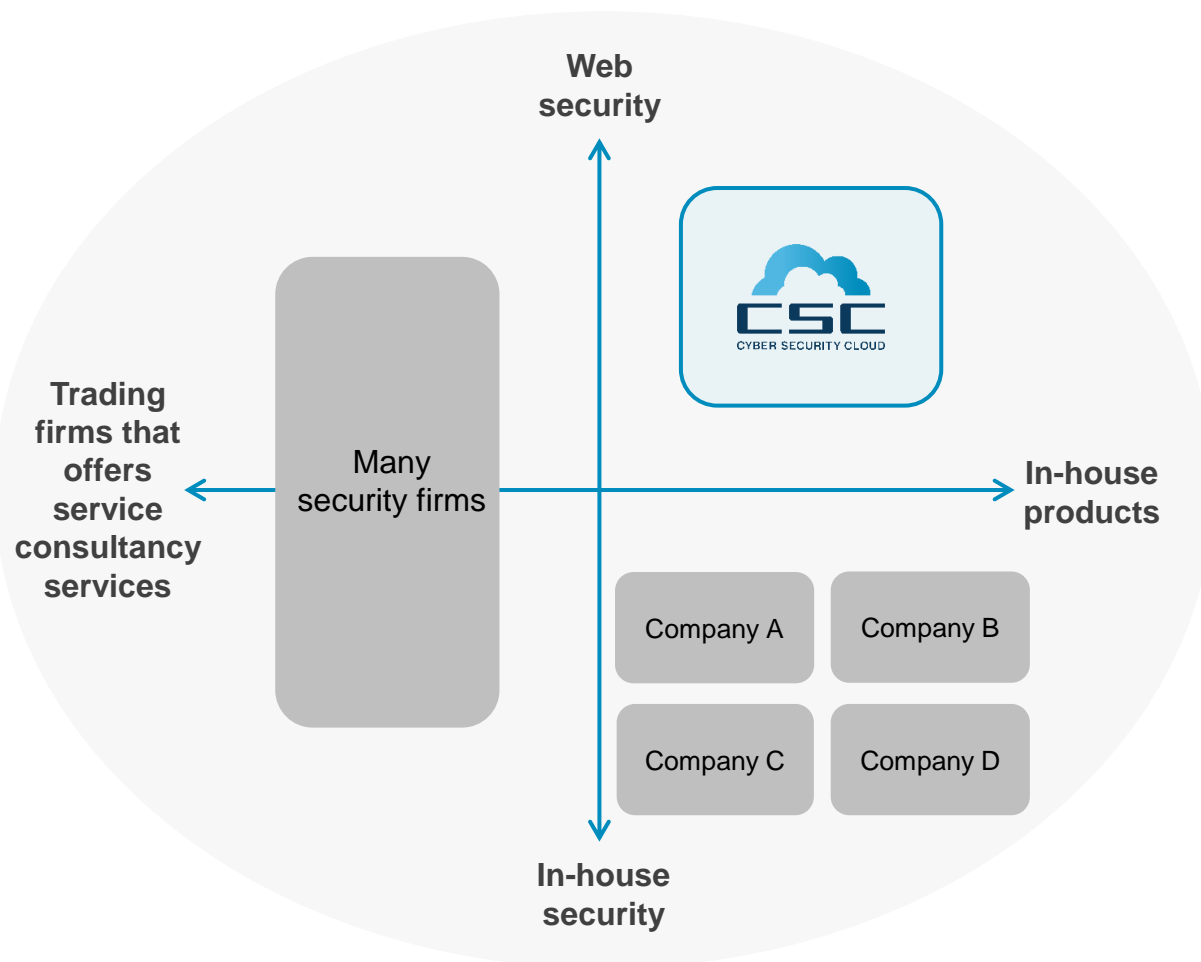
In-house security

Positioning of CSC

① **In-house products**

CSC offers our own products developed by our engineers. CSC can provide our software flexibly according to customer needs, as CSC develop and operate the software by ourselves.

② **Web security**

Differing from security services for protecting PCs and networks, our services protect corporate websites.

Ⅴ   Company Profile

Corporate Profile

Corporate name	Cyber Security Cloud, Inc.
Date of establishment	August 11, 2010
Date of listing	March 26, 2020
Representatives	Toshihiro Koike, Representative Director, President, and CEO
	Yoji Watanabe, Representative Director and CTO
Executives	Masafumi Kurata, Director and CFO (certified public accountant)
	Hayato Kiriyama, Director, CSO and CISO
	Seiichi Nakagawa, CRO
	Yoshinori Ikura, Outside Director (lawyer)
	Hiroshi Kurihara, Outside Director
	Daichi Seki, Full-time Auditor (certified public accountant)
	Ikuo Murata, Outside Auditor
	Kenta Izumi, Outside Auditor
Location	13th floor of JR Tokyu Meguro Bldg., 3-1-1 Kamiosaki, Shinagawa-ku, Tokyo
Business description	Development and provision of cyber security services utilizing AI technology
Group companies	Cyber Security Cloud Inc. （USA）
	Cyber Security Cloud Pte. Ltd. （Singapore）
	Generative Technology Inc.
	DataSign Inc,

History

- **Since our establishment in 2010, CSC has specialized in the field of web security**
- **CSC is rolling out "cloud-native" products that capitalize on the benefits of the cloud one after another**

