

A series of approximately 12 green 3D rectangular blocks are arranged in a staircase pattern, ascending from the bottom left towards the top right. Each block is a different size and is slightly offset from the one below it, creating a sense of depth and movement. The blocks are a vibrant green color with a slight gradient and a 3D effect.

For the Fiscal Year
Ended September 30, 2015

Financial Results Presentation

November 5, 2015 Securities Code:9438



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Consolidated Financial Results Overview for FY2015





1

Results for the fiscal year ended September 31, 2015
Record high sales, operating income and dividends!

Net sales **¥33,461M** (Up ¥2,476M, Up 8.0%, YoY)

Operating income **¥4,245M** (Up 1,688 millions of yen, Up 66.0 %, YoY)

Annual dividend
per share **¥14.0** (Up 5.5 yen, YoY, after share split base)

2

Paying subscribers for smartphone services
exceeded **6** millions of people!

3

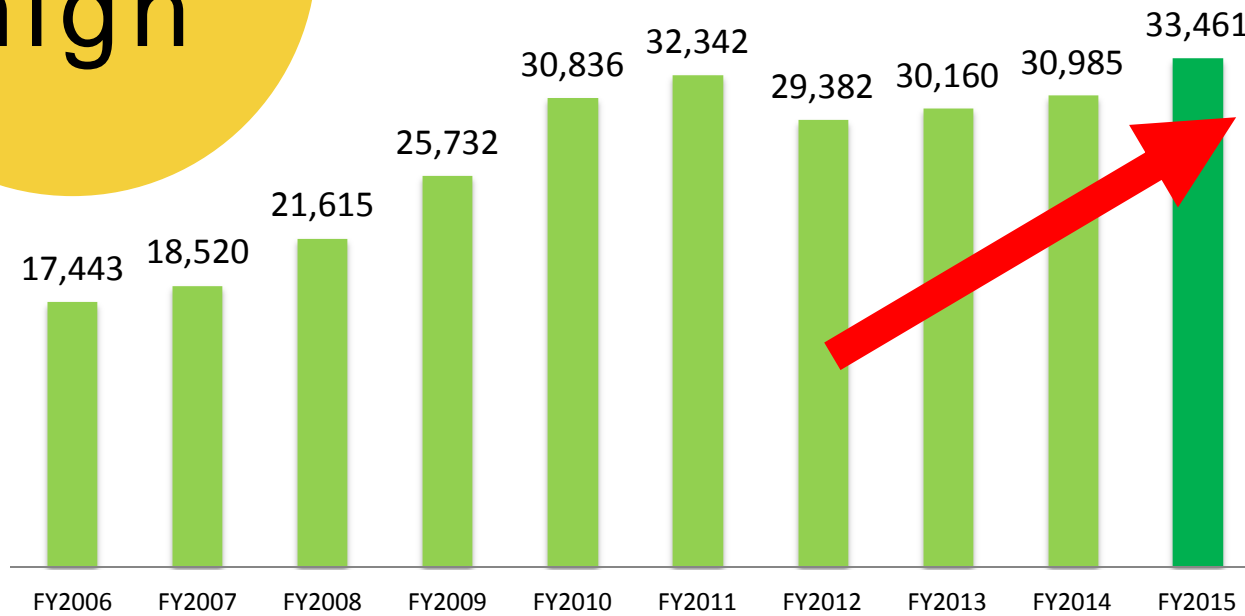
Transferred the market for listing to the First Section
of the Tokyo Stock Exchange on March 24, 2015



Record high

33,461 Millions of yen

(Unit: Millions of yen)



Peak season for feature phones
Shift to smartphones

Transferred the market for listing to the 1st Section Of the TSE

Consolidated Operating Income

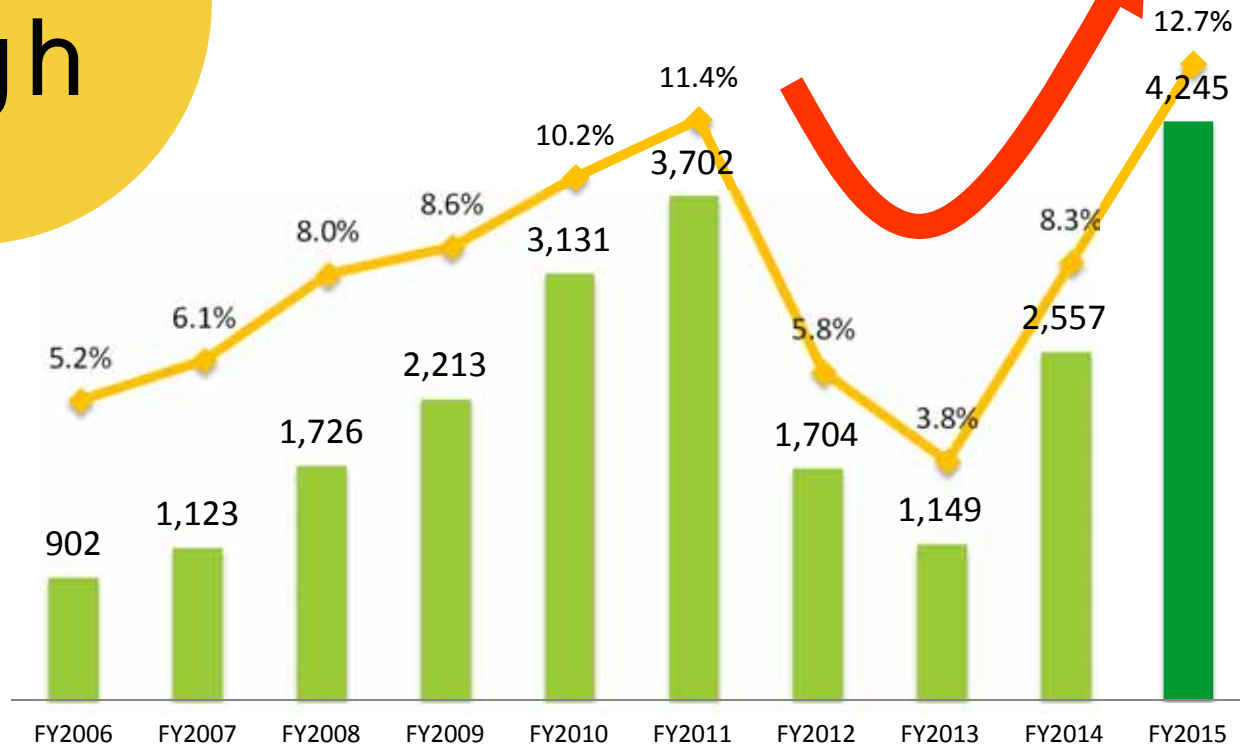


MTI Ltd.

