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FRONTEO Launches Knowledge Probe 20, An AI-Based Business Data Analysis Support System with a Function for Highlighting Key Locations

System Further Enhances Efficiency of Analysis Results Review and Accuracy Assessment

TOKYO, October 1, 2019 - FRONTEO, Inc. ("FRONTEO") (NASDAQ: FTEO) (TSE: 2518) a leading provider of artificial intelligence ("AI") based big data analysis services, announced today that it launched Knowledge Probe 20 (KP 20), a new AI-based business data analysis support system. KP 20 is equipped with KIBIT G2, the next-generation version of FRONTEO's independently developed AI engine KIBIT. It enables faster review of analysis results through the addition of features such as a function for highlighting key locations that influence scores.

Knowledge Probe (KP), a business analysis support system that uses AI learned in experts' evaluation criteria to analyze vast quantities of text data, has a wide range of applications, from analysis of daily business reports and customer feedback to HR-related tasks such as preventing employee turnover and analysis of job applications. Since analysis results are provided using a scoring system that ranks text in order of similarity to the training data, reviews can be conducted by starting from the texts with the highest scores, making it possible to comprehensively and efficiently identify the desired data.

Until now, when using KP, it was difficult to know which specific sections of the data contributed to a text's high score, especially when analyzing data in lengthy documents. Feedback from users indicated that it was time-consuming to verify long texts and also difficult to explain the results to others. To resolve these issues and make the review process simpler and more efficient, KP 20 is equipped with a new highlighting function.

Simplifying Reviews and Accuracy Assessment Using Highlighting Function

It is possible to highlight sections of analyzed data that have a strong impact on the score (divided based on punctuation or line feed code) as key locations. This will reduce the number of man-hours spent on review and accuracy assessment substantially when analyzing data with a large number of characters.

Other Functional Improvements and Changes

- Enabling seamless analysis results verification even for large amounts of data
 - Enabled seamless and effortless verification of analysis results on the KP 20 screen through means such as exporting the results as a CSV file even in the case of vast amounts of data



- Changes to the user environment
 - Eliminated the need to install Silverlight (change to HTML5)
 - Cloud version: Abolished login via Citrix and enabled direct login to KP 20
- Compatibility with more browsers
 - Expanded compatibility from one browser (Internet Explorer) to three browsers: Internet Explorer, Google Chrome (recommended), and Microsoft Edge.
- **Compatibility with parallel processing across multiple servers**
 - Enabled set up for parallel processing across multiple servers based on customer preferences and total amount of data since the system is equipped with KIBIT G2.

Going forward, FRONTEO will continue supporting customers by helping them perform their work in a more efficient, sophisticated manner by providing various solutions that leverage its expertise in natural language processing technology and KP 20.

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 UBIC, 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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