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## Presentation

September 2017

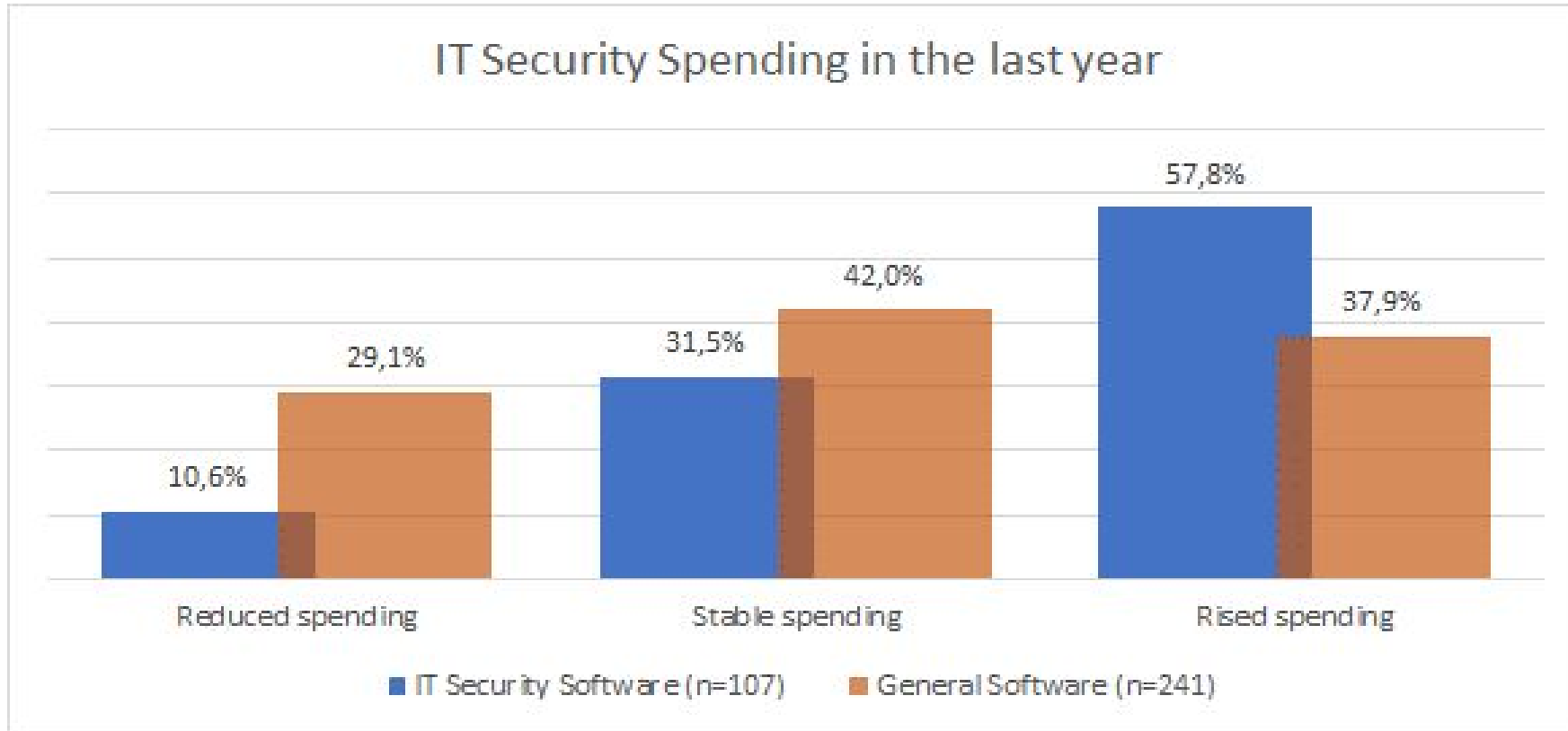
The  
Cyber  
Security  
Company

CYS4