Record high

4,245 Millions of yen

Operating income
(Unit: Millions of yen)
Operating income ratio
(Unit: %)



Peak season for feature phones

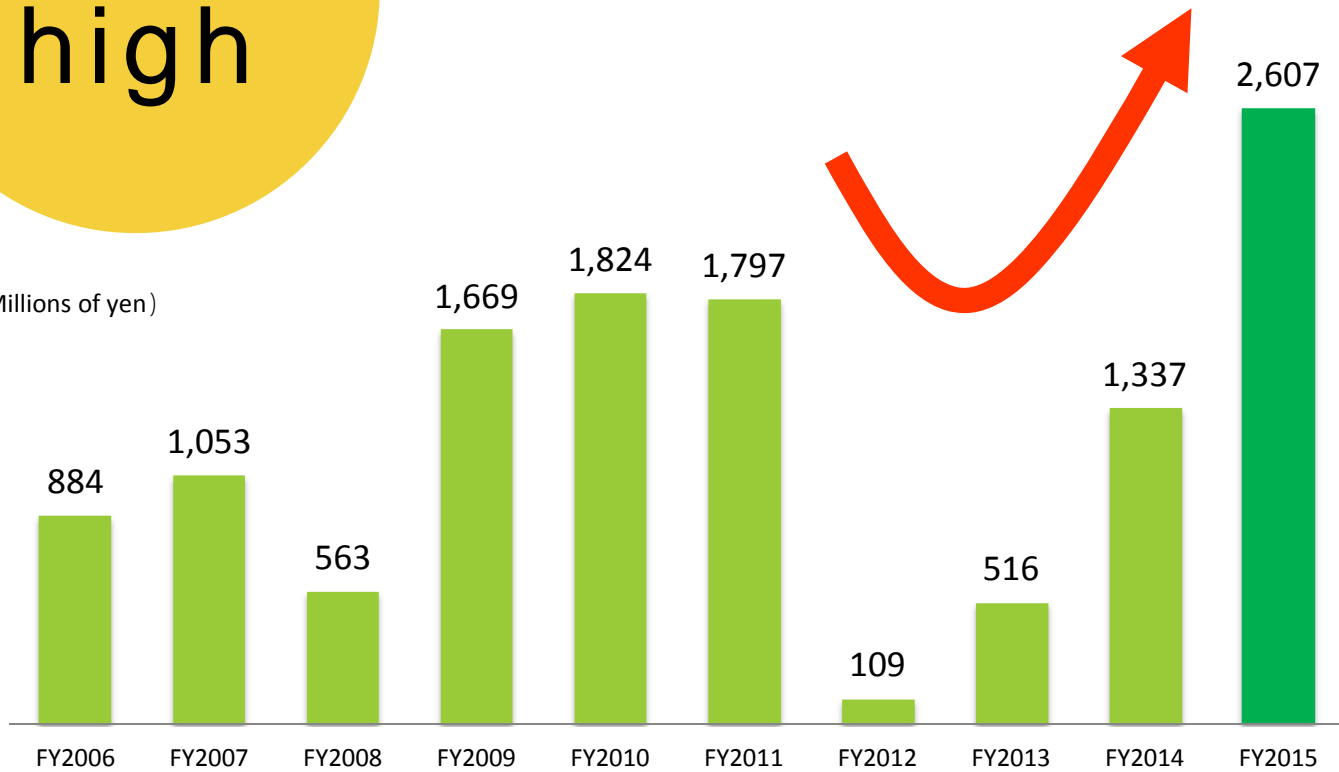
Shift to smartphones



Record high

2,607 Millions of yen

(Unit: Millions of yen)



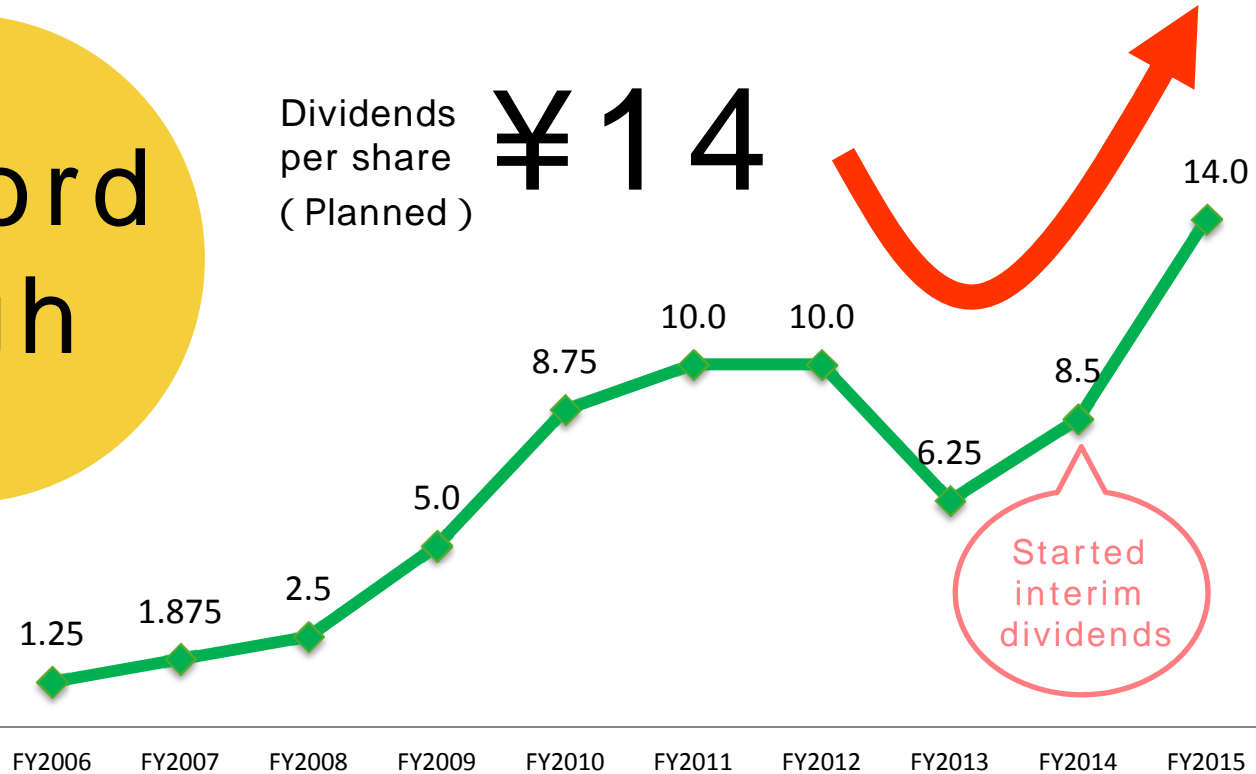


Record high

Dividends per share (Planned)

¥ 14

(Unit: Yen)



	Interim dividend	Year-end dividend	Annual dividend
FY2015	6 yen	8 yen	14 yen

Dividends per share are calculated based on the figures after the past share splits.

A Dividend per share at the end of FY2015 are to be referred to the 20th general shareholders meeting on December 23, 2015.

Improvement in average revenue per user (ARPU)
Strong performance of SugoToku content
(NTT docomo)

Achieved record
income levels

(Millions of yen)	FY2015	FY2014	Change	
			Amount	Percentage
Net sales	33,461	30,985	+2,476	+8.0%
Cost of sales	5,439	4,988	+450	+9.0%
Gross profit	28,022	25,996	+2,025	+7.8%
(Ratio)	83.7%	83.9%		
SG&A	23,776	23,439	+337	+1.4%
(Ratio)	71.1%	75.6%		
Operating income	4,245	2,557	+1,688	+66.0%
(Ratio)	12.7%	8.3%		
Ordinary income	4,144	2,519	+1,624	+64.5%
(Ratio)	12.4%	8.1%		
Net income	2,607	1,337	+1,269	+94.9%
(Ratio)	7.8%	4.3%		

Consolidated SG&A expenses



MTI Ltd.

