



November 19, 2014

Notice Regarding UBIC's Cessation of Issuance of New Shares (Second Round Allocation) Through A Third-party Allocation of Shares and Withdrawal of Securities Registration Statement for the Second Issuance of Shares

TOKYO, Nov. 19, 2014 (GLOBE NEWSWIRE) -- At its meeting held on November 19, 2014, the Board of Directors of UBIC, Inc. (the "Company") resolved to suspend the second round allocation (the "Second Issuance of New Shares") scheduled for December 5, 2014 as part of UBIC's previously announced share issuance program through a third-party allocation of its shares to the London Branch of Deutsche Bank (the "Program") resolved by the Board of Directors on August 28, 2014 and announced by UBIC's "Notice of Conclusion of Basic Agreement on Acquisition of Shares through Third-party Allocation of Shares ("STEP 2014 Model" Straight-equity Issue Program) and Issue of New Shares and 10th Share Warrants Through A Third-party Allocation of Shares and Conclusion of Share Warrants Purchase Agreement (Additional Issuance Options)" dated on the same date (the "Press Release of Program"). The Company also withdrew a securities registration statement regarding the Second Issuance of New Shares that was filed with a Chief of the Kanto Local Financial Bureau. Accordingly, the Company makes the following announcement.

Particulars

1. Reasons for Cessation of the Second Issuance of New Shares

As a general rule, the number of shares to be allocated in each allotment in the Program (the "Unit of Allocation") is 1,000,000. However, such Unit of Allocation may be changed depending upon an average monthly turnover of UBIC common stock. The Second Issuance of New Shares falls under a provision in the Program that triggers a temporary suspension in allocations in the Unit of Allocation if, during the subject period, the average monthly turnover of UBIC common stock falls below 1,069,778 shares (the average monthly turnover from September 17, 2014 to October 15, 2014 was 1,065,105). In addition, while the Program allows for a 500,000 allocation if an average monthly turnover thereafter increases to 2,139,557 or more, that did not occur until today. As such, the Second Issuance of New Shares is suspended.

One of the purposes of the Program is to raise the funds necessary for capital expenses, and mergers and acquisitions. However, at this time, the Company believes that it currently possesses sufficient funds to pursue its strategic goals without raising additional cash under the Program. UBIC also believes that the suspension of the Second Issuance of New Shares will not have a material impact on R&D expenses and other working capital needs.

Note: Details of the terms and conditions for change in the Unit of Allocation

For further information, please refer to "I. Straight-equity issue program ("STEP 2014 Model"), 3. Summary of this Program, (5) Changes in units of allocation" of the Press Release of Program.

2. Future outlook

The Program consists of up to four new issuances of 1,000,000 shares per issuance (as a general rule) of UBIC common stock and the concurrent issuance of share warrants by which 1,000,000 shares of UBIC common stock are able to be acquired. The Company has not yet decided whether it will carry out the third allocation (scheduled board resolution date of allocation: December 10, 2014) and the fourth allocation (scheduled board resolution date of allocation: February 18, 2015) at this stage. Independently from the cessation of the Second Issuance of New Shares, the Company will determine whether to make the third and fourth allocations respectively by resolutions of the Board of Directors, whose decisions will take into consideration the progress of any negotiations of future M&A projects, UBIC's capital requirements and any other relevant factors.

UBIC's consolidated profit and profitability in Q1 and Q2 of this fiscal year improved compared with the last fiscal year. These results mainly came from securing new opportunities including one from a new, large account and an increase of net sales arising from receiving several eDiscovery services requests for a big cartel matter. Further, consolidated cash flows from UBIC's operating activities increased as well following the improvement of profit and profitability (for further information, please refer to the Consolidated Financial Results for Q2 announced on November 13, 2014).