## IT Security spending in Italy

- The security area grows far, more than other IT areas



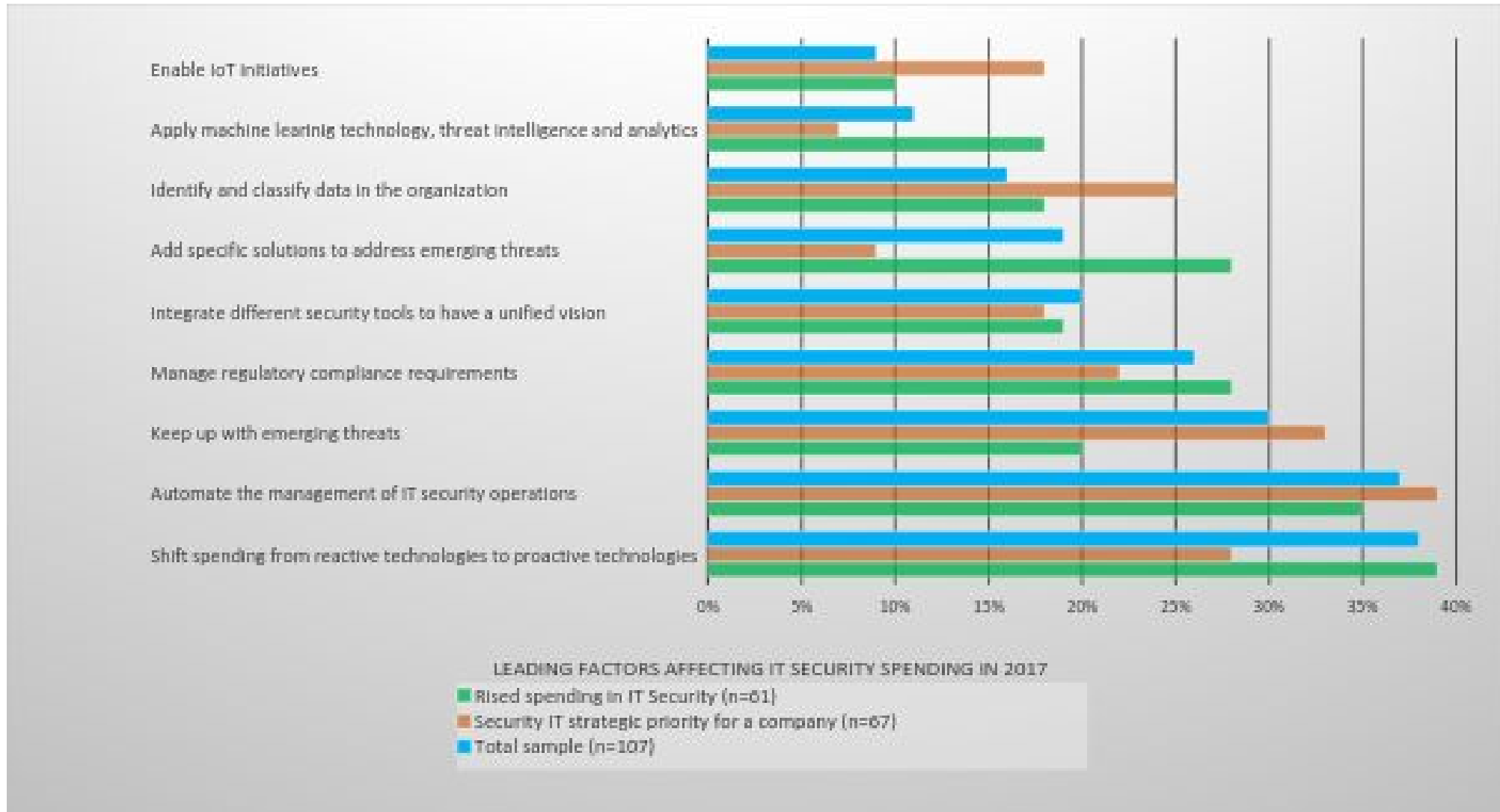
Comparison of IT security spending versus other IDC software areas Source: IDC Italia, 2017