Appropriately controlled selling, general and administrative expense through meaningful use. (Up 337 millions of yen, YoY)

(Millions of yen)	FY2015	FY2014	Change	
			Amount	Percentage
SG&A	23,776	23,439	+337	+1.4%
Advertising expenses	9,077	8,268	+809	+9.8%
Personnel expenses	5,770	5,815	-44	-0.8%
Commission fee	3,727	3,443	+283	8.2%
Subcontract expenses	1,326	1,803	-476	-26.4%
Depreciation	1,318	1,706	-387	-22.7%
Other	2,555	2,402	+153	+6.4%



6.00M paying subscribers for Smartphones

Up 0.60M, YoY (Up 0.31M, compared to June 30, 2015)

Monthly change in the number of paying subscribers for smartphones

(Unit: Millions of people)



FY2013

FY2014

FY2015

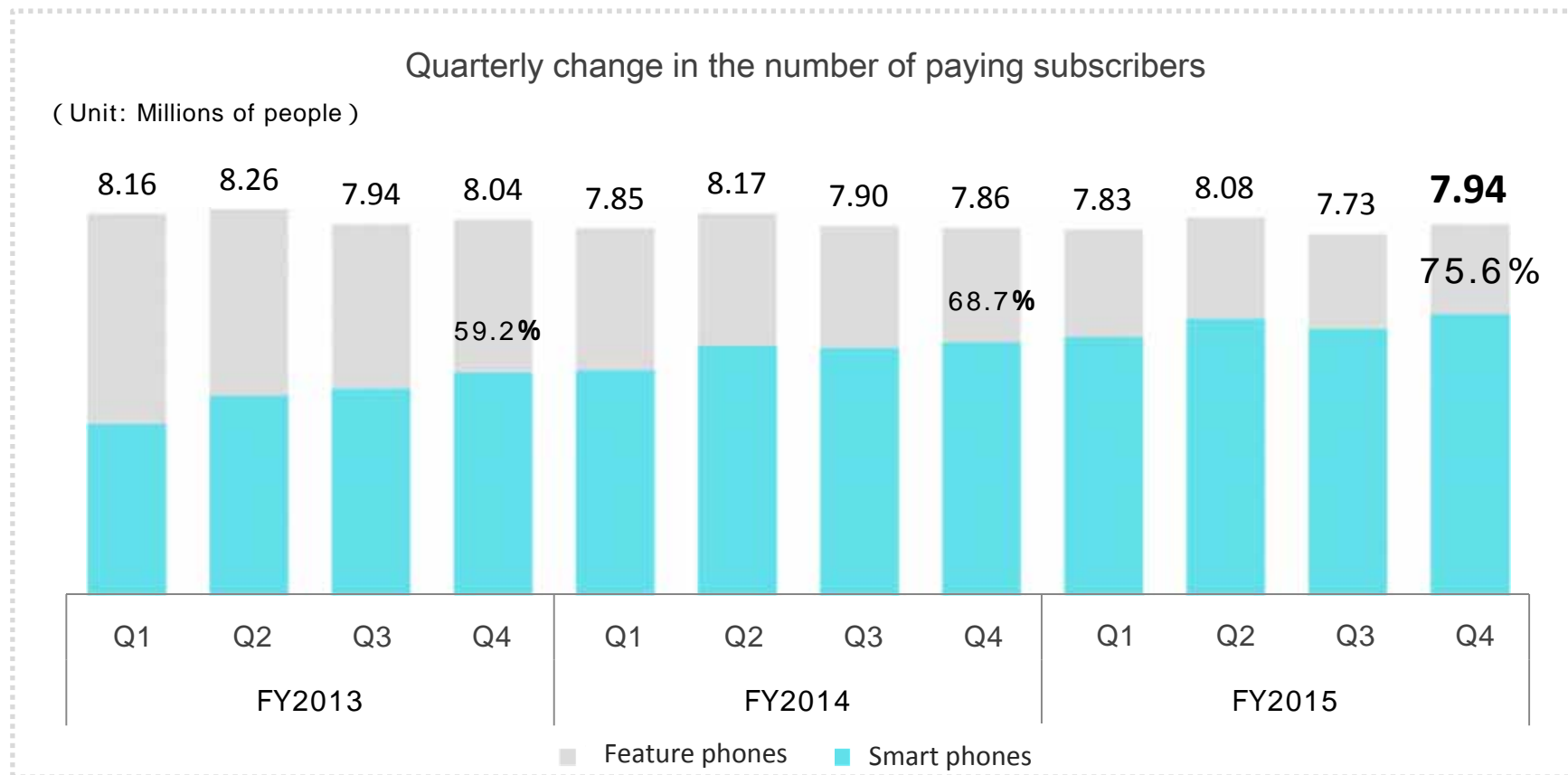


Business Overview: The Total Number of Paying Subscribers

7.94M paying subscribers

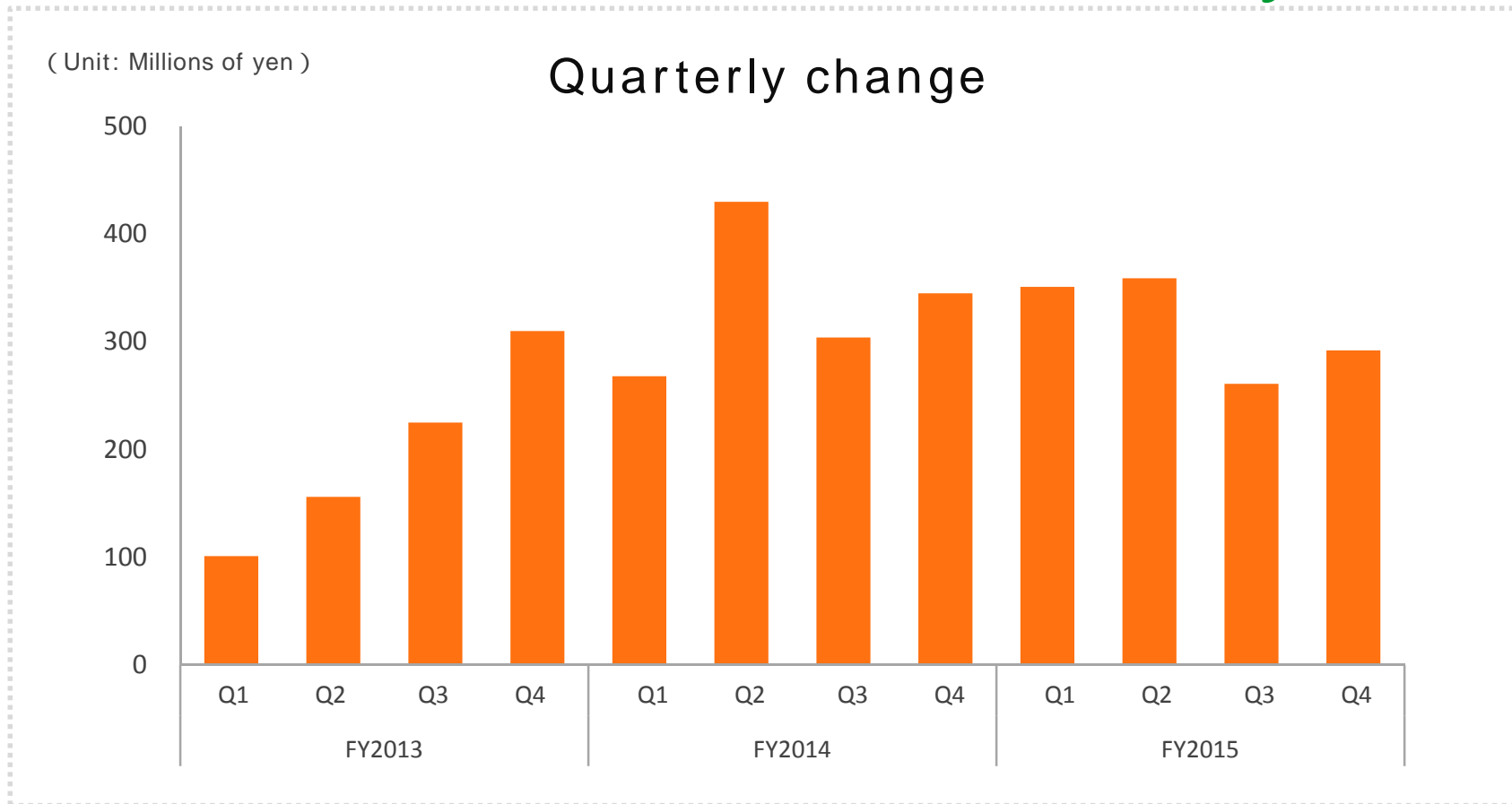
Up 0.21M, compared to June 30, 2015

Smartphone ratio
Exceeds 75.6%

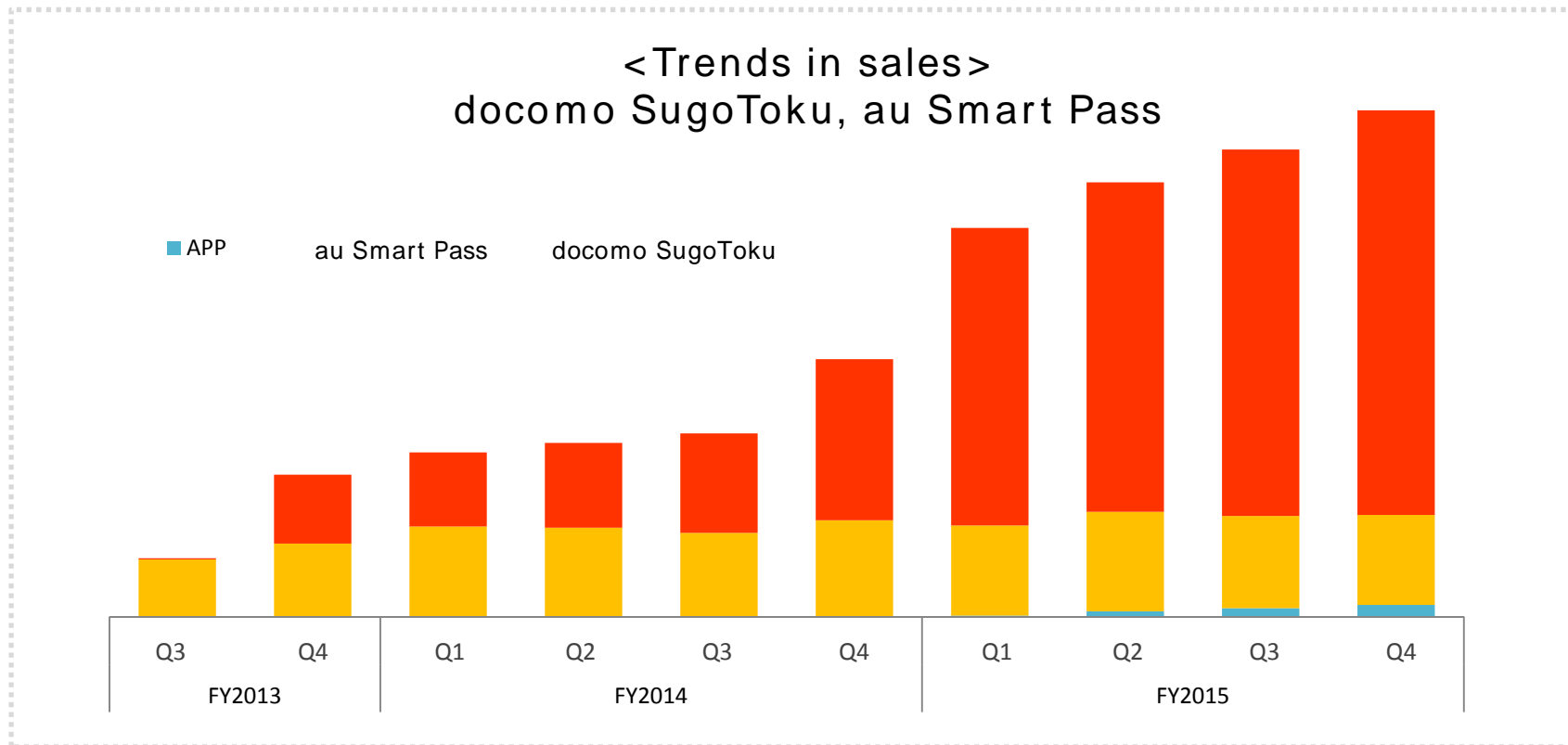


Non-virtual Affiliate Advertising Sales

Sales remained steady



SugoToku content increasing even higher!!



