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## **FRONTEO Signs Memorandum of Understanding with Idea Capital Group for Expansion into the Chinese Market**

TOKYO, Dec. 13, 2016 (GLOBE NEWSWIRE) -- FRONTEO, Inc. ("FRONTEO" or the "Company") (NASDAQ:FTEO) (TSE:2158), a leading provider of global eDiscovery and big data analysis services utilizing artificial intelligence technology, announced today that it has signed a Memorandum of Understanding ("MOU") with Idea Capital Group ("ICG"), a Chinese investment and advisory group, in order to expand its eDiscovery services in China.

Upon signing the MOU, ICG will provide full support to FRONTEO to enter the Chinese market by establishing a subsidiary company to be in charge of the eDiscovery business in China.

FRONTEO is a leading global provider of eDiscovery consulting services. The Company has experiences with more than 900 litigations in fields such as patent, antitrust, and product liability law. In particular, FRONTEO's proprietary eDiscovery solution is highly regarded as a product tailored for the Chinese market given its capabilities in analyzing data of different document types in Asian languages, including Chinese.

"China was ranked number one for five consecutive years in terms of the number of patent applications filed each year, and this number surpassed one million last year. Further, the number of patent litigations has skyrocketed, which leads to increased demand for eDiscovery services in China," said Yongmin Cho, CEO of FRONTEO Korea. "We are extremely excited about the cooperation with ICG and the business opportunities it represents for FRONTEO in China."

"FRONTEO is a global eDiscovery services provider that delivers eDiscovery services across Asia, the United States and Europe. We believe that with our technology and know-how, we will help Chinese corporations achieve more successful outcomes in international litigations," Mr. Cho added.

In recent years, FRONTEO has been focused on expansion into the global markets, operating more than 20 offices in seven countries, including South Korea, Japan and the United States. Last month, the Company opened a new service center in London to meet the growing demand for eDiscovery services in Europe and the Middle East.

### **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 artificial intelligence based on knowledge acquired through its litigation support services. 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", 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 [global\\_pr@fronteo.com](mailto:global_pr@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.

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