In addition, the Company's client relationships in the U.S., brought by the acquisition of TechLaw Solutions, Inc. has also been strengthened and has contributed to the Company's consolidated net sales since September, 2014 (for further information, please see our news release titled "Matters Regarding Acquisition of Shares of TechLaw Solutions, Inc. (to be Our Subsidiary)"

dated August 28, 2014).

Changes in (Consolidated) Income Statement (Quarterly Basis)

(Unit: million yen)	FY ended March 2014 (Q3)	FY ended March 2014 (Q4)	FY ended March 2015 (Q1)	FY ended March 2015 (Q2)
Net sales	1,103	972	1,319	1,569
Operating income	-73	-253	106	117
Ordinary income	31	-305	99	177
Net income (Quarterly)	-43	-286	82	150

Changes in Cash Flows from Operating Activities (Semi-annual Basis)

(Unit: million yen)	FY ended March 2014 (from April to September)	FY ended March 2014 (from October to March)	FY ended March 2015 (from April to September)
Income before income taxes	-356	-309	276
Depreciation and amortization	210	225	256
Decrease (increase) in notes and accounts receivable-trade	105	246	-195
Increase (decrease) in notes and accounts payable-trade	-99	-16	131
Other	-46	64	50
Total of Cash Flows from Operating Activities	-186	211	517

(For your information)

Summary of the Second Issuance of New Shares resolved to be suspended.

1. New Shares issued	UBIC common stock
2. Number of shares issued	1,000,000 shares
3. Issue price	TBD (The issue price per share of new stock was planned to be 90% of the closing price of UBIC common stock on the Tokyo Stock Exchange on November 18, 2014.)
4. Total amount of issue price	TBD
5. Amount credited to equity	TBD
6. Deadline for application	December 5, 2014
7. Payment date	December 5, 2014
8. Delivery date of new shares	December 5, 2014
9. Planned purchaser and number of shares	London Branch of Deutsche Bank, 1,000,000 shares
10. Matters related to agreement on continued holding of New Shares etc.	No agreement has been concluded with the purchaser on the continued holding or depositing of New Shares allocated. However, UBIC has obtained purchaser's consent to report promptly to UBIC in writing information including name and address of the buyer(s), the number of shares sold, date of sale, price of sale, reason for sale, and method(s) of sale in the event it sells all or part of the New Shares allocated to it within two years since the effective date of the issuance of allocated shares (December 5, 2014).
11. Each of the above items is conditional on the relevant notice taking effect pursuant to the Financial Instruments and Exchange Act.	

This document has been translated from the original Japanese-language document for reference purposes only. If there are any differences or discrepancies between the original Japanese-language document and this English translation, the original Japanese-language document shall supersede this English translation.

About UBIC

UBIC, Inc. (Nasdaq:UBIC) (TSE:2158) is a leading provider of e-discovery and digital forensic services for Asia and the world. UBIC has extensive experience working with electronically stored information composed in Chinese, Japanese and Korean

(CJK) languages and utilizes that expertise for clients involved in cross-border litigation, corporate investigations, intellectual property disputes and much more. At the forefront of e-discovery innovation, UBIC's proprietary Lit i View® platform is moving the industry from "fact discovery" to "future discovery" by allowing clients to analyze e-mail messages and digital communications found in big data to reveal patterns in human thought and behavior.

For more information about UBIC, contact usinfo@ubicna.com or visit <http://www.ubicna.com>.

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 UBIC expects to manage this year and the potential uses for UBIC's new service in intellectual property-related litigation, contain forward-looking statements. UBIC 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 UBIC'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: UBIC's goals and strategies; UBIC's expansion plans; the expected growth of the data center services market; expectations regarding demand for, and market acceptance of, UBIC's services; UBIC's expectations regarding keeping and strengthening its relationships with customers; UBIC'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 UBIC provides solutions and services. Further information regarding these and other risks is included in UBIC's reports filed with, or furnished to the Securities and Exchange Commission. UBIC 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 UBIC undertakes no duty to update such information, except as required under applicable law.

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