New Actions in the FY2016





Continue the basic policies of FY2015

Further expansion in the number of paying subscribers for smartphone services

- Enhancement in the Non-virtual Affiliate Network

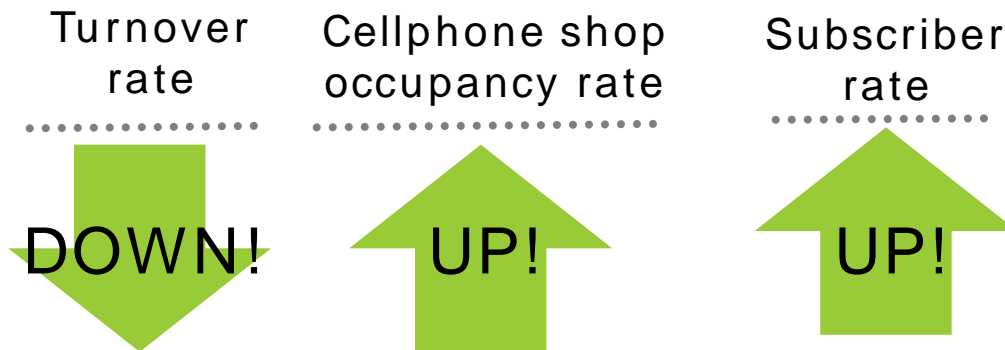
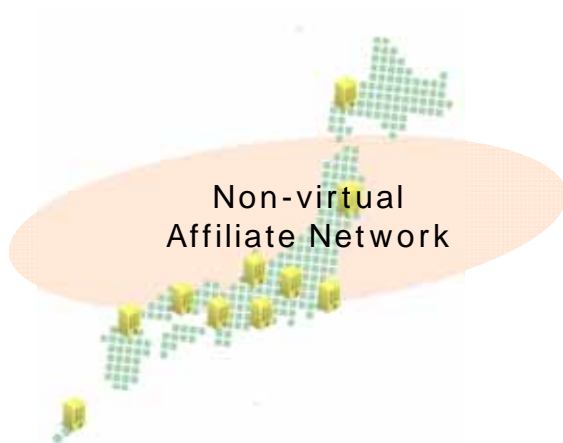
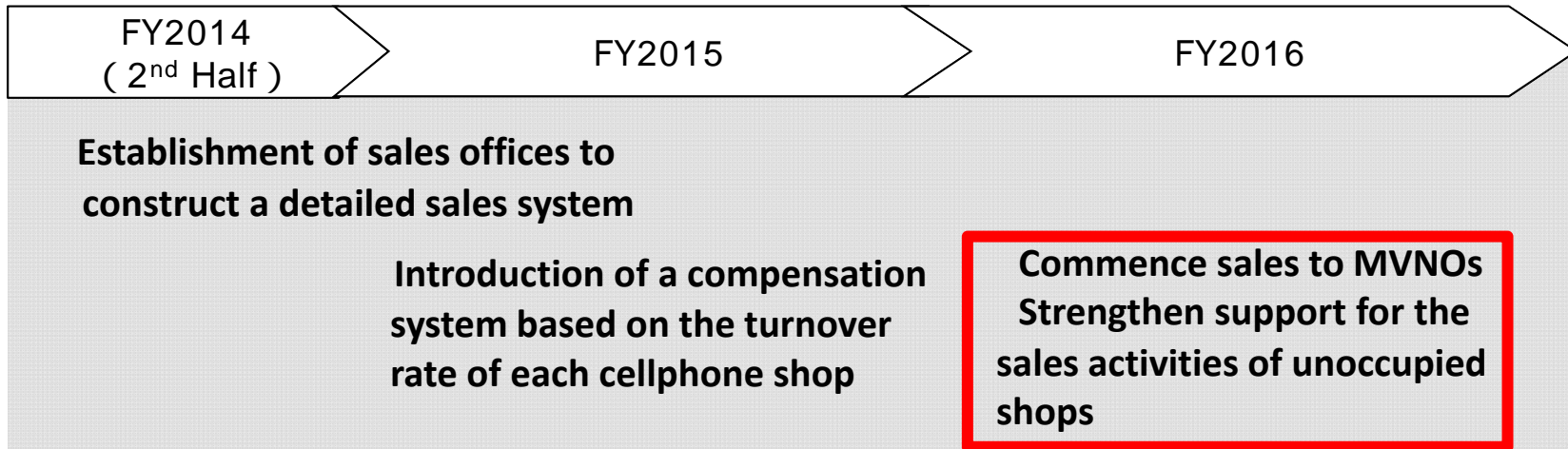
Improvement in average revenue per user (ARPU) • expanding SugoToku content

- Enlargement of Contents Services

Mid-to-long-term approach



- Phase to achieve sales for the Healthcare-related services

Launch of new sales measures





Ratios for services of higher fees increased in each category

Service Price level \ Categories	Music, Books, Video & DVD	Healthcare-related information	Weather information and Maps & Navigation
High added value	 <p>¥400 per month (excluding tax)</p> <p>↑</p> <p>To a integrated service</p> <p>¥300</p>	 <p>¥400 per month (excluding tax)</p> <p>↑</p> <p>To high added value service</p> <p>¥300</p>	<p>Integrated service of Weather information and Maps & Navigation</p> <p>¥380 per month (excluding tax)</p> <p>↑</p> <p>To an integrated service</p> <p>¥300</p>



Music, Books, Video & DVD



Hollywood movies

Increase the number of titles as new needs arise!!

Further increase in the average rate per user (ARPU)!



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Sony Pictures Entertainment (Japan) Inc.

Warner Bros. Entertainment, Inc.