2018
Established
Cyber Security Cloud Inc. （U.S.）

2023
Launched
CloudFastener

2024
Established Generative Technology Inc.

2021
Rolled out WafCharm for AWS users in the U.S. (Expansion of operations in the U.S)

Established subsidiary in Singapore

2019
Launched
Managed Rules

2025
Acquired DataSign

2017
Launched
WafCharm

2020
Listed in TSE
Acquired Softek

2013
Launched
攻撃遮断くん

2010
Foundation

Revenue
（million yen）

2014/06	2015/06	2016/06	2016/12	2017/12	2018/12	2019/12	2020/12	2021/12	2022/12	2023/12	2024/12	2025/12
19	29	69	66	246	488	816	1,194	1,790	2,342	3,060	3,857	5,000

Our Management Team

A management team with extensive experience and deep knowledge of SaaS development and cloud security technologies to drive growth

Representative Directors

Toshihiro Koike, Representative Director, President and CEO

- Born in 1983. Graduated from Faculty of Law, Konan University
- 2006 Joined Recruit HR Marketing Kansai (now Recruit)
- 2016 Appointed COO and Director of the Japanese subsidiary of AppSocially Inc. of the U.S., a communication tool SaaS developer
- 2018 Founded ALIVAL Corporation (now M&A Navi)
- 2021 Appointed President and CEO of the Company

Yoji Watanabe, Representative Director, CTO

- Born in 1975. Graduated from Faculty of Science and Engineering, Meiji University
- Engaged in research and development of cloud systems, real-time distributed processing and anomaly detection at a major IT company
- 2016 Joined the Company; served as CTO and a Director
- 2021 Appointed as Representative Director and CTO

Director & CXO

Masafumi Kurata, Director and CFO

- Certified Public Accountant. Joined the Company in 2017 after working for Taiyo LLC.
- Appointed as a Director in 2019

Hayato Kiriyama, CSO and CISO

- Head of Security Business at Amazon Web Services Japan, LLC
- Visiting Associate Professor at Graduate School of Management, Globis University (current position)

Seiichi Nakagawa, CRO

- Led the launch of the Partner Solutions Engineer program at Microsoft
- Contributed to the launch of Amazon Web Services Japan
- Served as Country Manager at multiple global SaaS companies

Hiroshi Kurihara, Outside Director

- Served as President and Representative Director of Fuji Xerox Co.
- Chairman, Japan Telework Association (current position)

Yoshinori Ikura, Outside Director

- Attorney at law; worked at AZX Law Office and Kairos Sogo Law Office before becoming Representative of Ikura Sogo Law Office (current position)

To create a secure cyberspace
that people around the world can use safely

Operation of Web Security Business for Blocking Attacks From Hackers

- Enterprises implement cyber security measures mainly in two fields

Web security

Hacker → Website

Attacks through unauthorized access

Damage attributable to the vulnerability of a system

(Example: The login page of an EC site was manipulated, and personal information of users was stolen.)

In-house security

Virus → Devices

Attacks through viral infection

Damage attributable to the vulnerability of people

（Example: A file attached to a suspicious email was opened, a PC was infected with a virus, and information was stolen from the PC.)

Major Cases of Cyber Attacks

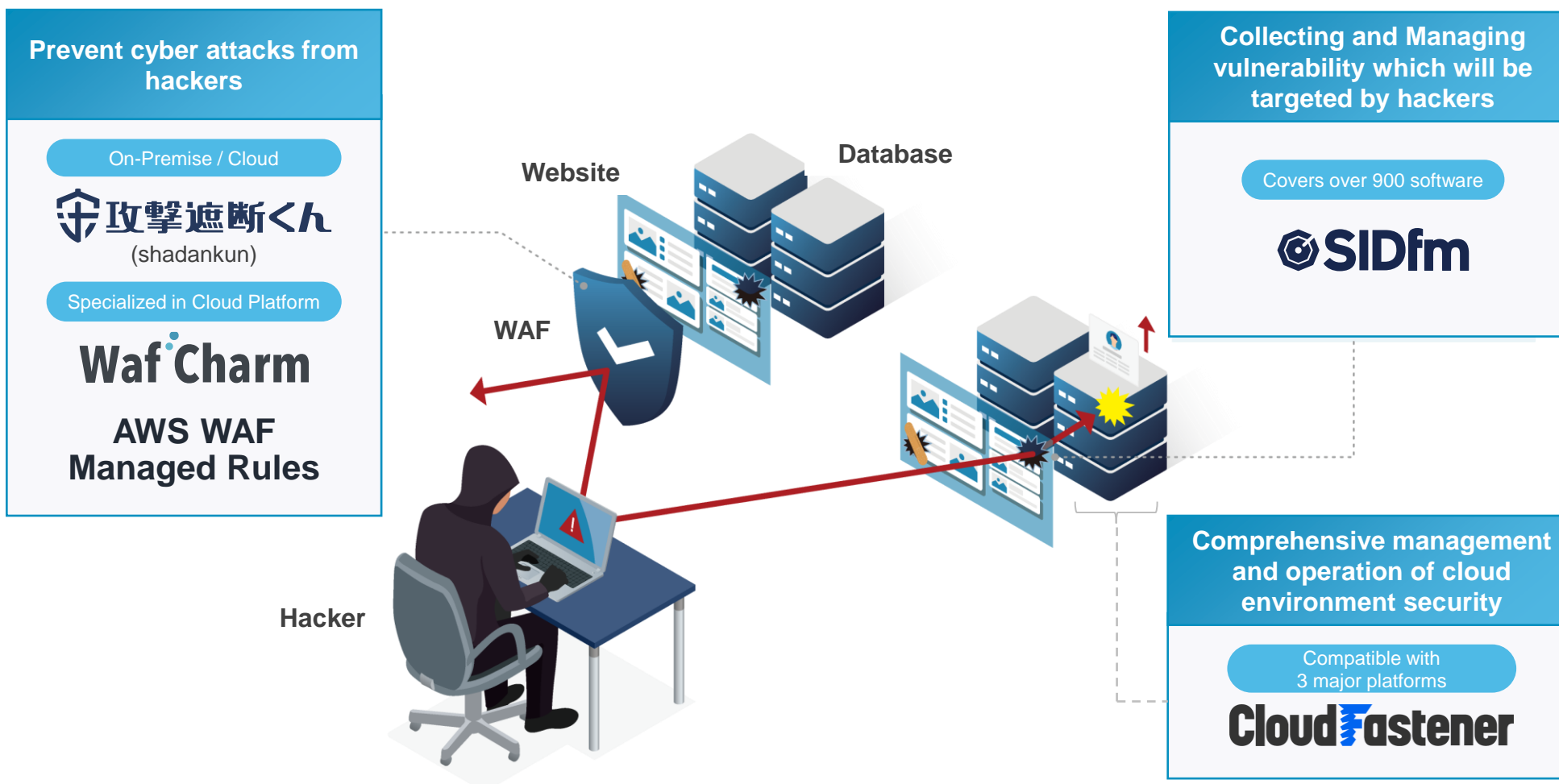|	
DDoS attacks	Multiple computers send a huge amount of access and data to a target server.
SQL injection	An improper string of letters is input to attack the database of web apps.
Cross site scripting	A trap is set on a specific website to lead users visiting the website to another vulnerable website and steal personal information.
Zero-day attacks	Attacks carried out during a period from the discovery of vulnerabilities to the application of fixed programs and corresponding patch.
Brute-force attacks	To find a password, all theoretically possible patterns are entered.
Password list attacks	Using pre- obtained IDs and passwords, they try to access a website and log in illegally.

