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FRONTEO Obtains U.S. Patents for AI-based Technology Enabling High-level Text Analysis

Patented AI Technology Enables High-level Text Analysis, Strengthening FRONTEO's AI Engine "KIBIT" Presence in the U.S. Market

TOKYO, Sept. 28, 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 United States Patent and Trademark Office has recently issued a Notice of Allowance for the Company's high-level text analysis technologies.

The necessary procedures for patent registration have already been executed, and the patents are currently pending issuance. The FRONTEO's products and services suite, which is underpinned by Company's proprietary AI engine "KIBIT", is now protected in the U.S., enhancing FRONTEO's core AI-based technology portfolio and profile in the U.S. market.

Description of the U.S. Patents:

U.S. Patent application number: 14/472, 296

U.S. patent registration number: Registration number pending issuance

Priority data: February 29, 2012

U.S. application date: August 24, 2014

U.S. Patent application number: 14/866, 016

U.S. patent registration number: Registration number pending issuance

Priority data: March 30, 2012

U.S. application date: September 25, 2015

The innovative AI-based technologies covered by these two patents enable the learning of abstract criteria associated with human reasoning from a small amount of textual data, in addition to the evaluation of new and unseen data based on the acquired criteria. These technologies can be used to streamline the analysis of vast amounts of documents (big-data). The patented technologies are fundamental for FRONTEO's proprietary AI engine, KIBIT, and the Company has now officially been granted the exclusive rights to these technologies.

The FRONTEO's product and service portfolio building on KIBIT, is now protected in the United States. FRONTEO intends to continuously strive to fortify its intellectual property position worldwide, and to promote the Company's profile in the big-data analytics field as one of the primary pillars of its strategies. FRONTEO sees these patent acquisitions as an achievement of its strategic efforts.

The technologies, which are now patented in the U.S., have already been patented in Japan with the patent numbers 5850973; and 5898371.

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. 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 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

 Primary Logo

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