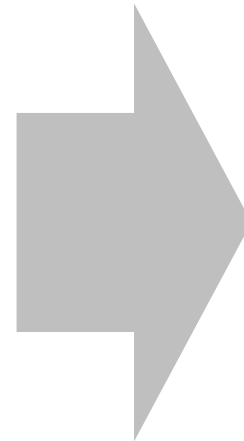
Integration into a new brand

Medical checkup
service

Machine-to-machine
service

Nutrition consulting
service

Electronic medicine
notebook service



ČARADA



Business portfolio of healthcare services

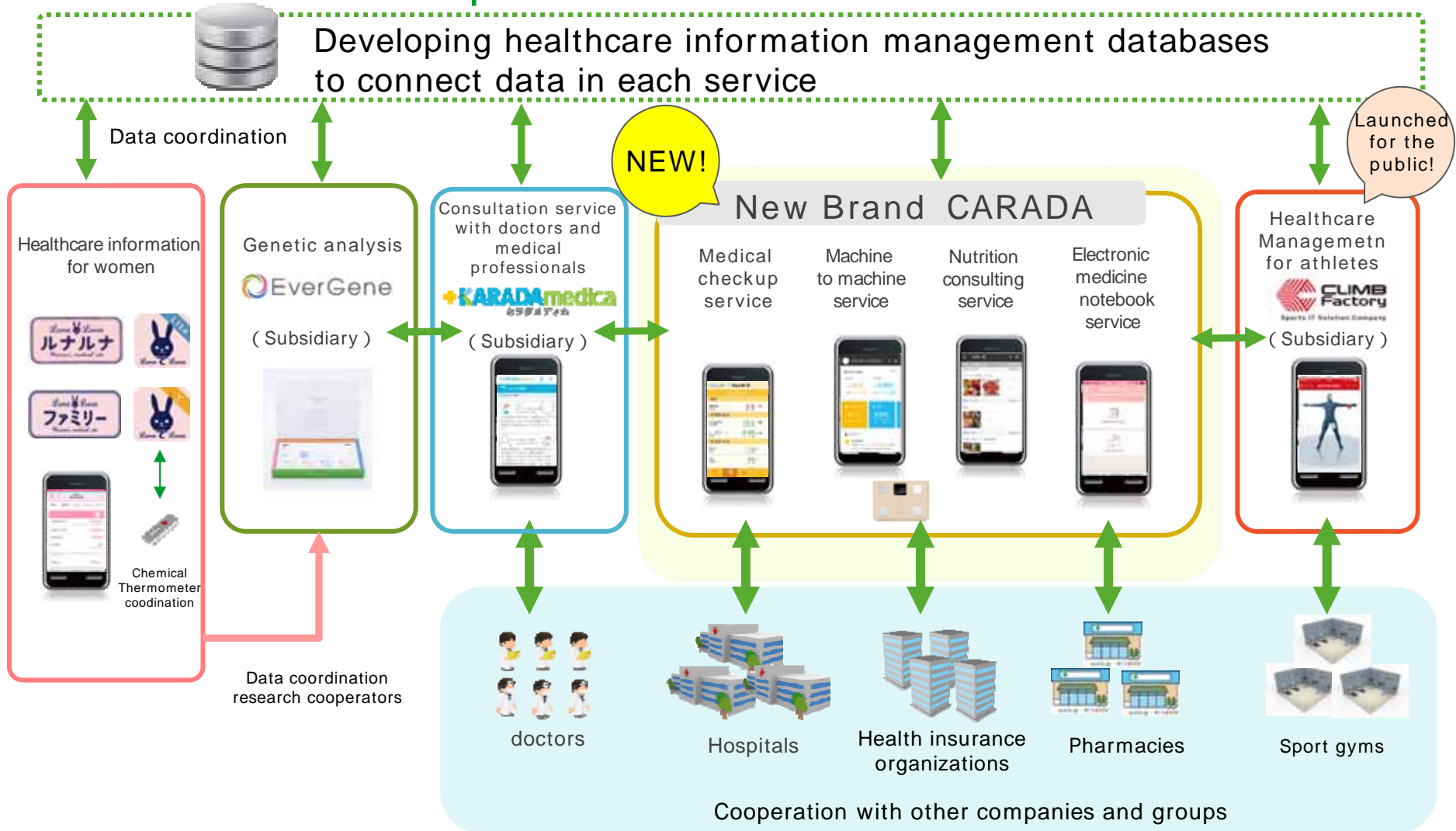
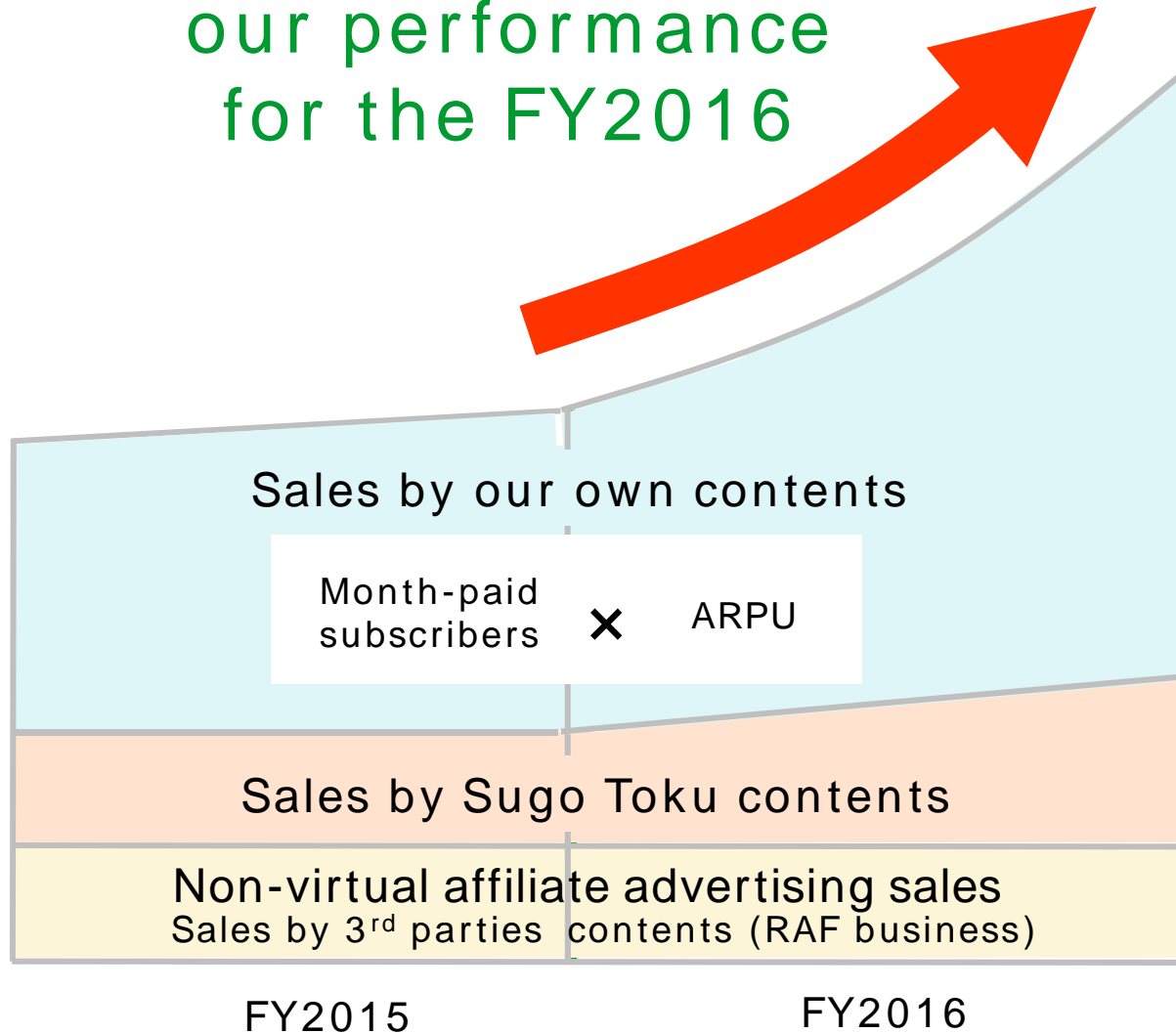


Image of expansion of our performance for the FY2016



Increase in the sales of MTI's own content
thanks to the improvement in ARPU

Increase in the sales of SugoToku

Net sales **¥35,000M**

(Up ¥1,538M, Up 4.6%)

Operating income **¥4,700M**

(Up ¥454M, Up 10.7%)

Net income **¥2,700M**

(Up ¥92M, Up 3.6%)

Achieved
record
income levels
for two
consecutive
years !

Consolidated Earnings Forecast for the FY2016



MTI Ltd

(Millions of yen)	FY2016 (Forecast)			FY2015 (Actual)			Change	
	Full-year	1 st half	2 nd half	Full-year	1 st half	2 nd half	Amount (Full-year)	Percentage (Full-year)
Net sales	35,000	17,200	17,800	33,461	16,620	16,841	+1,538	+4.6%
Cost of sales	5,950	2,920	3,030	5,439	2,666	2,772	+510	+9.4%
SG&A	24,350	12,280	12,070	23,776	11,845	11,930	+573	+2.4%
Operating income	4,700	2,000	2,700	4,245	2,108	2,137	+454	+10.7%
(Ratio)	13.4%	11.6%	15.2%	12.7%	12.7%	12.7%		
Ordinary income	4,660	1,980	2,680	4,144	2,034	2,109	+515	+12.4%
(Ratio)	13.3%	11.5%	15.1%	12.4%	12.2%	12.5%		
Net income	2,700	1,130	1,570	2,607	1,088	1,518	+92	+3.6%
(Ratio)	7.7%	6.6%	8.8%	7.8%	6.6%	9.0%		

We harmonize steadily increases our sales and income and share buybacks.

FY2016

Annual dividends per share **¥16**

Dividends are expected to be raised for three consecutive years !

	Interim dividend	Year-end dividend	Annual dividend
FY2015	¥6	¥8 (Planned)	¥14 (Planned)
FY2016 (Forecast)	¥8	¥8	¥16

A Dividend at the end of FY2015 are to be referred to the 20th general shareholders meeting on December 23, 2015.

