



Company Overview

INTELLIGENT WAVE INC.

Code: 4847, Tokyo Stock Exchange, Prime Market

<https://www.iwi.co.jp>

(Update: September 2025)

Company Profile

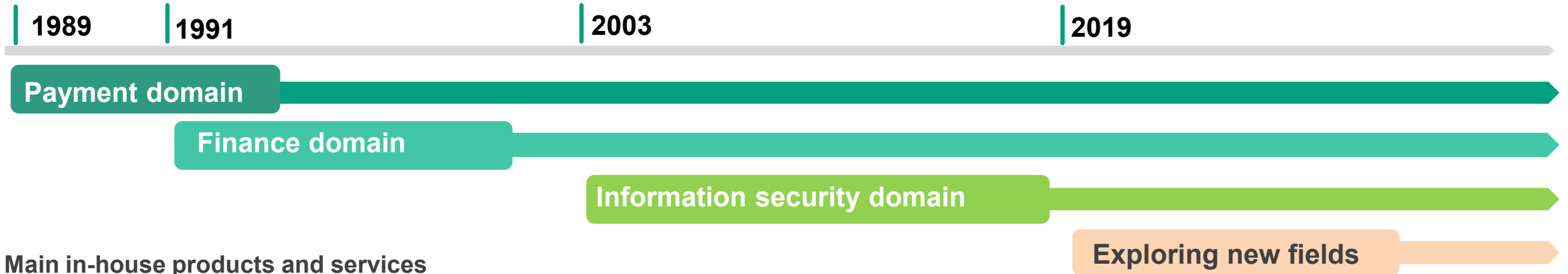


As of June 30, 2025

Company Name	Intelligent Wave Inc.
Established	December 1984
Head Office	Tokyo, Japan
Branch	Hakodate, Japan
Representative Director	Koji Kawakami
Capital Stock	843,750 thousand yen
Number of Employees	519
Parent Company	Dai Nippon Printing Co., Ltd. (50.73%)
Affiliate Company	ODNSolution Co., LTD.
Code	4847 (Tokyo Stock Exchange, Prime Market)
Fiscal Year-End	June

History

- Contributed to the realization of 24/7 online card payment in Japan in the 1980s
Developed NET+1, a payment network connection and authorization system, and gained top market share
- Developing our own products based on our core technology of high-speed, large-capacity data communication and analysis technology
- Entered the information security business in 2003 with the development of CWAT, an internal information leakage prevention product



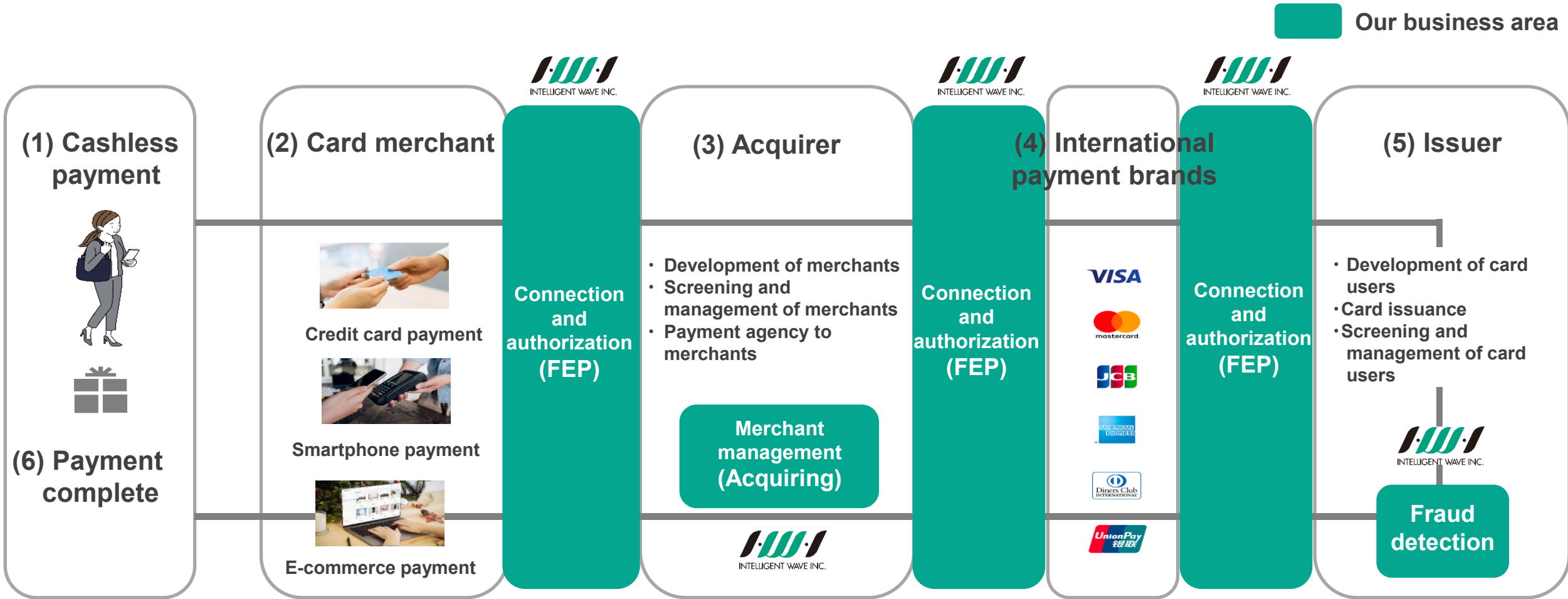
Main in-house products and services

1989	1996	1999	2003	2008	2013	2019	2022
Network connection & authorization system	Messaging middleware	Fraud detection solutions	Information leakage prevention	Market data distribution platforms	Market information analysis engine	IP flow monitoring solution	Media data complex analysis solution
NET+1	RIX	ACEPlus	CWAT				
						2016 onward Cloud services for payment systems IOASIS™ IFINOS	2022 onward Next-generation anti-fraud project FARIS

Cashless Payment Mechanisms

When consumers make cashless payments at stores or on e-commerce sites, the payments are completed using multiple companies' systems. Our business areas in cashless payment are as follows.

 Our business area



Note: Some network and data flows are omitted in this figure.

Business Domain

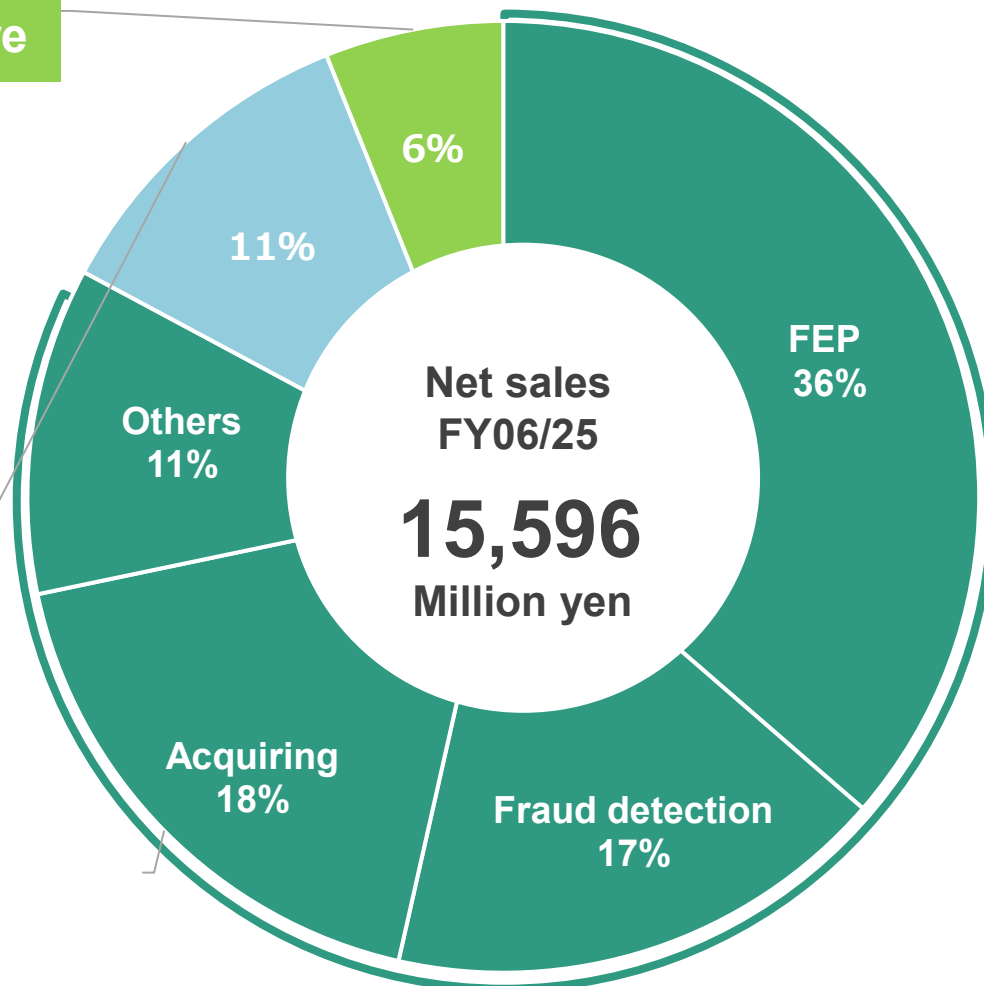
We are currently developing our business in three areas: payments, security, and data communication and analysis infrastructure.

