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Summary of Consolidated Financial Results for the First Half of Fiscal Year ending September 30, 2022 (Japanese Accounting Standards)

May 12, 2022

Listed Company Name: MTI Ltd.

Listing Exchanges: Tokyo Stock Exchange

Securities Code: 9438

URL: <https://ir.mti.co.jp/eng/>

Representative: Toshihiro Maeta, President and Chief Executive Officer

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Scheduled date to submit the Quarterly Securities Report (Shihanki Houkokusho): May 16, 2022

Scheduled date of dividend payment: June 17, 2022

Supplementary documents for quarterly results: Yes

Quarterly results briefing: Yes (for securities analysts and institutional investors(on demand))

(Figures less than one millions of yen are omitted)

1. Consolidated business results for the six months ended March 31, 2022

(October 1, 2021 – March 31, 2022)

(1) Consolidated operating results (cumulative total)

(Percentages represent year-on-year changes)

| | Net sales | | Operating income | | Ordinary income | | Profit attributable to owners of parent | |
|---|-----------------|-------|------------------|--------|-----------------|--------|---|---|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| First half of fiscal year ending September 30, 2022 | 12,975 | (0.5) | 599 | (51.4) | 292 | (65.2) | 123 | – |
| First half of fiscal year ended September 30, 2021 | 13,046 | 0.6 | 1,232 | (14.8) | 840 | (35.8) | (1,416) | – |

(Note) Comprehensive income: Six months ended March 31, 2022: 47 millions of yen –%
Six months ended March 31, 2021: (1,131) millions of yen –%

| | Net income per share | Net income per share/diluted |
|---|----------------------|------------------------------|
| | Yen | Yen |
| First half of fiscal year ending September 30, 2022 | 2.25 | 2.25 |
| First half of fiscal year ended September 30, 2021 | (25.92) | – |

(2) Consolidated financial position

| | Total assets | Net assets | Equity ratio |
|--------------------------|-----------------|-----------------|--------------|
| | Millions of yen | Millions of yen | % |
| As of March 31, 2022 | 29,207 | 19,241 | 52.9 |
| As of September 30, 2021 | 31,908 | 21,243 | 54.6 |

(Reference) Shareholders' equity: As of March 31, 2022: 15,438 millions of yen
As of September 30, 2021: 17,426 millions of yen

2. Dividends

| | Dividend per share | | | | |
|---|----------------------|-----------------------|----------------------|----------|--------|
| | End of first quarter | End of second quarter | End of third quarter | Year end | Annual |
| | Yen | Yen | Yen | Yen | Yen |
| Fiscal year ended September 30, 2021 | – | 8.00 | – | 8.00 | 16.00 |
| Fiscal year ending September 30, 2022 | – | 8.00 | | | |
| Fiscal year ending September 30, 2022(forecast) | | | – | 8.00 | 16.00 |

(Note) Revisions to dividend forecasts published most recently: No

3. Forecast for consolidated business results for the fiscal year ending September 30, 2022
(October 1, 2021 – September 30, 2022)

(Percentages represent year-on-year changes.)

| | Net sales | | Operating income | | Ordinary income | | Profit attributable to owners of parent | | Net income per share |
|-----------|-----------------|-------|------------------|---------|-----------------|---------|---|---|----------------------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Yen |
| Full year | 25,500 | (0.9) | 1,000 | (48.2) | 500 | (63.5) | 100 | – | 1.82 |
| | ~26,500 | ~2.9 | ~1,400 | ~(27.5) | ~900 | ~(34.3) | ~500 | – | ~9.12 |

(Note) Revisions to forecasts for consolidated business results published most recently: Yes

* Note:

(1) Important changes of subsidiaries during the term

(changes in specified subsidiaries resulting in change in scope of consolidation): Not applicable

New: –

Exception: –

(2) Application of specific accounting treatment to the preparation of quarterly consolidated financial statements: Not applicable

(3) Changes in accounting policies and changes or restatement of accounting estimates

- | | |
|---|----------------|
| (i) Changes in accounting policies due to the modification in accounting methods: | Applicable |
| (ii) Changes in accounting policies other than (i): | Not applicable |
| (iii) Changes in accounting estimates: | Not applicable |
| (iv) Restatement: | Not applicable |

(4) Number of outstanding shares (common shares)

(i) Number of shares outstanding at the end of period (including treasury shares):

3/22: 61,248,200 shares

9/21: 61,248,200 shares

(ii) Number of treasury shares at the end of period

3/22: 6,448,673 shares

9/21: 6,496,273 shares

(iii) Average number of shares during the period (quarterly consolidated cumulative period)

Six months ended 3/2022: 54,762,393 shares

Six months ended 3/2021: 54,664,318 shares

* Status of a quarterly review

This earnings release is not subject to an audit.

* Cautionary statement with respect to forward-looking statements

The forward-looking statements included in this material are based on the Company's judgments, assumptions, and convictions based on information available to the Company at the time of publication of this document and may differ materially from actual results for a range of factors, including conditions of Japanese and overseas economies, changes in the situation of operations in Japan and overseas, and uncertainties and potential risks inherent in forward-looking statements. The risks and uncertainties include unforeseeable effects of future events. The information on consolidated earnings forecasts and other future forecasts on page 4 of the Accompanying Materials describes notes on the assumptions of the earnings forecasts and the use of the earnings forecasts.

A video of the briefing on earnings for the first quarter for securities analysts and institutional investors will be made available on demand on the Company's website.

While the Company planned to hold a briefing on earnings chiefly for securities analysts and institutional investors on Friday, May 13, 2022, to prevent the spread of infections by the COVID-19 coronavirus the Company will forgo holding at the venue event and will post the on-demand delivery of the briefing and related materials on its website.