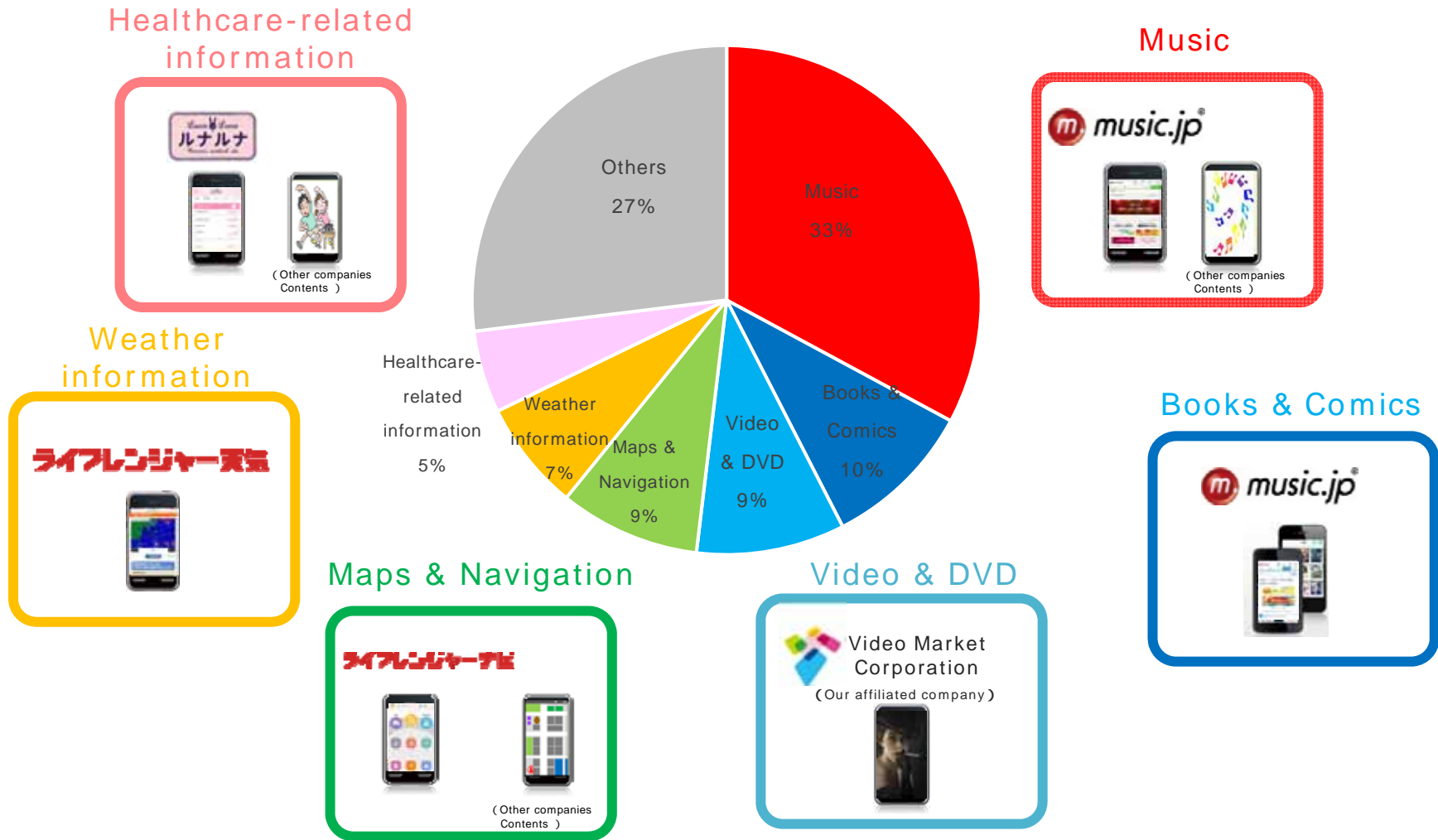


Appendix

(Overview of MTI s
business models)



Fulfilling line-up contents



Source: Total number of new paying subscribers from October, 2014 to September, 2015.
 Other companies content pictures are only images. These are differs from their actual services.



9 contents!

Music	E-book	Photo book	Healthcare-related	pregnancy, childbirth, childcare	Weather info	Multi-dictionary	Decoratoin e-mail Unlimited distribution	Western Fortune-telling

Getty Images

Diet & beauty	Eastern Fortune-telling	Puzzle game	Comic	Point at phrases

* Source: Ranking data from "d-menu", a portal site for smartphone services, by NTT docomo Co., Ltd. as of October 19, 2015

Cash and deposits stood at **11.6** billions of yen, reflecting a capital increase through a market procurement etc. (4.78 billions of yen as of September 30, 2014)

(Millions of yen)	FY2015	FY2014	Change	(Millions of yen)	FY2015	FY2014	Change
Current assets	20,211	12,183	8,028	Current Liabilities	7,193	5,727	1,466
Cash and deposit	11,608	4,782	6,825	Accounts payable-trade	1,179	976	202
Notes and accounts receivable-trade	6,885	6,294	590	Current portion of long-term loans payable	518	-	518
Other	1,788	1,214	573	Account payable-other	2,571	2,317	254
Allowance for doubtful accounts	-71	-108	37	Income taxes payable	1,354	674	679
				Allowance for coin usage	234	277	-42
				Other	1,334	1,480	-146
Noncurrent assets	4,526	4,585	-58	Noncurrent liabilities	953	1,318	-364
Property, plant and equipment	146	143	3	Long-term loans payable	79	500	-420
Intangible fixed assets	2,277	2,177	99	Net defined benefit liability	832	768	64
Include software	2,254	2,150	104	Other	40	49	-9
Investments and other assets	2,103	2,264	-161	Total liabilities	8,147	7,045	1,101
Include investment securities	796	813	-16	Capital stock	4,947	2,596	2,351
				Capital surplus	5,469	3,111	2,357
				Retained earning	6,300	4,305	1,994
				Treasury stock	-695	-695	0
				Other comprehensive income	12	-27	40
				Subscription rights to shares	127	206	-79
				Minority interest	429	224	204
				Net assets	16,591	9,722	6,868
Total Assets	24,738	16,768	7,969	Total liabilities and net assets	24,738	16,768	7,969

Consolidated P/L (Q4)



MTI Ltd.

(Millions of yen)	FY2015 Q4	FY2014 Q4	Change	
			Amount	Percentage
Net sales	8,579	7,974	+605	+7.6%
Cost of sales	1,491	1,273	+217	+17.1%
Gross profit	7,088	6,700	+387	+5.8%
(Gross profit ratio)	82.6%	84.0%		
SG&A	6,371	6,074	+296	+4.9%
Operating income	717	626	+91	+14.6%
(Ratio)	8.4%	7.9%		
Ordinary income	704	594	+110	+18.5%
(Ratio)	8.2%	7.5%		
Net income	663	328	+334	+101.9%
(Ratio)	7.7%	4.1%		

Consolidated SG&A expenses (Q4)



MTI Ltd.

(Millions of yen)	FY2015 Q4	FY2014 Q4	Change	
			Amount	Percentage
Total	6,371	6,074	+296	+4.9%
Advertising expenses	2,580	2,225	+355	+16.0%
Personnel expenses	1,558	1,564	-5	-0.4%
Commission fee	968	918	+50	+5.5%
Subcontract expenses	299	421	-121	-28.9%
Depreciation	309	365	-56	-15.4%
Other	654	580	+74	+12.9%

Trends in Consolidated P/L



MTI Ltd

(Millions of yen)	FY2014				FY2015			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Net sales	7,498	7,780	7,730	7,974	8,209	8,410	8,261	8,579
Cost of sales	1,219	1,256	1,238	1,273	1,343	1,322	1,281	1,491
Gross profit	6,279	6,523	6,492	6,700	6,865	7,088	6,979	7,088
(Ratio)	83.7%	83.8%	84.0%	84.0%	83.6%	84.3%	84.5%	82.6%
SG&A	5,370	6,127	5,866	6,074	5,532	6,313	5,559	6,371
Operating income	909	395	626	626	1,333	774	1,420	717
(Ratio)	12.1%	5.1%	8.1%	7.9%	16.2%	9.2%	17.2%	8.4%
Ordinary income	870	439	614	594	1,315	719	1,405	704
(Ratio)	11.6%	5.7%	8.0%	7.5%	16.0%	8.5%	17.0%	8.2%
Net income	425	364	218	328	761	327	855	663
(Ratio)	5.7%	4.7%	2.8%	4.1%	9.3%	3.9%	10.4%	7.7%