Data communication and analysis infrastructure

- System development and maintenance for securities companies
- System development and maintenance of broadcast and AI-related solutions

Security

- Development and sales of in-house products
- Sales and maintenance of security solutions from overseas








Payment

- System development and maintenance for payment providers and banks

Million yen	
Net sales (FY06/25)	15,596
Payment	12,755
FEP	5,525
Fraud detection	2,604
Acquiring	2,851
Others	1,772
Security	2,022
Data communication and analysis infrastructure	817

Payment Domain: Our Payment Solutions

In the areas of FEP, fraud detection, and acquiring, we provide systems based on our own products and services. Our main customers are payment service providers such as credit card companies.

Field	Function	On-Premise Development	Cloud Service
FEP <div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 10px auto;">Market share 73%*</div>	24/7 non-stop payment network connection and card usage authentication	<ul style="list-style-type: none"> Network connection & authorization system 	<ul style="list-style-type: none"> Network connection & authorization service
Fraud detection <div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 10px auto;">Market share 62%*</div>	Real-time detection of fraudulent card use	<ul style="list-style-type: none"> Fraud detection system 	<ul style="list-style-type: none"> Fraud detection services  FARIS Joint Scoring Service Powered by PKSHA Security
Acquiring	Provide all functions necessary for acquiring business	<ul style="list-style-type: none"> Acquiring system 	<ul style="list-style-type: none"> Acquiring service 

* Number of companies among the 25 major credit card companies

* As of September 2025

On-Premise Development



- Customers own their own systems. System renewal occurs at regular intervals.
- Systems can be customized flexibly according to customer needs.
- Major credit card companies are the main users of these systems.



Cloud Service

- For cloud services, we provide our own systems to our customers. Services are multiyear and based on monthly fees.
- Medium-sized credit card companies and new entrants use this service because the initial investment cost is low.

Sales by Category

Sales in on-premise development are recorded separately in “System development,” “Maintenance,” “In-house products and services,” and “Third-party products and services”. Sales in cloud services are recorded in “Cloud services”. All sales in the security domain are recorded in “Security.”

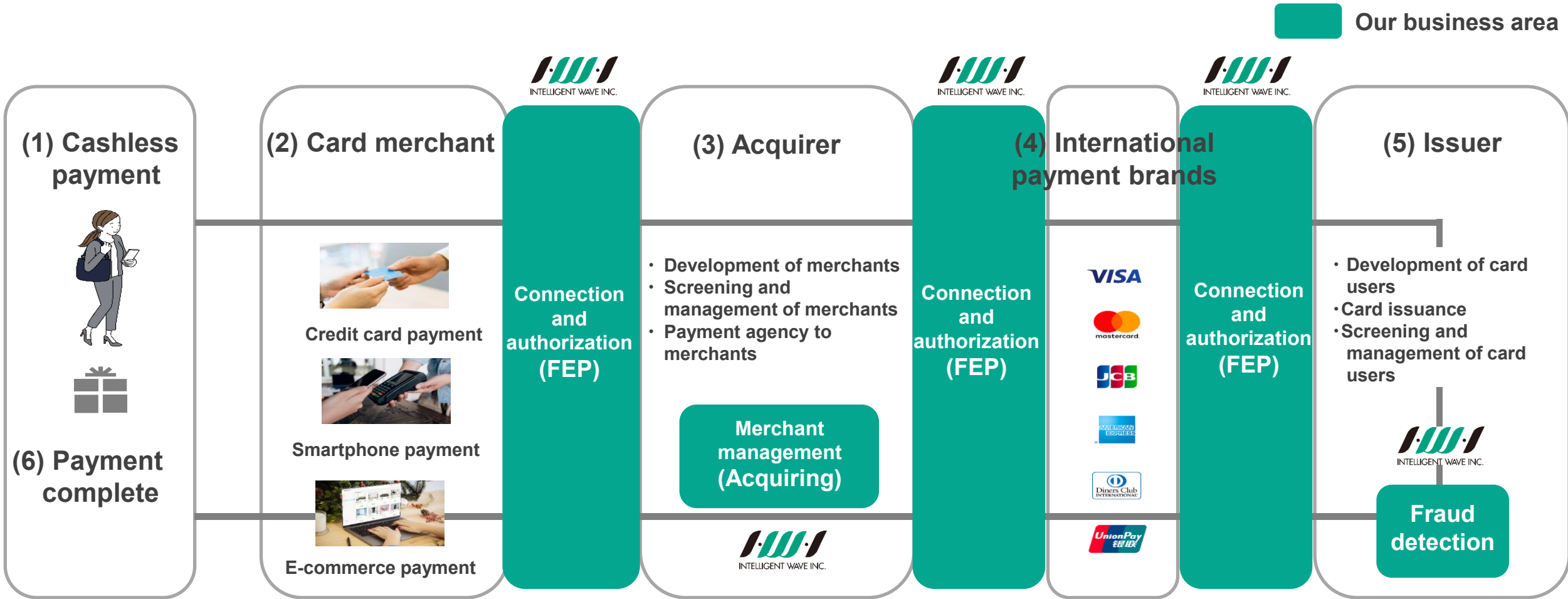
■ Sales by Category

Million yen

	FY06/23	FY06/24	FY06/25	Recurring and Spot	
Net sales	13,374	14,518	15,596		
System development	6,015	7,009	6,838	Spot	
Maintenance	1,638	1,630	1,619	Recurring	
In-house products and services	505	386	548	Spot	In-house product sales
				Recurring	In-house services and product maintenance
Third-party products and services (hardware, etc.)	2,249	1,428	1,087	Spot	Third-party product sales
				Recurring	Product maintenance sales
Cloud services	1,867	2,504	3,479	Recurring	
Security	1,098	1,558	2,022	Recurring	Spot
Spot	6,817	6,918	6,329	Categories with contracts that are not fixed in terms of amount or timing	
Recurring	6,557	7,599	9,266	Categories with contracts that allow us to record sales of a fixed amount on a regular basis	

Payment Domain: Our Payment Domain

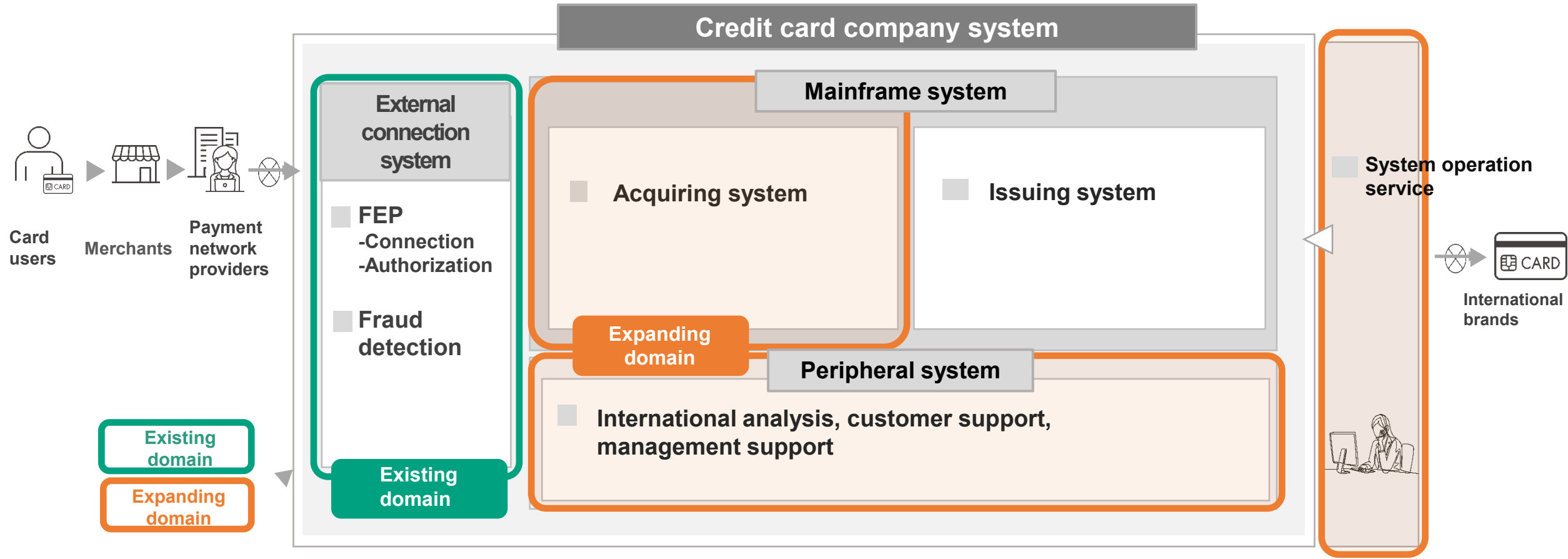
Our FEP, fraud detection and acquiring areas are positioned within a series of cashless payment processing.



Note: Some network and data flows are omitted in this figure.







Payment Domain: Our Payment Domain

Credit card company systems are divided into three areas: external connections, mainframe, and peripheral. In the future, we plan to expand our business domain with a focus on acquiring and system operation services.



Security Domain: Our Security Solutions

We develop and market our own product, CWAT, as well as cyber security products from overseas. For sales activities, we collaborate with the DNP Group.

