

March 2, 2017

For General Release

Information Services International-Dentsu, Ltd.

Caulis Inc.

## **ISID Enters into a Business Alliance with Caulis, Provider of Cloud-Based Fraud Detection**

### *Providing Information Security Services Realizing Detection of Unauthorized Access Using Machine Learning*

Information Services International-Dentsu, Ltd. (Head office: Minato-ku, Tokyo; President & CEO: Setsuo Kamai; “ISID”) and Caulis Inc. (Head office: Chiyoda-ku, Tokyo; CEO: Atsuyoshi Shimazu; “Caulis”), have entered into a business alliance pertaining to the sale of FraudAlert, a cloud-based fraud detection service for corporate clients developed and provided by Caulis. With the commencement of this alliance, ISID will begin providing FraudAlert from today. Going forward, both parties will collaborate on the sales and marketing of this product while engaging in the development of new services and expanding its applicability into new domains.

In recent years, the diversification of payment methods and cashless settlement has made payments increasingly convenient and efficient, while also increasing the incidence of malicious transactions due to identity theft and leaked card information from unauthorized access. Given these conditions, service providers are faced with demands for the implementation of stronger security measures in terms of payments and authentication without sacrificing user convenience.

FraudAlert, developed by Caulis, utilizes patterns developed by machine learning based on approximately 50 different elements, including user IP address and location information, used to identify unique users and their behavior. When access is attempted, malicious access is detected through real-time comparisons. By encouraging additional authentication only for suspected fraudulent access, it is possible to enhance security without compromising usability for general users.

ISID created a FinTech ecosystem and is involved in the establishment and operation of FinTech industry base FINOLAB<sup>\*1</sup> as well as staging the long-running FinTech pitch contest “FIBC<sup>\*2</sup>.” In 2015, ISID began capital participation in promising FinTech startup companies. Since 2016, ISID has been accelerating initiatives to create new services through business alliances, in addition to supporting the growth of startups. Through the collaboration with Caulis, ISID will deploy this service to its numerous financial institution clients and consider deploying this service in other industries, including the service industry.

In addition, there are also plans to promote the development of new services through the combination of this service with ISID solutions and expertise.

\*1 FINOLAB: Japan's first FinTech industrial base opened in February 2016 as a cooperative project of Mitsubishi Estate Co., Ltd., Dentsu Inc., and ISID. FINOLAB is located in the Otemachi area, which is the center of the Tokyo International Financial Center Concept.

ISID is responsible for the overall activities in FINOLAB; provides environment and resources that start-up companies can concentrate on developing services, mentoring by experts, holding various kinds of events to promote the formation of open communities, creating opportunities for business matching with Japanese and foreign investors. <http://finolab.jp/>

\*2 FIBC(Financial Innovation Business Conference): Event specialized in the FinTech area organized by ISID from 2012. In the pitch contest "FinPitch", many advanced financial services including unpublished services have appeared every year, and the latest trend of FinTech in Japan comes out. The 6th FIBC will be held on March 3, 2017 with more than half of the enterprises being overseas startup, in cooperation with overseas famous FinTech accelerators and embassies. <http://fIBC.info/>

**Contact:**

<For Business>

ISID Financial Industry Business Operations

TEL: +81 3-6713-7007 E-mail: [g-finmarketing@group.isid.co.jp](mailto:g-finmarketing@group.isid.co.jp)

<For Media>

ISID Corporate Communications Office

TEL: +81 3-6713-6100 E-mail: [g-pr@isid.co.jp](mailto:g-pr@isid.co.jp)

Note: Company and product names in this release are the trademark or registered trademark of each company respectively.