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UBIC Subsidiary Rappa and Gulliver International Form an Alliance

TOKYO, June 15, 2016 (GLOBE NEWSWIRE) -- Rappa, Inc., a wholly-owned subsidiary of UBIC, Inc. (Nasdaq:UBIC) (TSE:2158), a leading provider of artificial intelligence-based big data analysis services, and Gulliver International Co., Ltd. (TSE:7599) ("Gulliver") announced today that they have formed a business alliance to co-develop an automated system to aid in customers' car selection. The system will integrate UBIC's proprietary KIBIT artificial intelligence ("AI") engine with Gulliver's "Car Connect" online customer service.

Gulliver's "Car Connect" is a new online-to-offline customer service that was launched in January 2016. The service allows customers to consult with advisors through chat messages while allowing customers to review details and photos of the cars. Cars matching customers' needs are highlighted and recommended, and customers are guided with step-by-step instructions for completing the transaction. In March 2016, Gulliver and Rappa successfully implemented KIBIT in Gulliver's system to identify customers' car preferences and make optimal recommendations. Following that initial success, the Albased automated car selection system continued to advance and cover a broader range of models.

The customer-handling support system co-developed by Gulliver and Rappa is designed to make highly accurate recommendations by using the KIBIT AI engine on the chat function. KIBIT is responsible for the initial responses in the "Car Connect" service, such as asking for customers' preferences and interests. KIBIT will then analyze customers' requirements regarding car styles, fuel economy and horsepower to identify the optimal choices from Gulliver's inventory, along with detailed explanations. As the AI-based responses streamline the communication process, customers will be more efficiently assisted in searching for their preferred cars.

By September 2016, the Companies aim to commercialize the automated customer support service for "Car Connect." The two companies will continue their joint research on an automated communication system using KIBIT in order to create an innovative service that will further optimize car selection.

About 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. UBIC has announced it will change its name to FRONTEO, effective on July 1, 2016, subject to approval of a relevant revision of its articles of incorporation at the 13th general shareholders' meeting scheduled for June 29.

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

About Rappa, Inc.

Rappa, Inc. applies UBIC's proprietary AI technology to digital marketing and engages in such businesses as providing digital curation services and operating community websites. It uses AI technology to identify people's interests and preferences and find necessary information from among the mass of data available on the Internet. Through such activity, Rappa aims to contribute to social development by providing people with opportunities to find information valuable for themselves and helping to unlock their creative potential. Rappa was founded on September 1, 2015, as a wholly-owned subsidiary of UBIC with capital of JPY10 million. Rappa has announced that it will change its name to FRONTEO Communications, effective July 1, 2016.

About Gulliver International Co., Ltd.

Gulliver International Co., Ltd. was founded in Koriyama City, Fukushima Prefecture, in 1994 as a company specializing in

trading used cars. Its proprietary Dolphin Net, which is a satellite-based image sales system, triggered a revolution in car sales in 1996, and around 70,000 cars were sold annually through the system. In 2003, Gulliver was listed on the Tokyo Stock Exchange's first section and at the time was one of the fastest start-up's to go public. The company now operates 510 stores in Japan and 14 stores abroad. As it seeks to expand its business into new car sales and into overseas markets, Gulliver has announced that it will change its name to IDOM, effective on July 15, 2016.

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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