Field	Function	Products
Internal information leakage countermeasures	Visualize usage status and monitor information leakage by acquiring logs from client computers	<ul style="list-style-type: none"> Information leakage prevention 
Endpoint security solutions	Protect client computers from malware attacks, including ransomware	<ul style="list-style-type: none"> Integrated security platforms Endpoint security to disable attacks  
Threat intelligence	Collect and analyze threat information from the dark web and other sources that may pose a risk to companies	<ul style="list-style-type: none"> Intelligence platform 
Key management solutions	Encryption key management system, developed in-house, for electronic control units installed in cars	<ul style="list-style-type: none"> Encryption key management appliance products 
ID management solutions	Provide a comprehensive set of functions required for ID management, including single sign-on, system privilege management, and multi-factor authentication	<ul style="list-style-type: none"> ID management total solution 

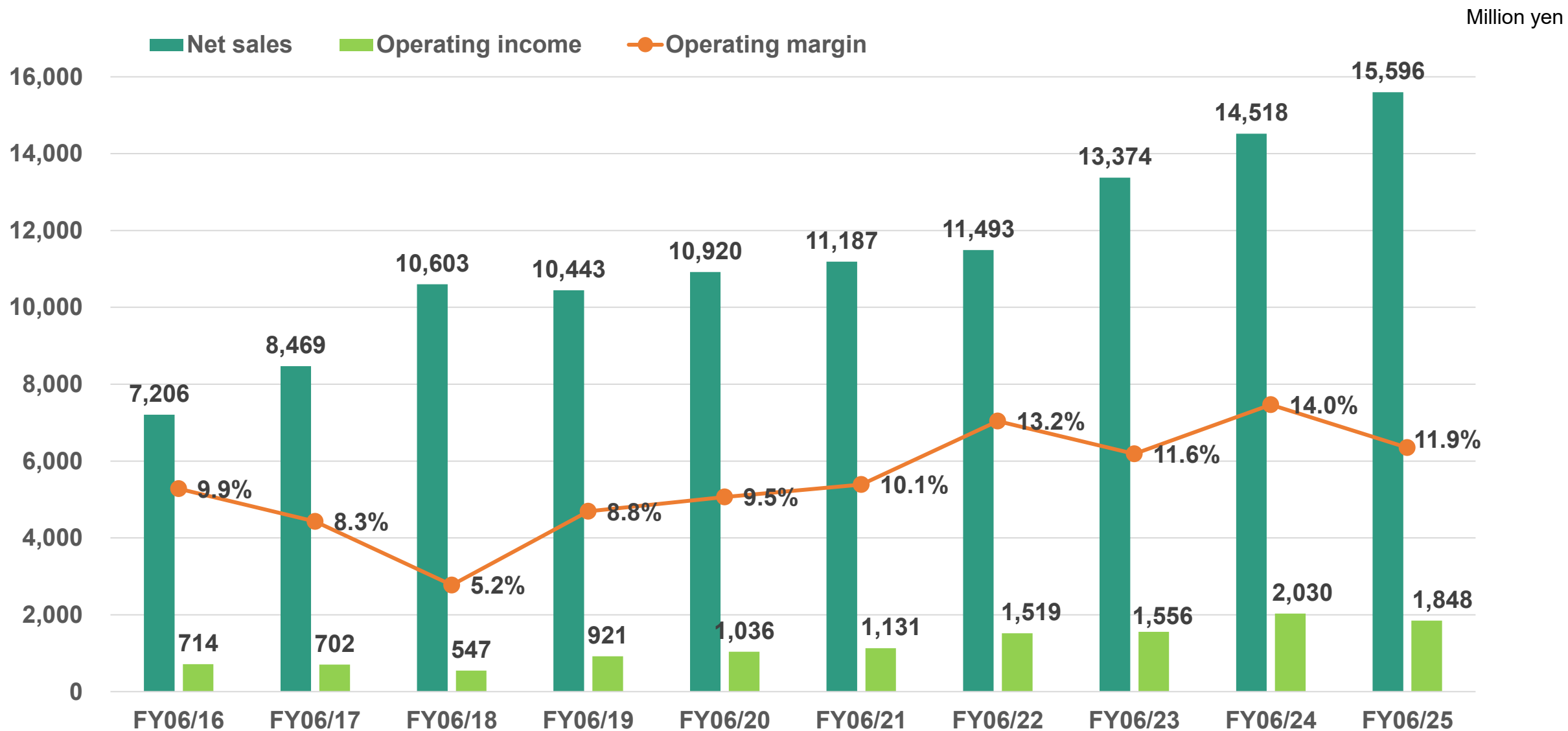
We develop systems and our own products using our core technologies of “high-speed, large-capacity data communication and analysis technology”.

Field	Function	Products
Securities	We mainly develop our own products in the field of front-end systems for securities firms. Our products are used for real-time distribution of market data from exchanges, etc. They are also used for special orders for stocks (algorithmic trading), base price calculations for stocks (technical indicators) using CEP technology.	<ul style="list-style-type: none"> ■ Messaging middleware ■ Market data distribution platforms ■ Market information analysis engine
Broadcasting	We have developed a product for the broadcasting industry using CEP technology. This product monitors communication flows (IP flows) in real time. It has been introduced by domestic and international broadcasters and is used for high-quality sports broadcasts, etc.	<ul style="list-style-type: none"> ■ IP flow monitoring solution
Industry-wide	We are considering developing products for other industries using CEP technology. The “Media data complex analysis solution” analyzes a variety of complex data, including video, audio, and text data, in real time.	<ul style="list-style-type: none"> ■ Media data complex analysis solution

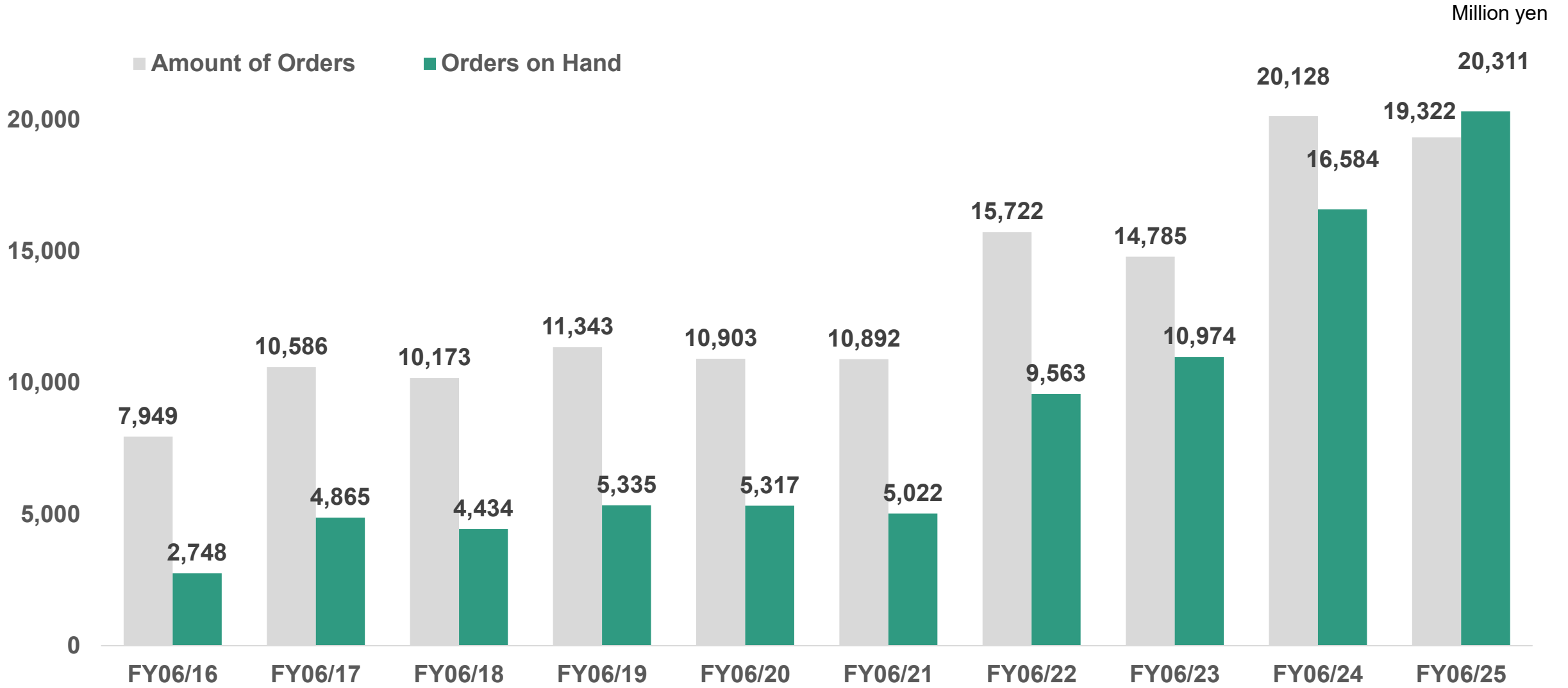
Complex Event Processing (CEP)

CEP is a technology used in many fields that require real-time data processing. It identifies patterns in large volumes of event data, defines rules based on those patterns, and automatically executes actions triggered by those rules. In the payment domain, we leverage this technology to develop solutions for card fraud detection.

