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UBIC's "Lit i View EMAIL AUDITOR" Product Adds Optional Function to Spot Bribery in China

Helping Japanese Companies Operating in China Mitigate Legal Risks by Searching Business Emails for Indications of Bribery

TOKYO, Dec. 3, 2015 (GLOBE NEWSWIRE) -- <u>UBIC</u>, Inc. (Nasdaq:UBIC) (TSE:2158), a leading provider of international litigation support and big-data analysis services, announced today that it has launched a new function for its Lit i View EMAIL AUDITOR automated email audit system that is designed to detect email exchanges that may be indications of acts of bribery in China, which will assist UBIC's clients in preventing violations of regulations that prohibit bribing foreign public officials, including the U.S. Foreign Corrupt Practices Act (FCPA).

The EMAIL AUDITOR identifies suspicious emails by using UBIC's KIBIT artificial intelligence (AI) system to examine email texts and attached files transferred from clients' in-house email systems. This system is capable of analyzing texts written in Japanese, English, Chinese and Korean and reduces the audit time of those texts by a factor of 500 to 1,000 when compared with the speed of a human audit. To date, UBIC has provided this system, which includes functions to detect information leakage and inappropriate business practices such as price fixing, and has provided more than approximately 8,000 users who are in Japan and abroad, including electronic communication device producers, auto-parts manufacturers, and transportation companies.

The new function, which allows corporate clients to discover indications of bribery within their Chinese operations, is based on the accumulation of knowledge and insight related to the detection of suspicious emails in Chinese and English. When companies adopt this function, after feeding teaching data concerning what kinds of email exchanges should be identified into the KIBIT system they will be able to immediately search for email exchanges that suggest that bribery may have taken place.

As business transactions have become borderless, governments around the world are cracking down on acts of bribery involving foreign public servants. In addition to the enforcement of the FCPA by the United States and the Bribery Act by the United Kingdom, there are also moves in other countries, including China, Japan and Russia, to strengthen anti-bribery regulations. In particular, under the FCPA, the U.S. Department of Justice has implicated many companies of bribing public officials in China. In one such case, a company accused of bribing Chinese government officials had to pay as much as USD135 million as a settlement. Companies expanding into China must be prepared to deal with such risks.

Meanwhile, discovering or preventing acts of bribery in China can be very difficult because of a shortage of audit personnel and the difficulty in detecting wrongdoing due to a company's lack of local knowledge and language skills.

UBIC has developed this new function based on know-how about detecting acts of bribery accumulated through its international litigation support services. This includes the supply of EMAIL AUDITOR to foreign clients, as its attention focuses on China, where many Japanese companies are operating and where anti-bribery audit is required due to differences in cultural backgrounds and customs. UBIC now supports legal compliance with anti-bribery regulations by providing this function to Japanese and multinational companies doing business in China.

Clients who have already adopted EMAIL AUDITOR can add this function for an additional initial cost of JPY600,000. Users adopting EMAIL AUDITOR for the first time will be able to use this function after paying the standard initial cost.

KIBIT

KIBIT is an AI engine developed by UBIC. KIBIT is a word coined by combining "kibi," a Japanese word meaning "subtlety," and "bit," the smallest unit of digital information, in order to indicate an AI capable of understanding the subtle elements of human behavior and personality.

About UBIC, Inc.

UBIC, Inc. (Nasdaq:UBIC) (TSE:2158) supports the analysis of big data based on behavior informatics by utilizing its technology, "KIBIT". UBIC's KIBIT technology is driven by UBIC 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. UBIC continues to expand its business operations by applying KIBIT to new fields such as healthcare and

marketing.

UBIC 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. UBIC 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.

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

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 propertyrelated 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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