Roles of Our Products in the Web Security Field

- **CSC provides means to "protect" corporate websites and web services from hacker attacks, "fix" vulnerabilities, and "manage and operate" the security of cloud environments comprehensively**

Prevent cyber attacks from hackers

On-Premise / Cloud

攻撃遮断くん
(shadankun)

Specialized in Cloud Platform

Waf Charm

AWS WAF Managed Rules

Collecting and Managing vulnerability which will be targeted by hackers

Covers over 900 software

SIDfm

Comprehensive management and operation of cloud environment security

Compatible with 3 major platforms

CloudFastener

Website

Database

WAF

Hacker

Cloud-type WAF "Shadankun"

● **CSC has the largest share in the Japanese market. It has been adopted for over 20,000 websites and protects against threats such as personal information leakage and service suspension due to unauthorized access**

DDoS attacks
Unauthorized access

攻撃遮断くん
(shadankun)

Authorized access

Shopping

Website

✓ **The largest share in the Japanese market** *

✓ **Can be installed in a minimum of one day**

✓ **Can be used with a fee ranging from 10,000 yen per month**

✓ **Broadly used in various industries and businesses**

Compatible with all kinds of web systems

Since it was developed in house and is operated by our company, swift reaction is possible.

It is possible to detect unknown attacks and faulty detections speedily.

Support in Japanese 24 hours a day, 365 days a year

* Fuji Chimera Research Institute: "2023 Network Security Business Survey Comprehensive Market Edition," released December 14, 2023

WafCharm: a Tool for Automatic Operation of Public Cloud WAF

- **An automatic operation service which is compatible with the 3 major global platforms and enables easy WAF operation such as adjustment of defense rules. It has the largest share in Japan.**

WafCharm

Researcher   Support

Automatic

Web

WAF
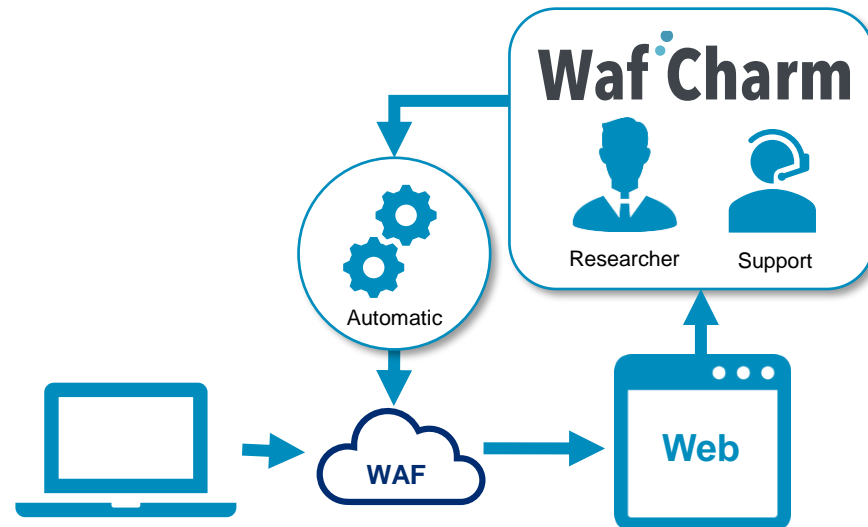
- ✓ **The largest share in the Japanese market** [1]
- ✓ **Can be installed through a few steps**
- ✓ **Can be used in over 220 countries** [2]

Compatible with the three major cloud platforms[3]

It is possible to produce and set optimal rules for each client's environment.

Our know-how for defense nurtured through Shadankun is utilized.