Business Performance



Orders



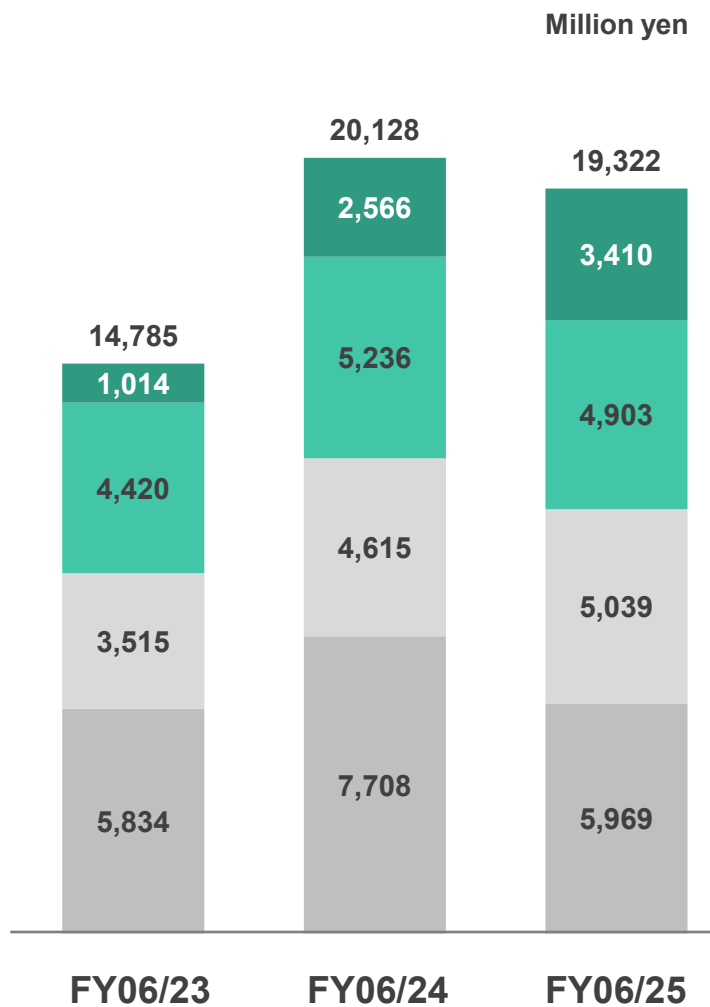
Performance by Category

■ ...System Development
■ ...Cloud Services

■ ...Maintenance, In-house products and services, Third-party products and services
■ ...Security

