



August 27, 2015

## UBIC Announces the Establishment of a Subsidiary

TOKYO, Aug. 27, 2015 (GLOBE NEWSWIRE) -- UBIC, Inc. (Nasdaq:UBIC) (TSE:2158) ("UBIC" or "the Company"), a leading provider of international litigation support and big-data analysis services, announced that its board of directors resolved at a meeting held today, to establish a new company as follows:

### 1. Purpose of the Establishment of the Subsidiary

In order to accelerate its expansion into the field of marketing based on data analysis using AI technology, UBIC decided to establish Rappa, Inc., which is specialized in marketing operations, including the analysis of information available on the Internet. Following the establishment of Rappa, which is the first UBIC group company to operate in the business to consumer (B to C) sector, UBIC will enter the field of marketing based on data analysis in earnest.

Rappa will engage in digital marketing business, which refers to the provision of information with new value for consumers through the use of UBIC's proprietary AI technology to analyze information available through Internet sites, including e-commerce sites and buzz marketing sites. The new company will aim to contribute to social development by "enabling individual persons to find information valuable for themselves" and thereby support rich human creativity.

### 2. Background to the Establishment of the Subsidiary

In recent years, the volume of information on the Internet has continued to increase at an explosive pace due to the rapid diffusion of smartphones and social network sites. Despite being collected and accumulated, such information is not being used in an effective manner at the moment, so it is becoming increasingly difficult for consumers to quickly find what they are looking for from among the mass of information.

UBIC's data analysis makes use of its proprietary AI technology, which can incorporate and reproduce tacit knowledge from a small volume of information. By using this technology for information analysis in the B to C sector, where it is necessary to identify individual persons' various preferences and inclinations, Rappa will provide unique services distinct from those of other companies. UBIC's AI technology has already been put into practice in such fields as litigation support and fraud investigation and achieved substantial results in cases with a high level of urgency and importance. Therefore, we expect this technology to be very promising in the field of marketing.

### 3. Characteristics of Rappa's Business

Rappa has an advantage in data analysis that quickly identifies individual persons' preferences and inclinations with high accuracy by using AI technology to flexibly analyze unstructured text data, which is difficult to analyze using existing technologies. Besides, UBIC's AI technology can identify preferences and inclinations related to various categories by analyzing data available through multiple web services. As a result, it is possible to provide information which cannot be found through data concerning consumers' attributes and browsing and purchasing history or through collaborative filtering used in EC sites and which gives individual persons unexpected satisfaction.

By taking advantage of this unique characteristic, Rappa will engage in multiple lines of business, including digital curation service, which provide consumers with information suited to their personal preferences by analyzing text information, such as comments posted on the Internet by consumers, as well as community site operation.

### 4. Outline of the subsidiary

(1) Company name: Rappa, Inc.

(2) Location: 2-12-23, Kounan, Minato Ward, Tokyo 108-0075

(3) Representative: Takumi Saito, president and representative director

(4) Contents of business:

Digital curation service

Community site operation

Other businesses related to digital marketing

(5) Capital: ¥10 million (as of September 1, 2015)

(6) Share ownership ratio: Fully owned by UBIC, Inc.

(7) Date of establishment: September 1, 2015

(8) Closing date of the annual account: End of March

(9) Relationship with UBIC

(i) Capital relationship: The subsidiary will be established with 100% of its capital provided by UBIC, Inc.

(ii) Personnel relationship: Corporate officers or employees from UBIC will concurrently assume all of the subsidiary's five executive posts.

(iii) Business relationship: UBIC will conduct transactions with the subsidiary concerning the analysis of marketing data, among other matters.

5. Schedule

Registration date of the establishment of the subsidiary: September 1, 2015

Starting date of business operation: September 1, 2015

**About UBIC, Inc.**

UBIC, Inc. (Nasdaq:UBIC) (TSE:2158) supports the analysis of big data based on behavior informatics by utilizing its technology, "VIRTUAL DATA SCIENTIST" or VDS. UBIC's VDS technology is driven by UBIC AI based on knowledge acquired through its litigation support services. The VDS 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 VDS 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 [usinfo@ubicna.com](mailto:usinfo@ubicna.com) or visit <http://www.ubic-global.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.

CONTACT: Chief Executive Officer and Chairman of the Board

Masahiro Morimoto

Address any inquiries to

Chief Financial Officer and Chief Administrative Officer

Masami Yaguchi

Tel: +1 646-308-1561

Email: [ir@ubicna.com](mailto:ir@ubicna.com)



Source: UBIC

News Provided by Acquire Media