Global support 24 hours a day, 365 days a year

*1 Summary of the survey by JMRO: Survey on results for FY 7/2020
*2 For WafCharm for AWS Marketplace
*3 Amazon Web Service、Microsoft Azure、Google Cloud（Canalys "Canalys Newsroom- Global cloud services spend hits record US$49.4 billion in Q3 2021"）

Managed Rules: a Set of Rules Exclusively for AWS WAF

- **A set of basic rules used in over 100 countries around the world and summarizing our know-how for defense CSC accumulated as a company with the largest share of the cloud-type WAF in Japan**
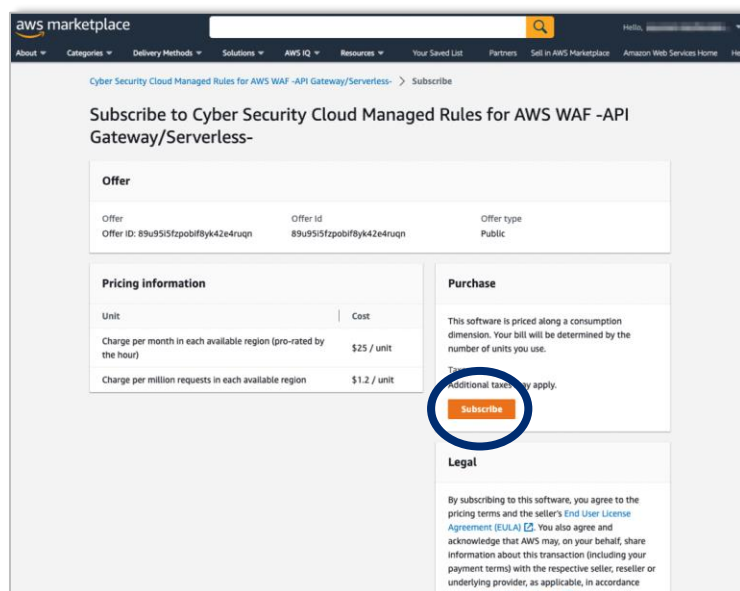
- ✓ **Only 8 companies selected by AWS to sell**[1]

- ✓ **Can be started with a few clicks**

- ✓ **Pay-per-use with a monthly fee ranging from $25**

- ✓ **Used by users in over 90 countries**

Self-serve type in AWS marketplace

Equipped with the customization function

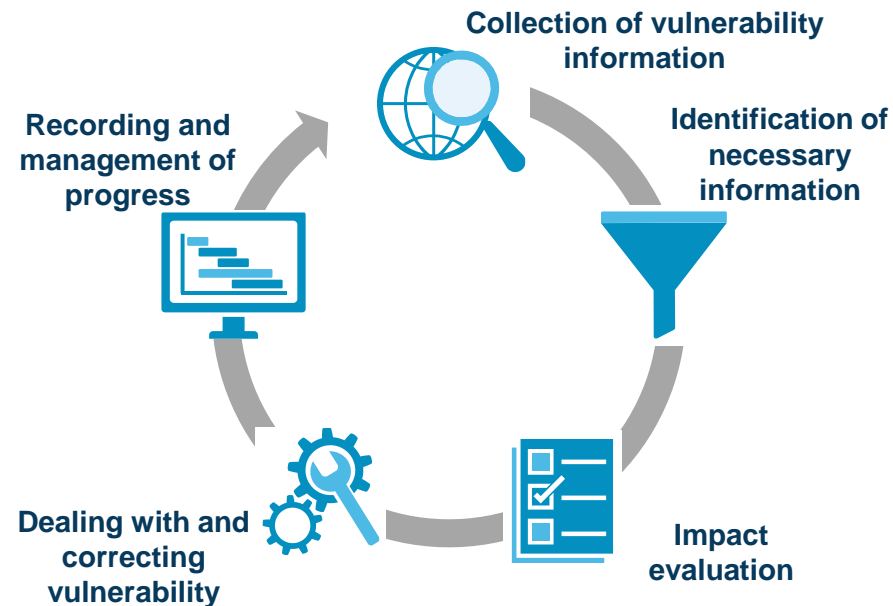It can easily block representative cyber attacks

Received the award of AWS Marketplace Partner of the Year[2]

[1] CSC, Fortinet、F5、Penta Security、ThreatSTOP、imperva、MONITORAPP、SunDevs
[2] The world's first as a Japanese enterprise (as of the end of Dec. 2022)

SIDfm: a Tool for Collecting and Managing Vulnerability Information

- **The first all-in-one tool in Japan for automatically obtaining and managing vulnerability information of a system. It has a history of over 20 years and reliability.**