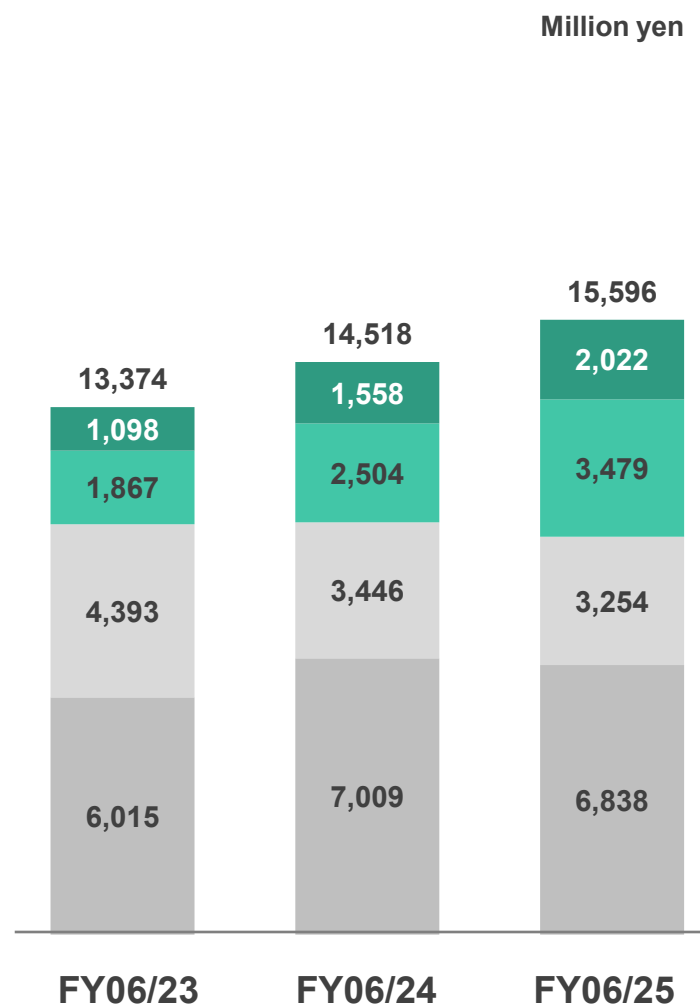
■ Amount of Orders

Million yen



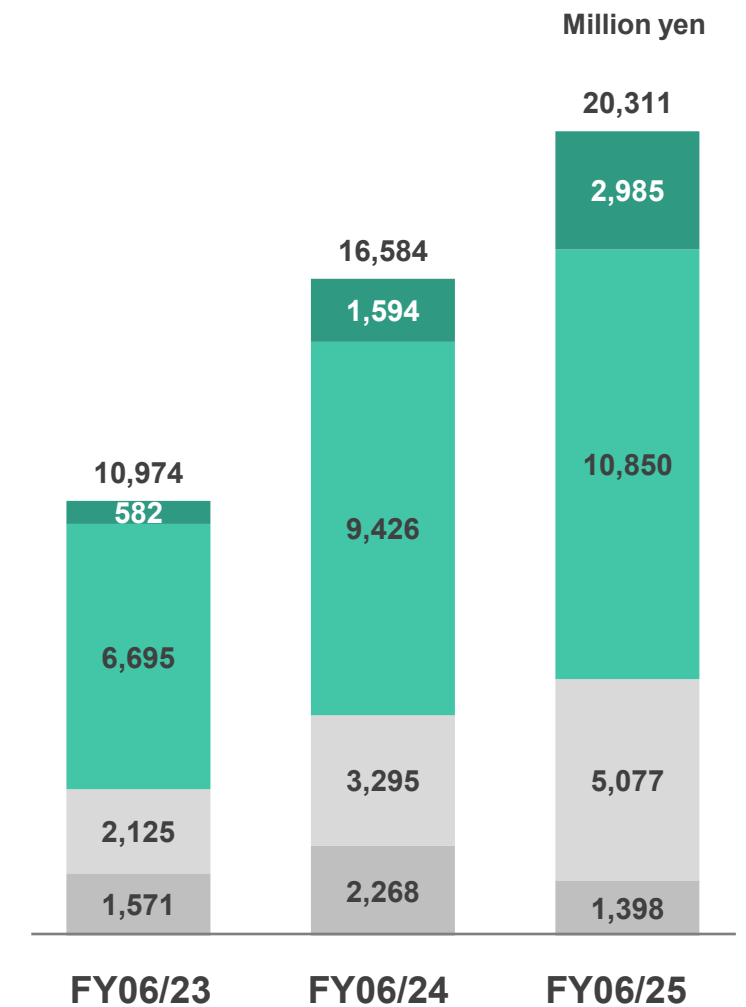
■ Sales by Type

Million yen



■ Orders on Hand

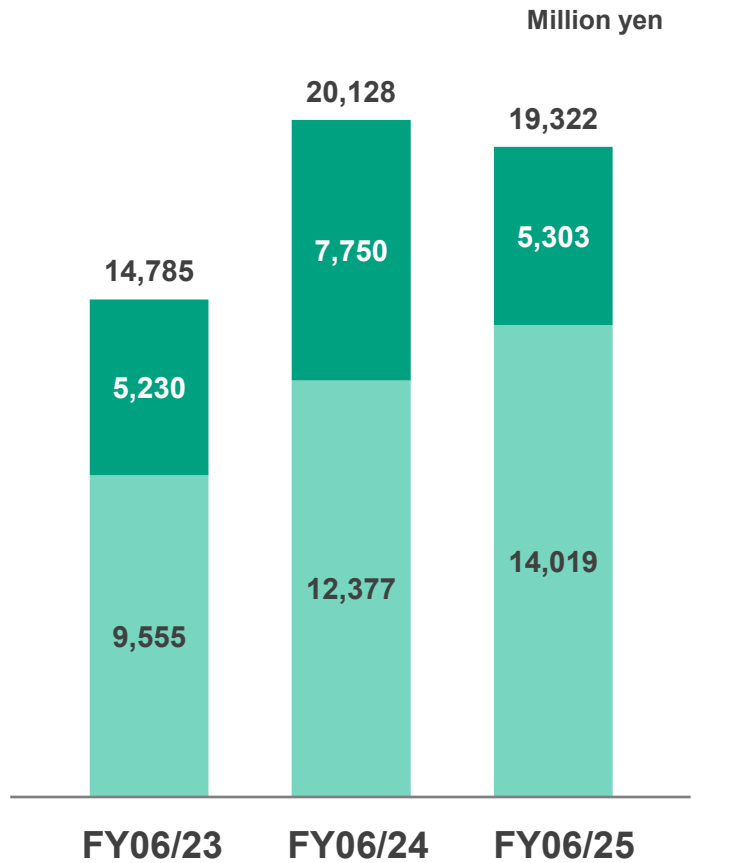
Million yen



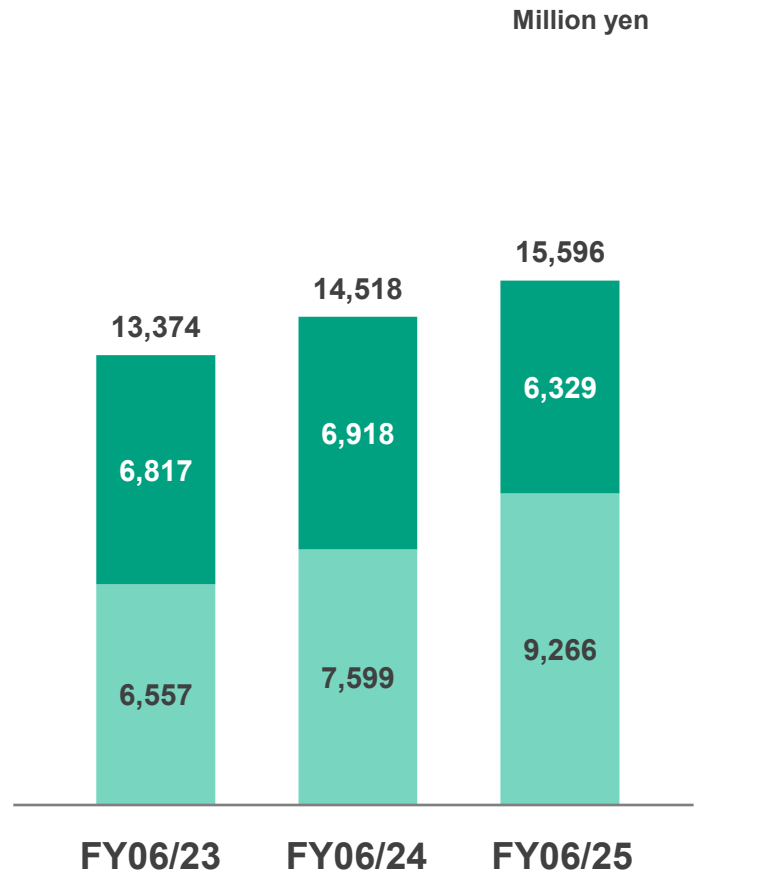
Performance by Recurring and Spot

■ ...Spot ■ ...Recurring

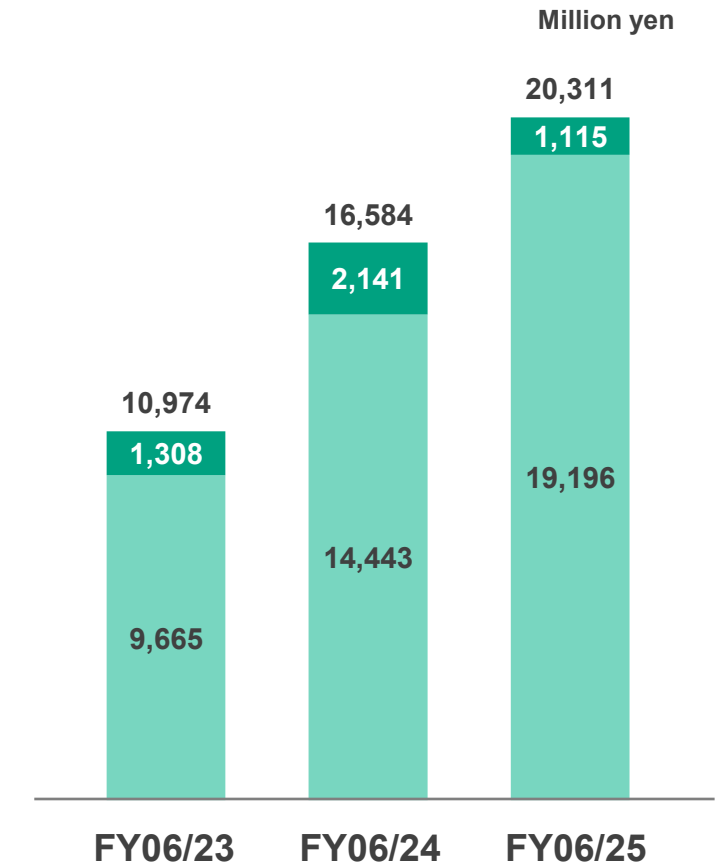
■ Amount of Orders



■ Sales

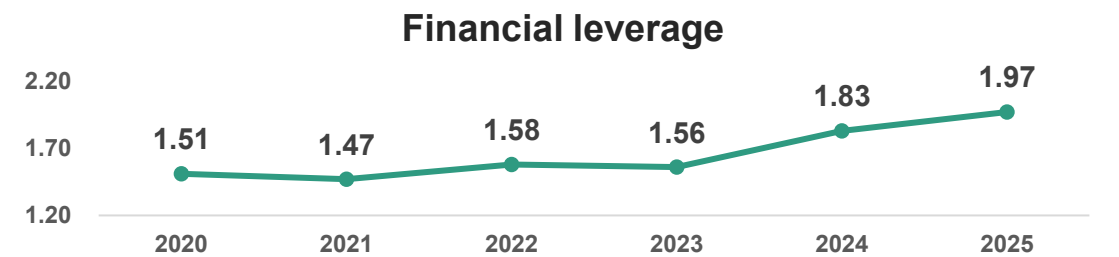
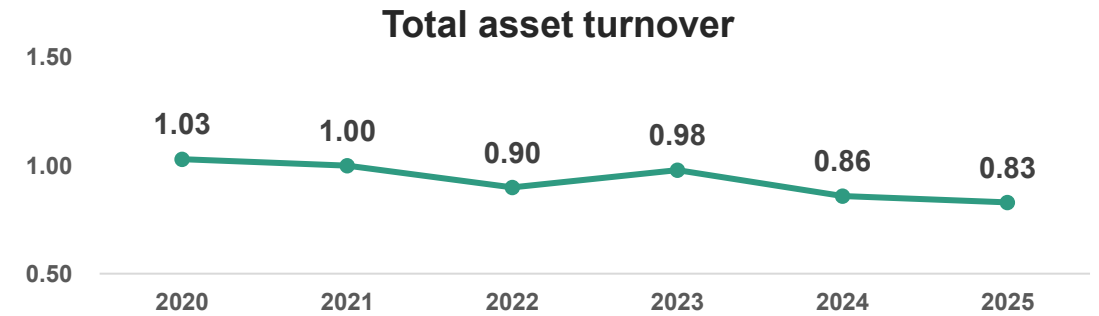
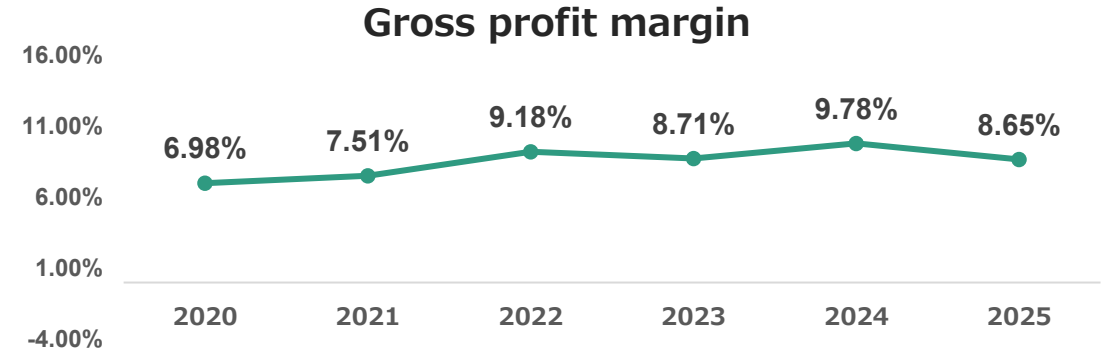
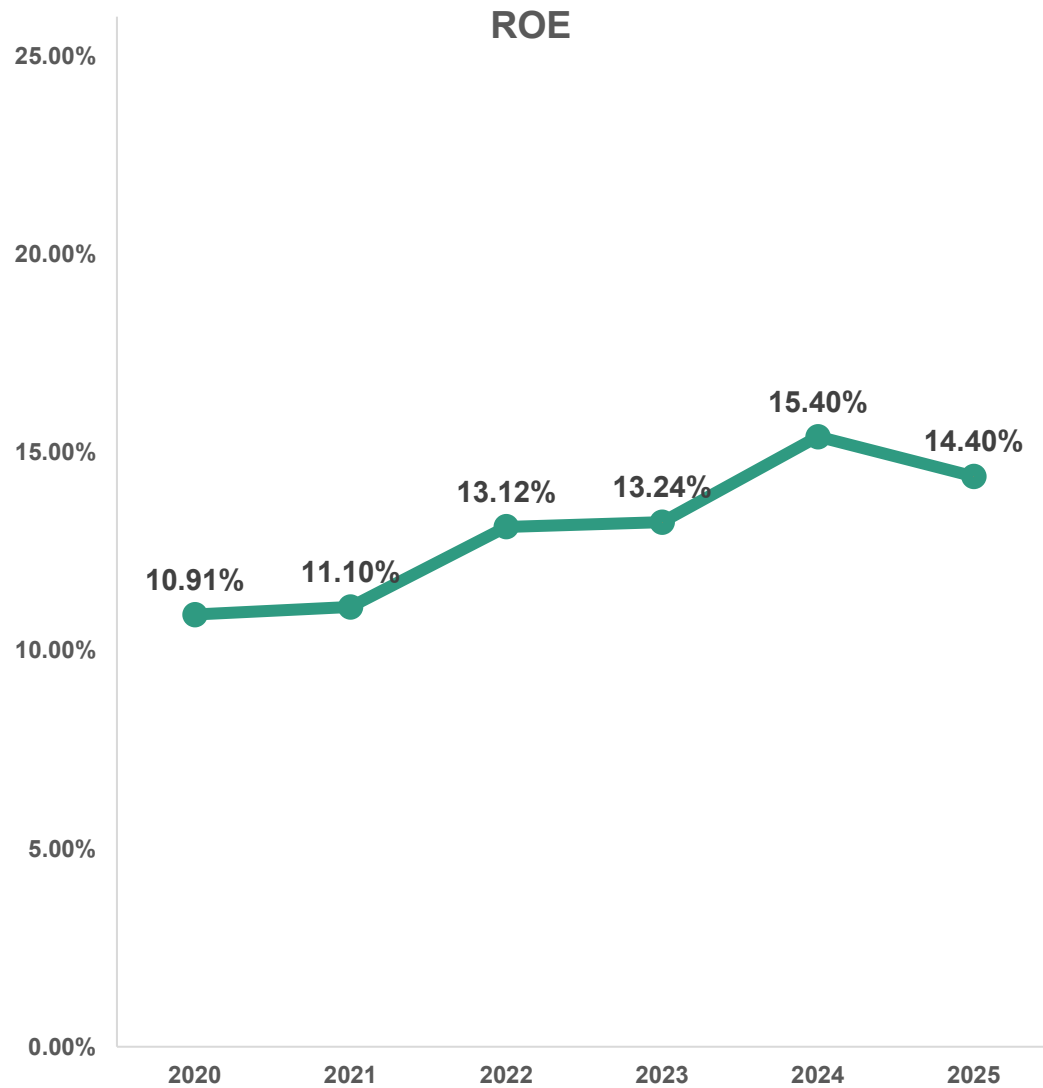


