

September 6, 2019

For Immediate Release:

MTI Ltd.  
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 Listing: Tokyo Stock Exchange  
 (First Section) [9438]  
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### **Notice of Acquisition of Shares of MNES Inc. (Making it an Equity-method Affiliate)**

MTI Ltd. (the “Company”) announces that the Board of Directors passed a resolution at a meeting on September 6, 2019, that the Company would underwrite the third-party allotment of shares of MNES Inc. (“MNES”) as described below. The Company’s shares of MNES will be 22.76% after this allotment and MNES will become an equity-method affiliate of the Company.

#### **1. Reasons for share acquisition**

MNES is building and improving a new medical service infrastructure in the healthcare industry and is operating businesses such as remote diagnostic imaging and diagnostic imaging system development. The Company decided to underwrite the third-party allotment of shares of MNES based on the prospect that the partnership between the Company and MNES would allow MNES to increase sales of its services to medical examination organizations across Japan and an alliance with the Company’s healthcare business would support MNES in creating high value-added ICT services.

The Company will work to build ICT platforms in the medical and healthcare industries by enhancing collaboration with MNES while implementing activities in the healthcare business.

#### **2. Overview of MNES (As of September 6, 2019)**

(1) Name	MNES Inc.	
(2) Address	1-2-27 Shinonome-honmachi, Minami-ku, Hiroshima-shi	
(3) Name and title of representative	Naoyuki Kitamura, CEO	
(4) Nature of business	Remote diagnostic imaging business and development of medical support system, LOOKREC, among other businesses	
(5) Capital stock	100 millions of yen	
(6) Date of establishment	October 10, 2000	
(7) Major shareholders and shareholding ratios	DELTA CAPITAL RESOURCES LTD. 74.19% Naoyuki Kitamura (CEO) 4.59%	
(8) Relationship between the listed company and the relevant company	Capital relationship	There is no capital relationship between the two companies that is required to be disclosed.
	Human relationship	There is no human relationship between the two companies that is required to be disclosed.

	Business relationship	There is no business relationship between the two companies that is required to be disclosed.
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Note: The business results and financial position of MNES in the last three years are not disclosed because it is not a publicly traded company and based on consultation with MNES.

### 3. The number of acquired shares and status of shareholding ratio before and after acquisition

(1) Number of shares owned before acquisition	0
(2) Type and number of shares to be acquired	Common stock 1,655 shares
(3) Number of shares owned after acquisition	1,655 shares (The number of voting rights: 1,655 units) (Ratio of voting rights holding: 22.76%)

Note: The purchase price is not disclosed based on consultation with MNES.

### 4. Schedule

(1) Date of MTI's Board of Directors' resolution	September 6, 2019
(2) Date of share acquisition	September 20, 2019 (Scheduled)

### 5. Future outlook

The acquisition will have a very minimal impact materially on the Company's consolidated business results for the fiscal year ending September 30, 2019.

(Reference)

Consolidated financial results forecast for the current fiscal year (Announced on October 30, 2018) and consolidated results for the previous fiscal year

(Unit: millions of yen)

	Consolidated Net sales	Consolidated Operating income	Consolidated Ordinary income	Consolidated Profit attributable to owners of parent
Forecasts for consolidated financial results (September 30, 2019)	27,000	2,900	3,500	2,000
Consolidated results for the previous fiscal year (September 30, 2018)	29,075	3,218	3,116	1,629

#### 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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