Collection of vulnerability information

Identification of necessary information

Recording and management of progress

Dealing with and correcting vulnerability

Impact evaluation

- ✓ **Experience and a track record of over 20 years[1]**

- ✓ **It can be used by paying a monthly fee ranging from 40,000 yen[2]**

- ✓ **Over half of the users are listed companies**

- ✓ **Churn rate is as low as 0.2%**

Compatible with over 900 products

Automation of collection of vulnerability information

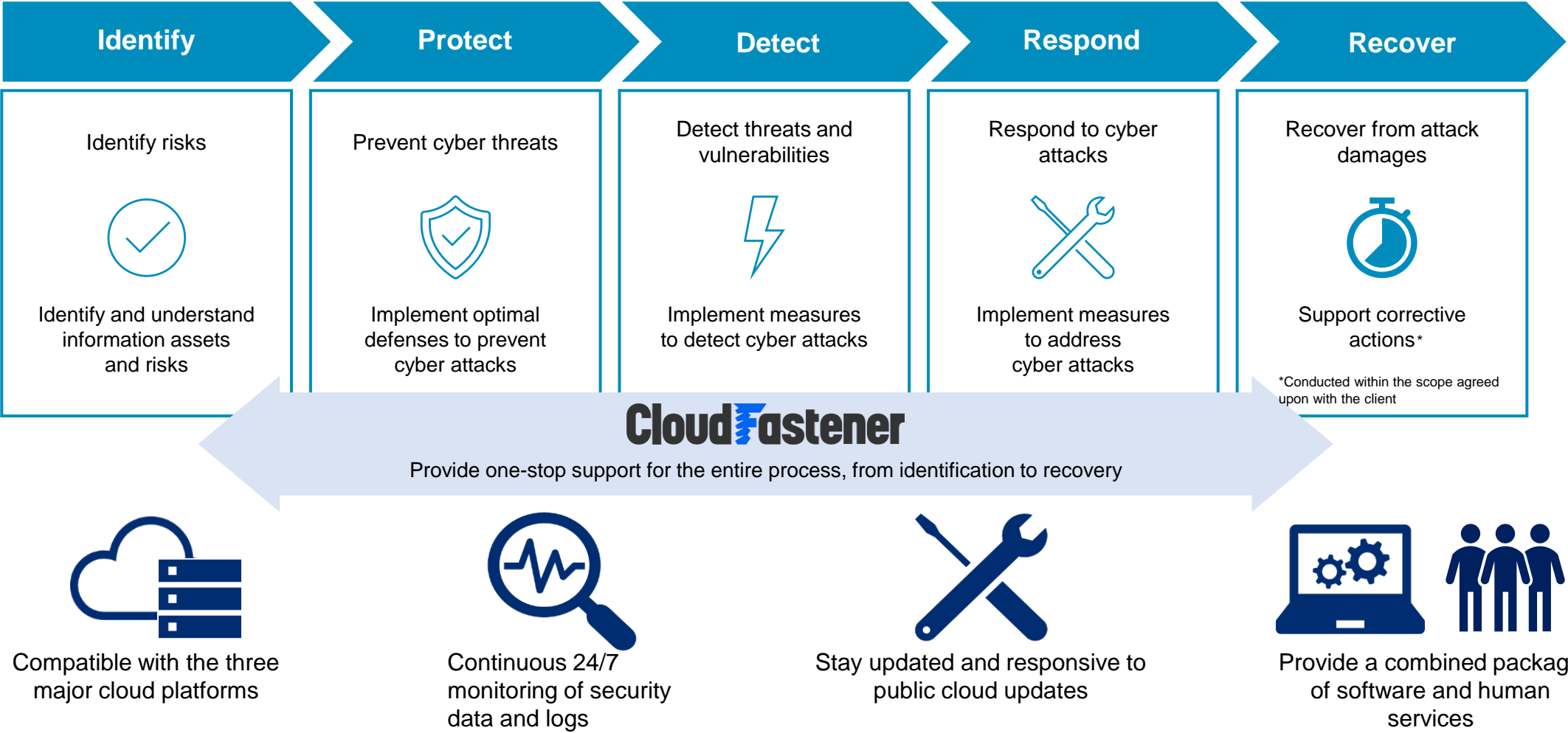Provision of difficult-to-understand vulnerability information in Japanese

Support by experts in vulnerability

[1] Softek acquired in 2020 started business in 1999.
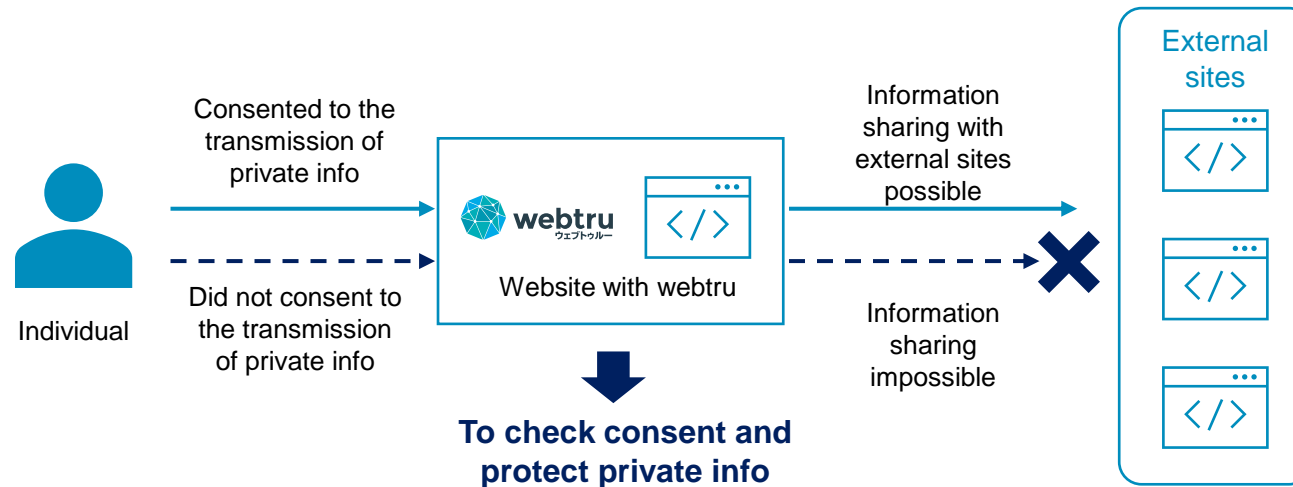[2] The annual fee of SIDfm Group was converted to the monthly fee.