■ Orders on Hand

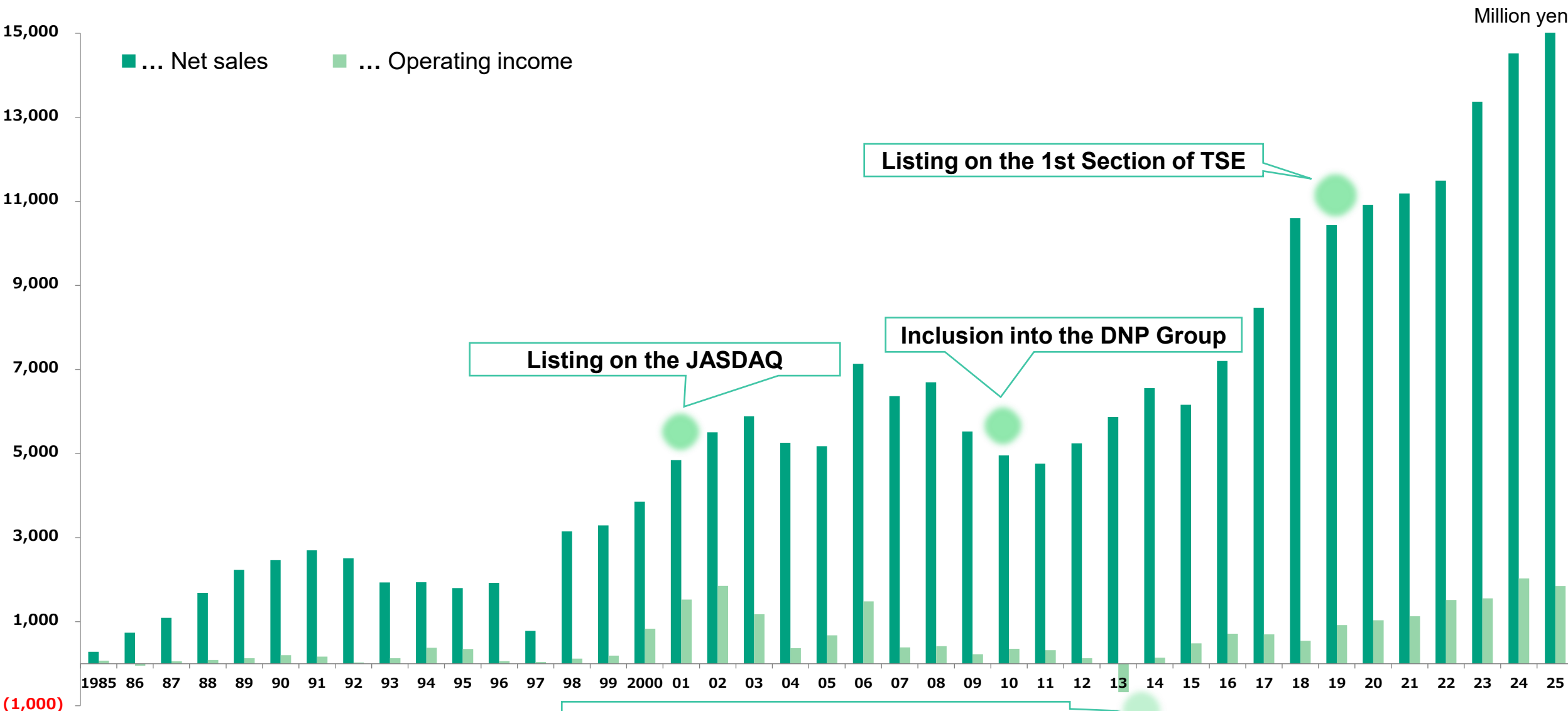


Recurring: Categories with contracts that allow us to record sales of a fixed amount on a regular basis
 Spot: Categories with contracts that are not fixed in terms of amount or timing

Return on Equity



Historical Performance



Notes: Consolidated results are shown through FY06/15.

The results for 1997 are for six months due to a change in the fiscal year.

Medium-Term Management Plan (2025–2027)

Numerical Targets

We aim to achieve sales of ¥19 billion, operating income of ¥2.85 billion, and ROE of at least 17.0% by the fiscal year ending June 30, 2027.

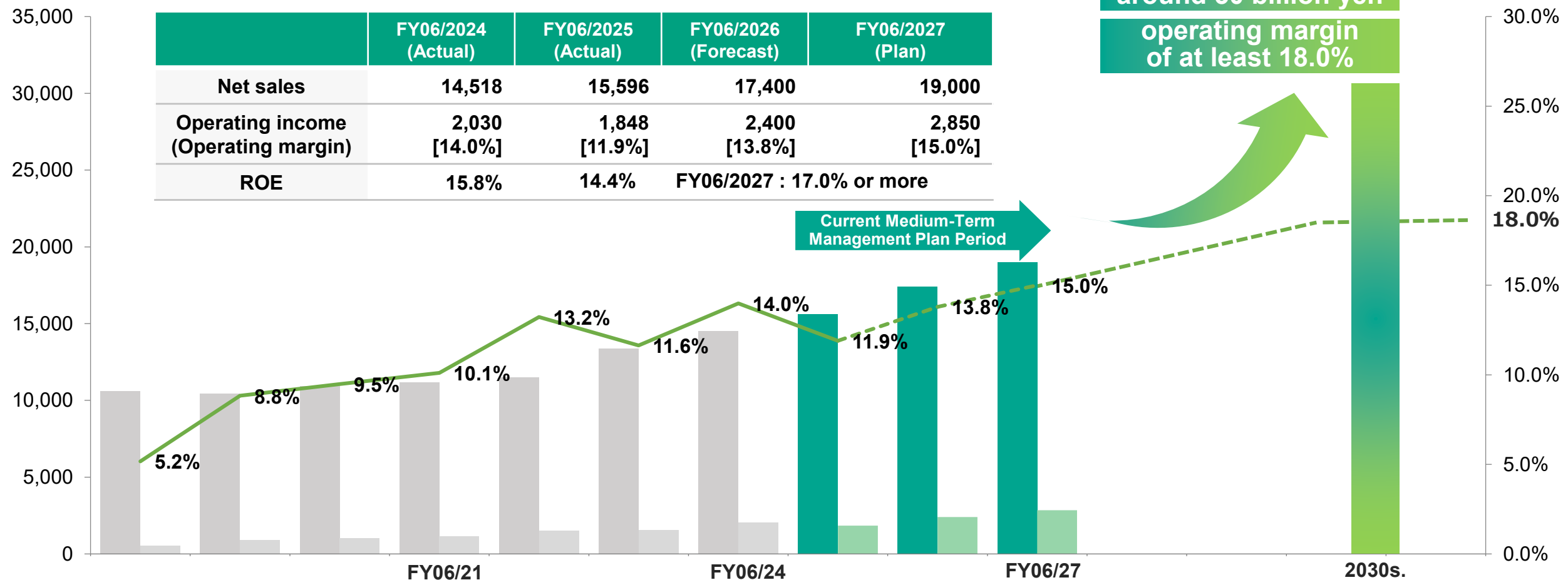
By expanding our business areas and improving profitability in each domain, we aim to achieve sales of around ¥30 billion and an operating margin of at least 18.0% in the medium to long term.