## How demand evolves

- There are three main factors to highlight:
  1. The willingness to move from reactive to proactive / preventive solutions (38.3%)
  2. The need to automate the management of IT security operations (37.6%)
  3. The need to keep up with the scenario of emerging threats (30.3%)
- The issue of proactive / preventive defense strongly influences spending, but it is not necessarily associated with a strategic vision of IT security.
- The need to keep up with emerging threats is strongly associated with the level of strategic assessments .

## Factors affecting IT Security spending in 2017.

Source: IDC Italia



## CYS4 market positioning

- In Italy, Big Consulting Player are entering the cyber security market aggressively, in this context also CMC Group, as emerging player in the consulting market, has invested in CYS4, a specialist in innovative solutions in assessment, prevention and prediction activities.
- CYS4 is particularly present in the Financial Institution, Insurance, Post, Transport, Energy sector.
- Through joint ventures with innovative and cyber security specialists, CYS4 is a significant player in some market segments in Italy and start an international business from Europe, particularly Switzerland, Germany, Holland, where good marketing opportunities exist with qualified partners.

## Financial services

- There is no month without news of cybercrime events. In terms of perception, the incidence rate of cybercrime grew significantly in 2016, reaching 2nd place among the most recurring types of economic crimes, according to PwC.
- By classifying attacks based on banking targets, 70% of the attacks are directed toward Retail Banking systems, 25% to credit card sites, 3% to Corporate Banking systems, 2% Impacts some of the major social media service providers.
- In banking field the main categories of attack are:
  - Phishing
  - Ceo attack
  - Ransomware
  - Card identity theft and sale by Blackmarket

## Insurance sector – Cyber insurance

- Within a year, the daily comparison between companies, insurance brokers and ICT consultants has highlighted these elements :
- Cyber Risk Includes the incident / attack and all the direct and indirect consequences that this implies.
- The awareness of the pervasiveness of Cyber Risk has increased beyond the EDP, in a digital ecosystem made of interconnections and interdependencies of processes, people and even objects (IoT).
- There is more and more talk of Risk Management: analysis, mitigation and insurance transfer.
- The interruption business, the reputation and the loss / unavailability of data are the major concerns of companies.
- The insurance industry is facing a high market potential.



## Insurance sector – Cyber insurance

Cyber Policies subscribed by less than 3% of companies in the Italian landscape.

Lack of an objective system of evaluation of the risk associated with cyber businesses.

Difficulty to sign policies due to long, boring and too technical evaluation questionnaires.

Insurance premium range too wide and variable from an insurance to another.

Much of the current policy that the market offers is a combination of two types of insurance:

- The first part covers direct losses for the company;
- The second part includes how to protect against any claims by customers or partners.

Beyond financial hedges, insurance must provide:

- Assessment and penetration testing services;
- Remediation services and tools;
- Analysis of architecture, monitoring, forensics, ...

There is a real difficulty in quantifying the risks of a company, even because of lack of historical data.

## CYS4 main activities

- Know-how development strategy and business penetration into new customers and markets through and joint ventures with international specialists in advanced cyber security segments:
  - - Prosecs/Hyver (Israel)
  - Reaqta (Holland)
  - Zimperium(Usa)
- Distributed with specific agreements for high-end product:
  - Hyver → Automation / Penetration Test
  - Reaqta → Endpoints Protection
  - Zimperium → Mobile Protection
- Development of new solutions and inhouse projects :
  - Cyber Insurance
  - Physical Security
  - Data Protection

# CYS4

## Activities

- Assessment and penetration test
- Cyber Assurance
- Data protection
- External products
- Products development

## Market

- Top companies
- Insurance
- Middle – large banks
- Professional associations

Professional services