Fully Managed Security Service, 'CloudFastener'

- **A service that manages and operates AWS, Microsoft Azure, and Google cloud security services 24/7, 365 days a year**
- **By building a secure AWS environment in accordance with best practices, it reduces the security risks faced by businesses**

Identify	Protect	Detect	Respond	Recover
Identify risks	Prevent cyber threats	Detect threats and vulnerabilities	Respond to cyber attacks	Recover from attack damages
Identify and understand information assets and risks	Implement optimal defenses to prevent cyber attacks	Implement measures to detect cyber attacks	Implement measures to address cyber attacks	Support corrective actions*

*Conducted within the scope agreed upon with the client

CloudFastener

Provide one-stop support for the entire process, from identification to recovery

Compatible with the three major cloud platforms

Continuous 24/7 monitoring of security data and logs

Stay updated and responsive to public cloud updates

Provide a combined package of software and human services

"webtru," a Tool for Managing Private Info and Consent

- **All enterprises can easily automate the processes for securing privacy and follow the regulations in each country.**

Individual

Consented to the transmission of private info

Did not consent to the transmission of private info

webtru
ウェブトゥルー

Website with webtru

To check consent and protect private info

Information sharing with external sites possible

Information sharing impossible

External sites

✓ **The largest share in the market of tools made in Japan[*1]**

✓ **Can be installed on the day of order placement at the earliest.**

✓ **Covering 84 languages**

✓ **Minimum charge: 6,000 yen/month**

Compliance with regulations in each country

Support in Japanese

High-precision automatic production with a patented technology
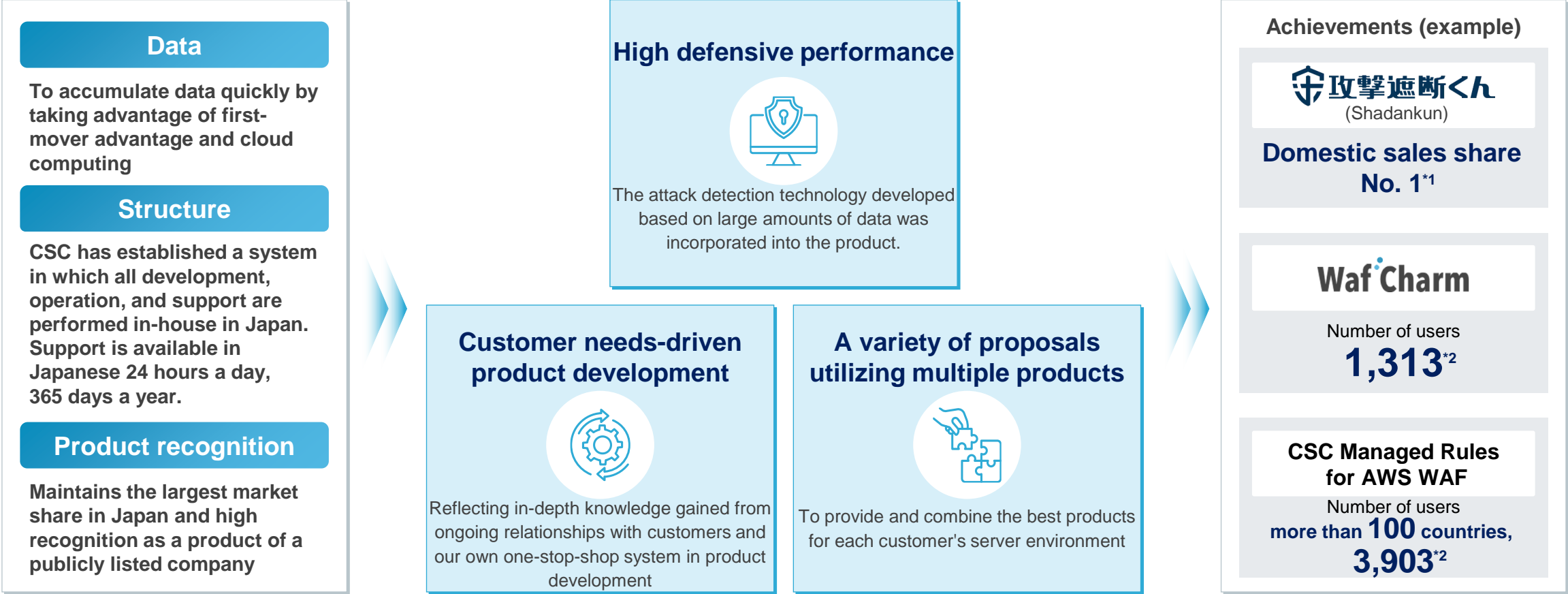
The only Google-certified CMP partner in Japan[*2]

*1: Surveyed by Oshiete URL
*2: Certified program for supporting the optimization of digital marketing activities in accordance with privacy regulations

Our Characteristics (1) Domestically produced, area-specific, cloud-based products

- **Specializing in the web security domain and focusing on domestically produced products and extensive support, we quickly gained customers.**
- **Utilizing accumulated data and customer feedback in development, we provide multiple products with high defense performance, reliability, and security.**

Data

To accumulate data quickly by taking advantage of first-mover advantage and cloud computing

Structure

CSC has established a system in which all development, operation, and support are performed in-house in Japan. Support is available in Japanese 24 hours a day, 365 days a year.

Product recognition

Maintains the largest market share in Japan and high recognition as a product of a publicly listed company

High defensive performance

The attack detection technology developed based on large amounts of data was incorporated into the product.