Net sales [Million yen]

	FY06/2024 (Actual)	FY06/2025 (Actual)	FY06/2026 (Forecast)	FY06/2027 (Plan)
Net sales	14,518	15,596	17,400	19,000
Operating income (Operating margin)	2,030 [14.0%]	1,848 [11.9%]	2,400 [13.8%]	2,850 [15.0%]
ROE	15.8%	14.4%	FY06/2027 : 17.0% or more	

Net sales of
around 30 billion yen
operating margin
of at least 18.0%

Operating margin



■ Sales by Business Domain

	FY06/2024 (Actual)	FY06/2025 (Actual)	FY06/2026 (Forecast)	FY06/2027 (Plan)
Net sales	14,518	15,596	17,400	19,000
Payments	12,152	12,755	14,100	14,600
Security	1,558	2,022	2,250	2,800
Data communication and analysis infrastructure	808	817	1,050	1,600
Reference) Cloud services	2,504	3,479	4,460	4,550

Medium-Term Management Plan

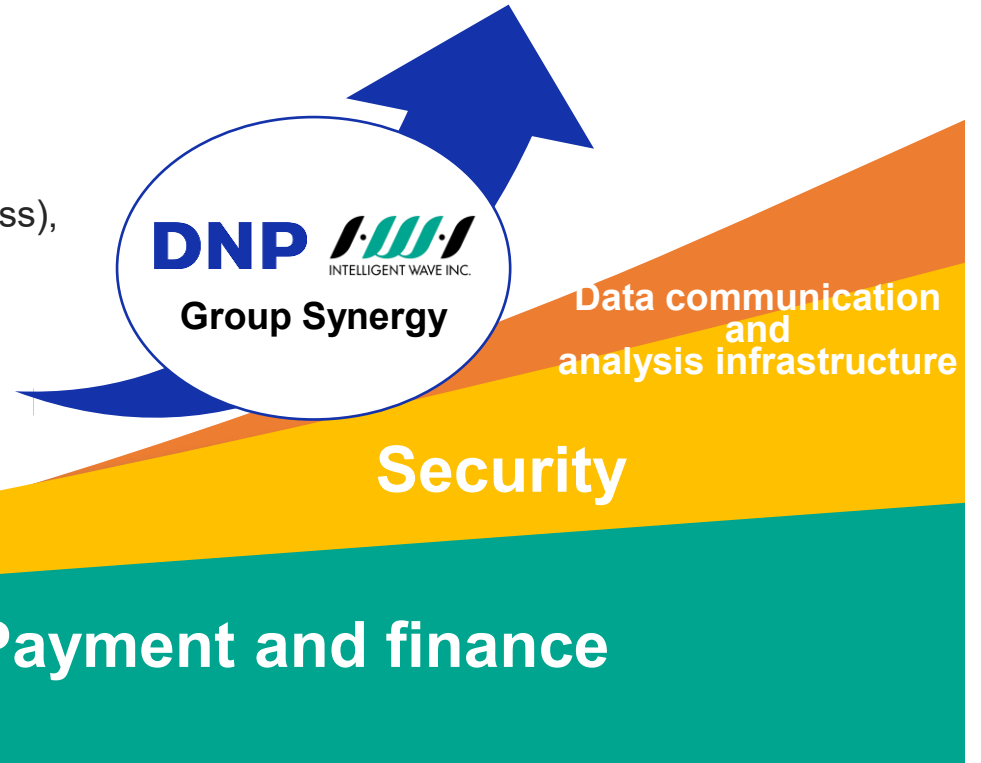
We will aim to diversify our business and establish a foundation for sustainable growth, looking ahead to the 2030s. We will also develop our business in various fields, particularly in the payment, security, and technology domains, to bring value to people's lives and build enhanced trust.

[1] In the payment domain, we will pursue sustainable growth by further expanding our business areas and leveraging our unique products and advantageous position in the payment industry.

[2] We will develop the security domain into a second pillar of our business.

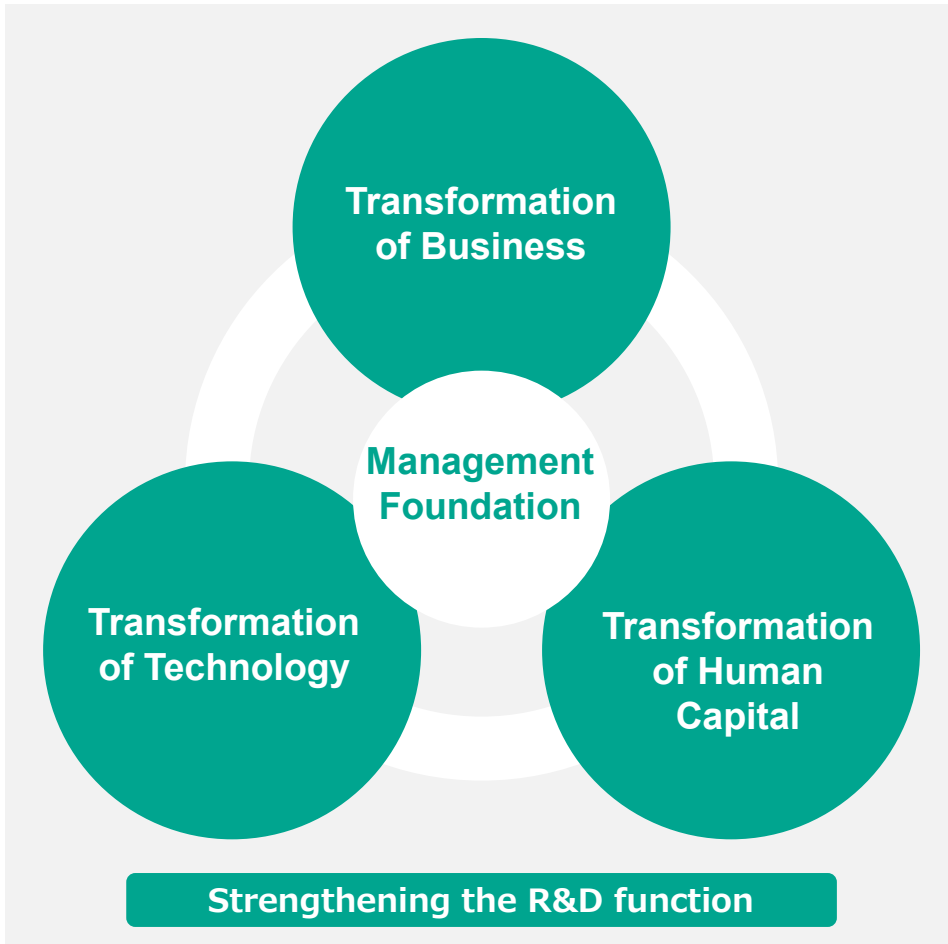
[3] In the data communication and analysis infrastructure domain (a new area of business), we will utilize our core technologies to expand into growth markets and create a third business pillar, following payment and security.

[4] By deepening our collaboration with the DNP Group and leveraging both customer bases, we will enhance our competitiveness and create synergies across the group.



Our core technologies: High-speed, large-capacity data communication/analysis processing

To prepare for the market environment of the 2030s, we will focus on three key areas of transformation: "business," "technology," and "human resources," to continue developing products and services that create new levels of reliability.



01 Transformation of Business

- ① Maximize the value of existing and new businesses and the value of our proprietary solutions
- ② Expand business from the payment domain into new domain
- ③ Improving profitability through a review of the profit structure. Return to product orientation.

02 Transformation of Technology

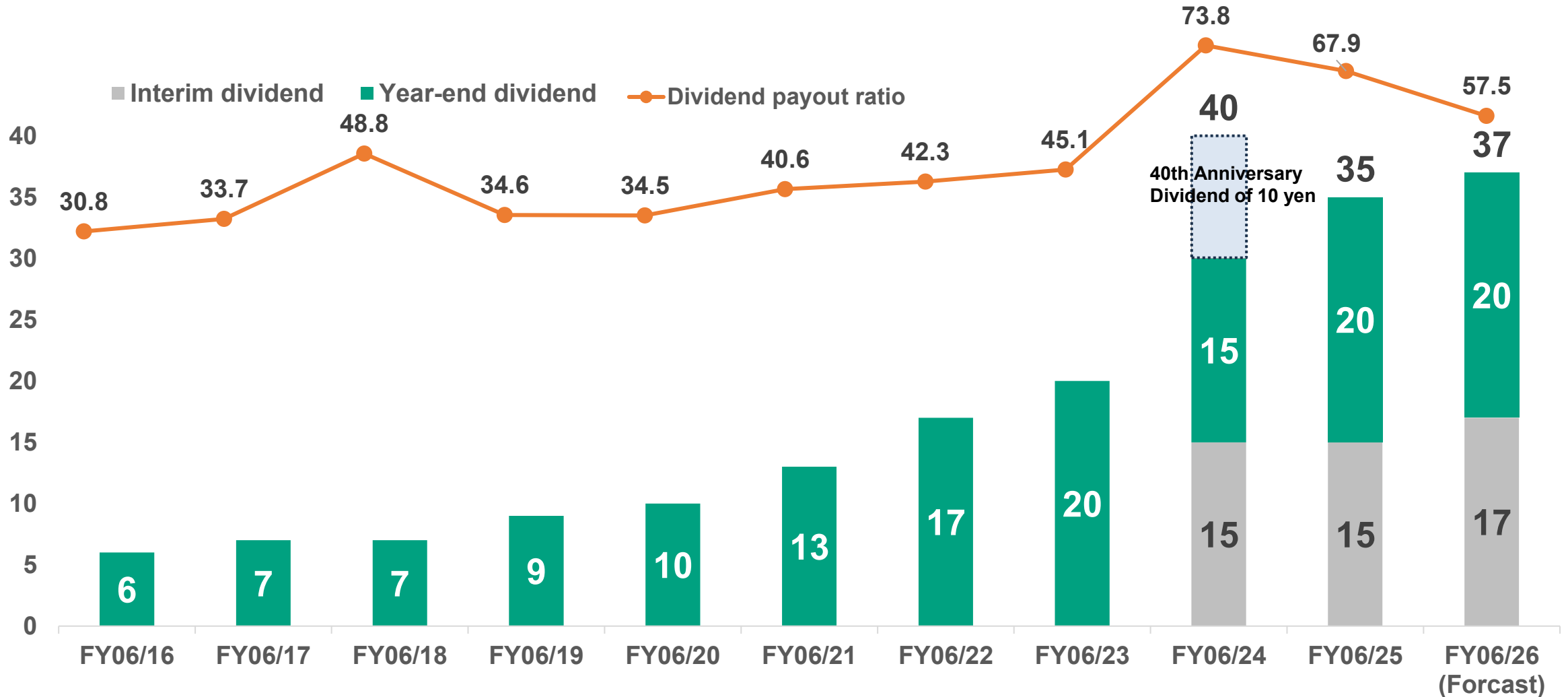
- ① Ensure superiority, maximize value, and create value by combining core technologies with cutting-edge technologies and DX
- ② Rationalization of development, maintenance and operations

