



October 12, 2016

## **FRONTEO Obtains Japanese Patent for AI-driven Technology Capable of Identifying Context-dependent Semantic Similarities**

### **To improve accuracy of data analysis through detection of synonyms**

TOKYO, Oct. 12, 2016 (GLOBE NEWSWIRE) -- FRONTEO, Inc. ("FRONTEO" or "the Company") (Nasdaq:FTEO) (TSE:2158), which provides big-data analytics services using its proprietary Artificial Intelligence ("AI") engine, today announced that the Japan Patent Office has recently issued a Notification of Decision to grant a patent to the Company for its AI-based technology which enables the extraction of context-dependent semantic similarities.

The necessary procedures of patent registration have been executed, and the patent is currently pending issuance.

Patent application number: 2016-78175

Registration number: Pending issuance

Patent application filing date: April 8, 2016

Whether a word is similar to another is highly dependent on the context. For example, "diagnosis" and "inspection" are not likely to be synonymous in everyday context; however, they could refer to similar concepts in a technical context. For instance, in the case of prior-art patent searches, "diagnosis of abnormal behavior" is considered synonymous with "inspection of errors" in the context of "detecting the erroneous state of a robot."

The innovative AI-based technology covered by this patent enables the Company's proprietary AI, "KIBIT," to detect context-dependent semantic similarities. By leveraging this technology, KIBIT can help detect synonyms and generate results with a satisfactory level of accuracy, even when training data is sparse. The technology enhances data analysis accuracy for the Company's products portfolio - especially "Lit i View PATENT EXPLORER", a system that provides AI-based patent searches.

"We believe that this patent is a testament to the superior innovation underlying the highly accurate data analytics solutions provided by FRONTEO," stated FRONTEO Chairman and Chief Executive Officer Masahiro Morimoto. "Our data analytics solutions are expanding into increasingly important business fields, such as healthcare, business intelligence and marketing, where vast data processing is necessary. By further honing our AI-based technologies and expanding our portfolio of intellectual properties, FRONTEO will continue to provide sophisticated data analytics services to people around the world."

#### **About FRONTEO, Inc.**

FRONTEO, Inc. ("FRONTEO") (Nasdaq:FTEO) (TSE:2158) supports the analysis of big data based on behavior informatics by utilizing its technology, "KIBIT". FRONTEO's KIBIT technology is driven by FRONTEO AI based on knowledge acquired through its litigation support services. The KIBIT incorporates experts' tacit knowledge, including their experiences and intuitions, and utilizes that knowledge for big data analysis. FRONTEO continues to expand its business operations by applying KIBIT to new fields such as healthcare and marketing. FRONTEO was founded in 2003 as a provider of e-discovery and international litigation support services. These services include the preservation, investigation and analysis of evidence materials contained in electronic data, and computer forensic investigation. FRONTEO provides e-discovery and litigation support by making full use of its data analysis platform, "Lit i View<sup>®</sup>", and its Predictive Coding technology adapted to Asian languages. The company name was changed from UBIC, Inc. to FRONTEO, Inc. as of July 1, 2016.

For more information about FRONTEO, contact [usinfo@fronteo.com](mailto:usinfo@fronteo.com) or visit <http://www.fronteo.com/global/>.

#### **Safe Harbor Statement**

This announcement contains forward-looking statements. These forward-looking statements are made under the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. These statements can be identified by terminology such as "will," "expects," "anticipates," "future," "intends," "plans," "believes," "estimates" and similar statements. Among other things, the amount of data that FRONTEO expects to manage this year and the potential uses for FRONTEO's new service in intellectual property-related litigation, contain forward-looking statements. FRONTEO may also make written or oral forward-looking statements in its reports filed with, or furnished to, the U.S. Securities and Exchange Commission, in its annual reports to shareholders, in press releases and other written materials and in oral statements made by its officers,

directors or employees to third parties. Statements that are not historical facts, including statements about FRONTEO's beliefs and expectations, are forward-looking statements. Forward-looking statements involve inherent risks and uncertainties. A number of factors could cause actual results to differ materially from those contained in any forward-looking statement, including but not limited to the following: FRONTEO's goals and strategies; FRONTEO's expansion plans; the expected growth of the data center services market; expectations regarding demand for, and market acceptance of, FRONTEO's services; FRONTEO's expectations regarding keeping and strengthening its relationships with customers; FRONTEO's plans to invest in research and development to enhance its solution and service offerings; and general economic and business conditions in the regions where FRONTEO provides solutions and services. Further information regarding these and other risks is included in FRONTEO's reports filed with, or furnished to the Securities and Exchange Commission. FRONTEO does not undertake any obligation to update any forward-looking statement, except as required under applicable law. All information provided in this press release and in the attachments is as of the date of this press release, and FRONTEO undertakes no duty to update such information, except as required under applicable law.

CONTACT: FRONTEO Global PR

FRONTEO USA, Inc.

Tel: (212) 924-8242

[global\\_pr@fronteo.com](mailto:global_pr@fronteo.com)

 Primary Logo

Source: FRONTEO

News Provided by Acquire Media