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For Immediate Release:

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**Notice of Revision of Consolidated Results Forecast  
for Fiscal Year Ending September 2019**

MTI Ltd. hereby announces that it has revised its forecast for consolidated financial results (announced on October 30, 2018) for the fiscal year ending September 30, 2019. Details are as follows.

**1. Revision details**

**Revision to consolidated results forecast for fiscal year ending September 2019  
(October 1, 2018 – September 30, 2019)**

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Net income per share
Forecast previously announced (A)	Millions of yen 28,000	Millions of yen 2,400	Millions of yen 2,300	Millions of yen 1,400	Yen 25.60*
Forecast revised this time (B)	27,000	2,900	3,500	2,000	36.56
Change (B - A)	(1,000)	+500	+1,200	+600	
Rate of change (%)	(3.6%)	+20.8%	+52.2%	+42.9%	
(Reference) Actual results (Fiscal year ended September 30, 2018)	29,075	3,218	3,116	1,629	29.85

\* Net income per share as in the previously announced forecast remains the same as the one described in Summary of financial Results for Q2 FY 2019 (announced in April 26, 2019), which was recalculated with the number of shares outstanding (excluding treasury shares) as of March 31, 2019.

**2. Reasons for change**

Net sales forecast has been revised downward from the initial forecast, because the number of paying subscribers has seen a worse-than-expected decline compared with the corresponding period of the preceding fiscal year, while average revenue per user (ARPU) remains on an upward trend.

Operating income outperforms the initial forecast, reflecting efficient acquisitions of smartphone paying subscribers through mobile phone shops, which has restrained advertising expenses and it has also resulted in lower SG&A than the initial SG&A forecast.

Ordinary income is expected to be significantly higher than the original forecast, reflecting non-operating

income resulting from the negative goodwill associated with Shobunsha Publications Inc. which became an equity method affiliate.

Accordingly, profit attributable to owners of parent is expected to be significantly higher than the initial forecast.

#### Disclaimer Regarding Forecast and Projections

This report contains forward-looking statements on business performance based on the judgments, assumptions and beliefs of management using the information available at the time. Actual results may differ materially due to changes in domestic or overseas economic conditions, changes in internal or external business environments, or aspects of uncertainty contained in the forecasts, latent risks or a variety of other factors. In addition, factors of risk and uncertainty include unpredictable elements that could arise from future events.

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