03 Transformation of Human Capital

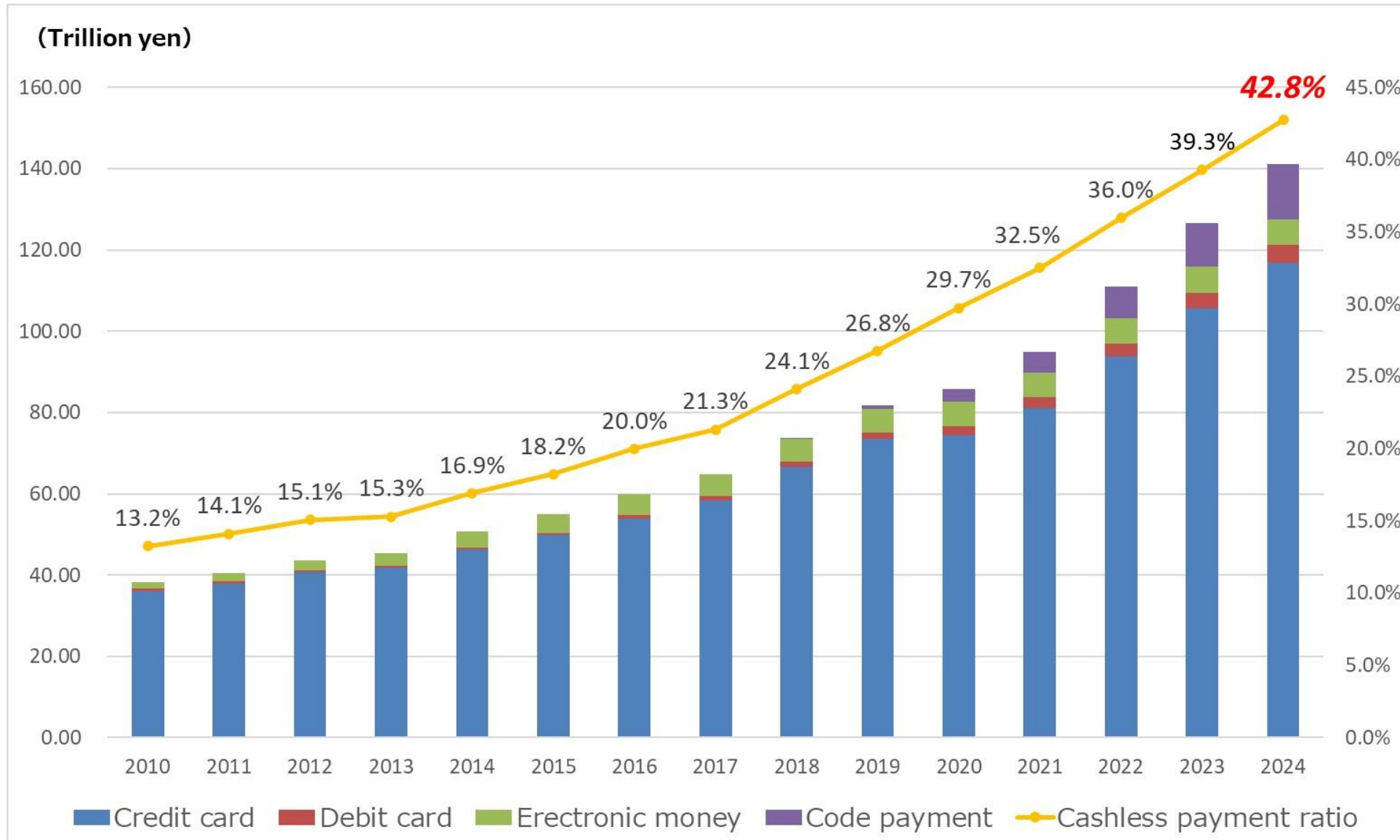
- ① Development of business planning personnel ,Strengthening our consulting functions
- ② Strengthening the R&D function
- ③ Promoting the mobilization of talent in line with our business strategies

Shareholder Returns

We plan to return profits to our shareholders, aiming for a dividend payout ratio of around 50%.

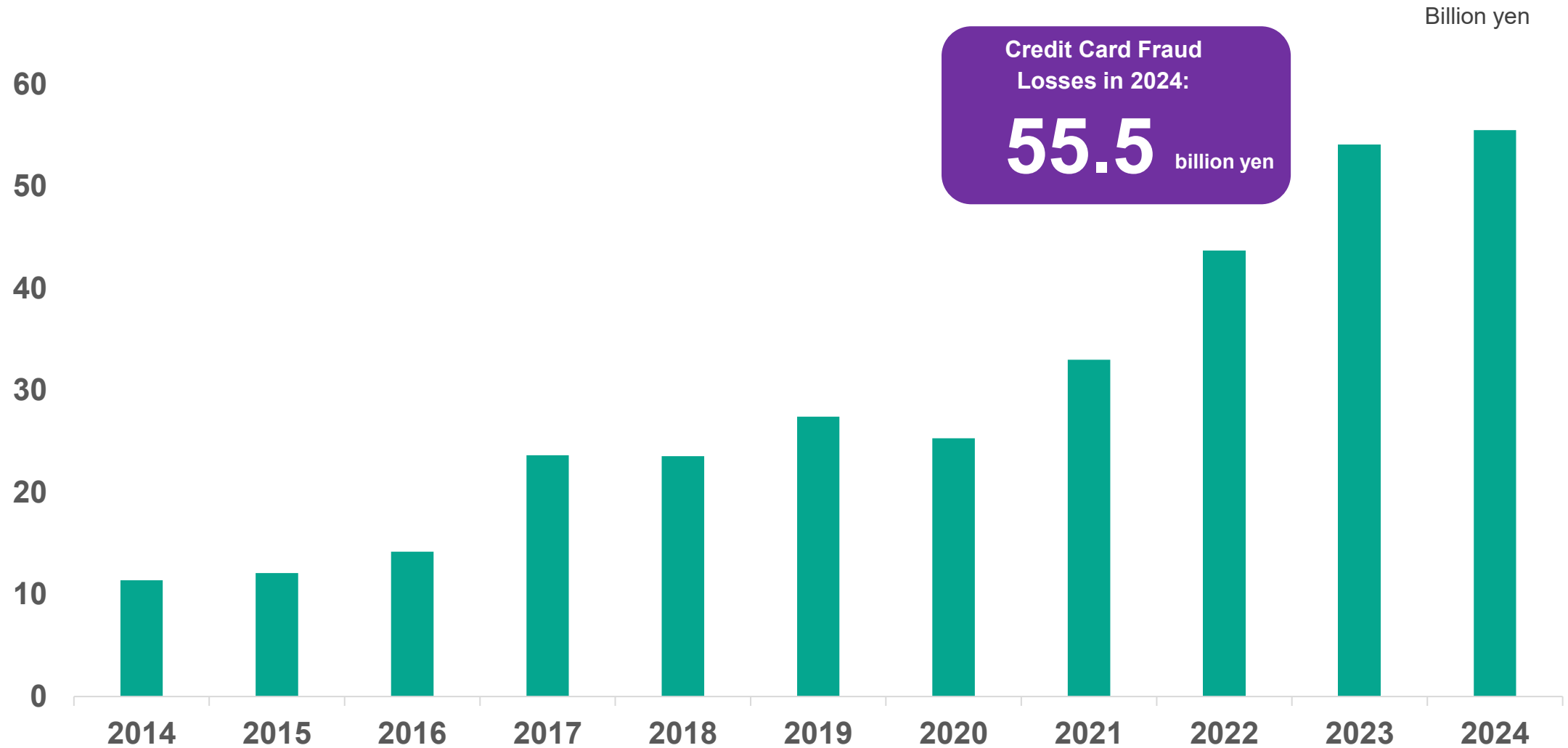


Reference: Percentage of Cashless Payments in Japan



Source: Ministry of Economy, Trade and Industry data

Reference: Amount of Credit Card Fraud in Japan



Source: Japan Consumer Credit Association data



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