Customer needs-driven product development

Reflecting in-depth knowledge gained from ongoing relationships with customers and our own one-stop-shop system in product development

A variety of proposals utilizing multiple products

To provide and combine the best products for each customer's server environment

Achievements (example)

攻撃遮断くん (Shadankun)

Domestic sales share No. 1[1]

Waf Charm

Number of users
1,313[2]

CSC Managed Rules for AWS WAF
Number of users
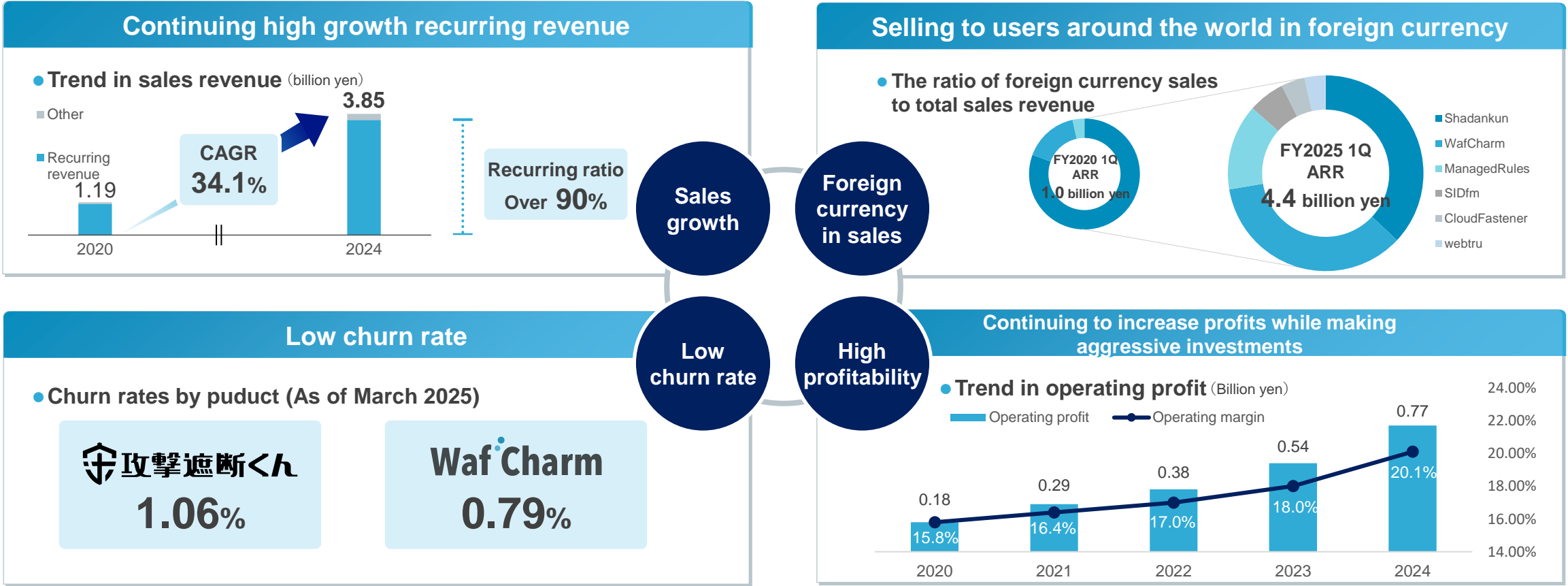**more than 100 countries, 3,903**[2]

*1 Deloitte Tohmatsu Economic Research Institute "Current Status and Future Outlook of the External Threat Countermeasure Solution Market, Fiscal Year 2023"
*2 As of March 2025

Our Characteristics (2) Stable Earnings Base

- Continuing to increase revenue and profit since the IPO while making aggressive investments
- The expansion of products for overseas markets and having a diverse customer base also contribute to stable profit creation

Continuing high growth recurring revenue

● **Trend in sales revenue** （billion yen）

- Other
- Recurring revenue

1.19 (2020)
3.85 (2024)

CAGR **34.1%**

Recurring ratio Over 90%

Selling to users around the world in foreign currency

● **The ratio of foreign currency sales to total sales revenue**

FY2020 1Q ARR **1.0 billion yen**

FY2025 1Q ARR **4.4 billion yen**

- Shadankun
- WafCharm
- ManagedRules
- SIDfm
- CloudFastener
- webtru

Sales growth
Foreign currency in sales
Low churn rate
High profitability

Low churn rate

● **Churn rates by puduct (As of March 2025)**

攻撃遮断くん **1.06%**

WafCharm **0.79%**

Continuing to increase profits while making aggressive investments

● **Trend in operating profit** （Billion yen）

- Operating profit
- Operating margin

Year	Operating profit	Operating margin
2020	0.18	15.8%
2021	0.29	16.4%
2022	0.38	17.0%
2023	0.54	18.0%
2024	0.77	20.1%

Direct sales

Listening to customer requests while providing careful support

- A strong team of experienced sales and marketing professionals
- Track record of serving approximately 3,000 companies

Partners
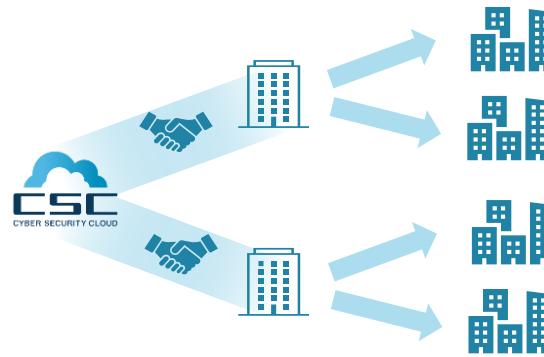
Ability to reach customers who are otherwise inaccessible to CSC

