

July 19, 2019

FRONTEO Helps Global Companies Become More Efficient with Patent Search and Analysis System

New Version Compatible with Three More Patent Databases: World Intellectual Property Organization (WIPO), Europe (EP), and China (CN)

TOKYO, July 19, 2019 - FRONTEO, Inc. ("FRONTEO") (NASDAQ: FTEO) (TSE: 2518) a leading provider of artificial intelligence ("AI") based big data analysis services, announced today that it has released a new version of Patent Explorer 19 (PE 19), the patent search and analysis system equipped with its independently developed KIBIT G2 AI engine, that features enhanced patent database compatibility. In addition to the Japanese (JP) and American (US) patent databases with which it was previously compatible, the new version is compatible with the databases of the World Intellectual Property Organization (WIPO), Europe (EP), and China (CN).

PE 19 is a patent search support system based on FRONTEO's proprietary KIBIT G2 AI engine that makes it possible to significantly improve the efficiency of tasks relating to patent search and analysis, such as research into prior patents, research on documents that will invalidate patents, research to prevent patent infringement and research on technological trends. The system helps users conduct labor-intensive processes in patent searches (e.g., formulating search expressions, screening) more efficiently by rapidly identifying and extracting patent documents that may serve as a basis for evaluating the novelty and innovativeness of an invention, based on small amounts of teaching data. As a system that offers screening with a high degree of accuracy and remarkably comprehensive search capabilities, PE 19 has been adopted by companies in a wide range of fields, including manufacturers of chemicals, materials, machinery, and foods and beverages. At present, it is being used by almost 70 companies in total. For details of PE 19 and major user companies, click below:

<http://www.kibit-platform.com/products/patent-explorer/>

With the new version of PE 19, FRONTEO has further enhanced the support it provides for the intellectual property (IP) strategies of companies operating globally by making it compatible with three new patent databases requested by many customers—the World Intellectual Property Organization (WIPO), Europe (EP), and China (CN)—in addition to the Japanese and U.S. databases with which it was already compatible. It is able to meet the diverse IP strategy needs of global companies by making it possible to search for international or regional patents when conducting overseas patent searches and analyses.

FRONTEO will continue striving to offer PE 19 to more companies as a highly precise and comprehensive strategic IP support system that will enable them to perform patent analysis tasks more efficiently and facilitate the commercialization and operationalization of IP, which is an essential strategy for improving corporate value.

Campaign for International Database Release (“Patent Database Expansion”)

In conjunction with the release of the patent database expansion, FRONTEO is running a limited-time “Patent Database Expansion” campaign. This special offer combines hands-on training in PE 19 with a 2-week trial license, with the aim of enabling companies who are considering adopting it to experience its benefits first-hand and supporting its full-scale implementation.

Patent Explorer 19 Special Training Plan

- Fee: 89,000 yen + tax
- Application deadline: Friday, August 9, 2019
- Training date: Any day from Monday, August 19, 2019, to Friday, August 30, 2019, 10 a.m. – 5 p.m.

About KIBIT

KIBIT is an AI engine developed by FRONTEO. 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 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 artificial intelligence 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 UBIG, Inc. to FRONTEO, Inc. as of July 1, 2016.

For more information about FRONTEO, contact global_pr@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.

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