- Partner network of over 200 companies
- Robust relationships with AWS Premier Tier Services Partners

AWS Marketplace

Users around the world can make purchases at any time

- Used in over 100 countries worldwide
- Recipient of the "Marketplace Partner of the Year – APJ" award

By leveraging multiple sales channels, CSC can deliver its products to a broader range of customers

Companies That Adopted Our Services

- **Security needs are expanding across industries, sizes, and business types, leading to adoption by a wide range of companies.**
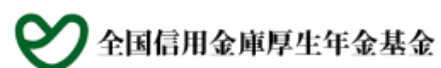
Competent Sales Partners Supporting the Sales Promotion of Our Services

- **CSC offers products to a wide range of users through numerous sales partners.**
- **Moving forward, CSC aims to expand our sales network by acquiring additional sales partners.**

*1 Abbreviation of Managed Service Provider. It means a service vendor that maintains, operates, and monitors IT systems.
*2 First-tier partners of AWS that possess expertise in designing and establishing AWS workloads and contribute significantly to the expansion of businesses of many clients.

Status of ESG Initiatives

- **Demonstrate presence as a company that makes desirable changes in society by reducing GHG emissions through the use of cloud computing and promoting digital human resource development and DX.**

- **As a leading cybersecurity company, we continue to strengthen initiatives for each stakeholder.**

E (Environment)

- **Contribution to a carbon-neutral society**
  - Contribution to cloud computing and DX development through business
  - Expansion of renewable energy through promotion of AWS use

- **Effective use of resources**
  - Promoting paperless operation
  - Space efficiency through telecommuting and free address

S (Society)

- **Cyber security awareness activities**
  - Establishment of the Cyber Security Alliance

- **Initiatives for Regional Development**
  - Corporate version of hometown tax payment

- **Promoting Diversity**
  - Employment of multinational personnel
  - Supporting Cybersecurity Woman of Japan

- **Provide educational opportunities internally and externally**
  - Employees: Assistance in purchasing books
  - Students: Cyber Security Lectures

G (Governance)

- **Establishment of Risk Compliance Committee**

- **Obtain Information Security Management System (ISMS) certification**

- **Creating internal mechanisms for risk response**
  - Internal reporting desk
  - Harassment training

Analyst report from Shared Research

An analyst report has been disclosed from Shared Research since Aug 2022.
Please review the report for a better understanding of our business.
https://sharedresearch.jp/en/companies/4493
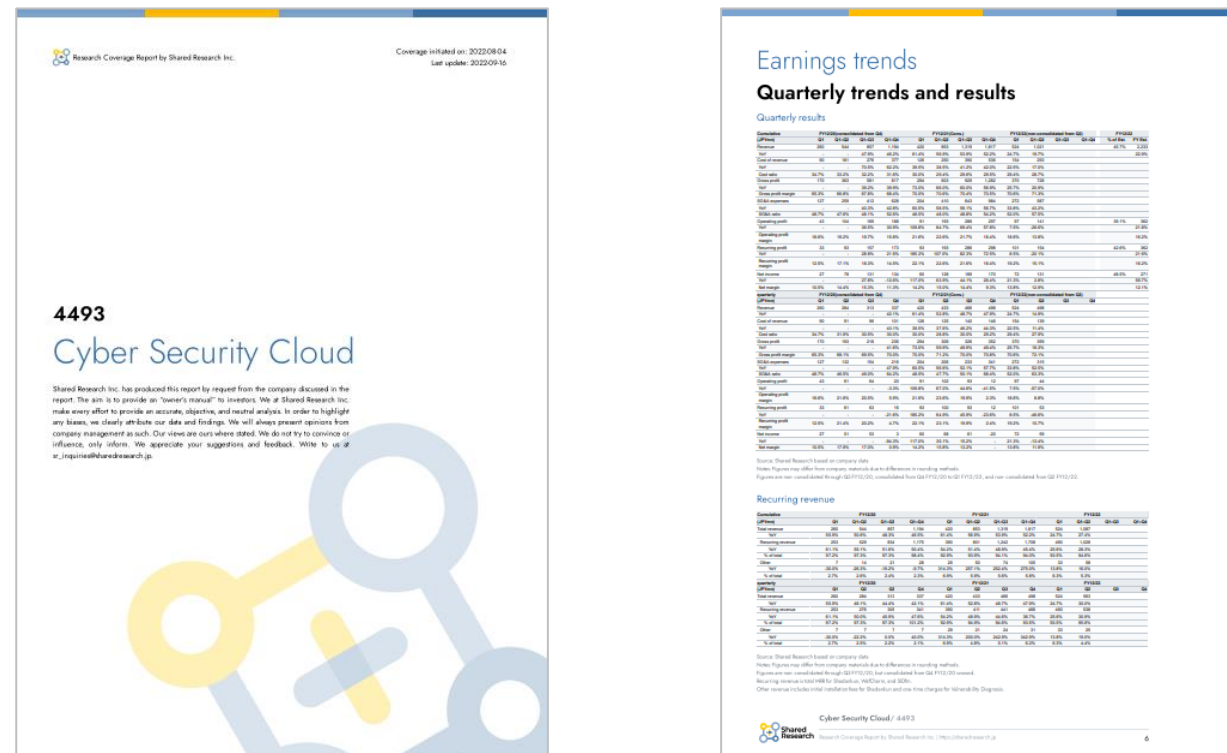
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that people around the world can use safely**