Trends in Consolidated SG&A



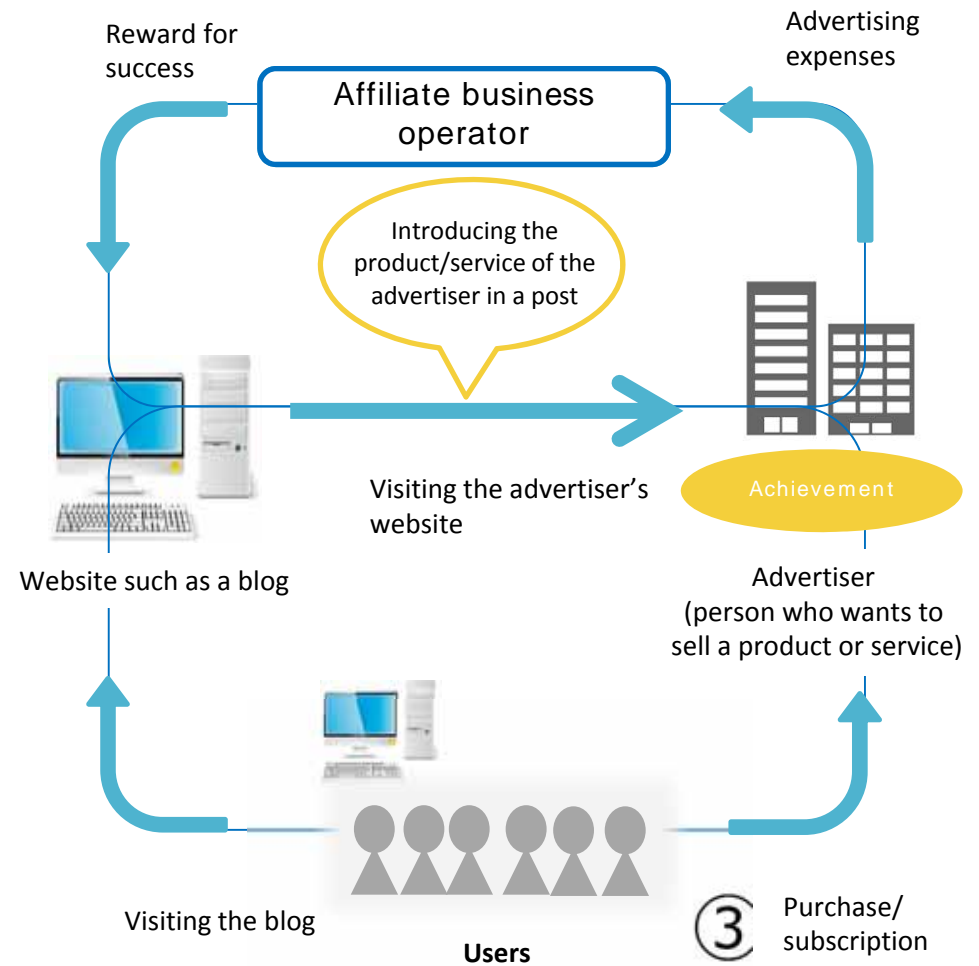
MTI Ltd.

(Millions of yen)	FY2014				FY2015			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Total	5,370	6,127	5,866	6,074	5,532	6,313	5,559	6,371
Advertising expenses	1,685	2,392	1,963	2,225	2,021	2,680	1,795	2,580
Personnel expenses	1,403	1,422	1,424	1,564	1,374	1,382	1,454	1,558
Commission fee	806	835	884	918	896	938	923	968
Subcontract expenses	438	459	484	421	350	331	344	299
Depreciation	444	442	454	365	353	341	314	309
Other	592	575	655	580	535	638	726	654

What's "Affiliate"?



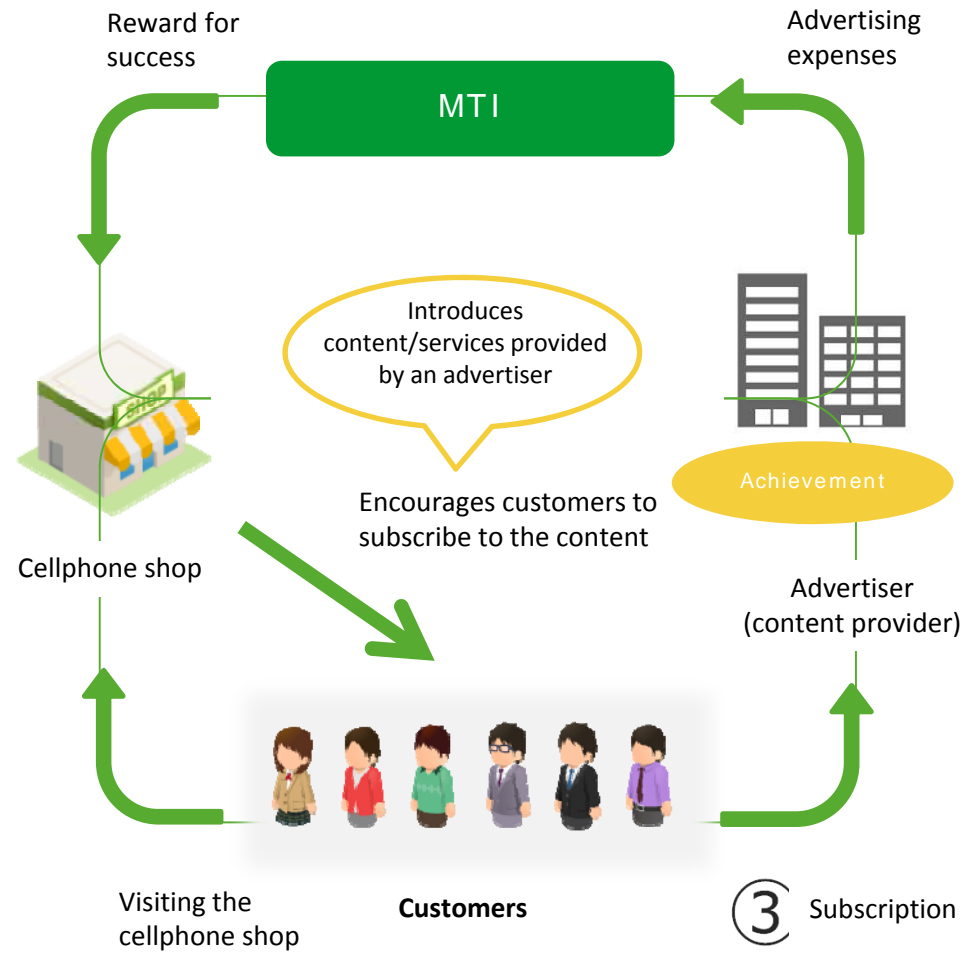
The term "affiliate" is a frequently used term in internet advertising. It is a system whereby if the introduction of a product or service on a website, such as a blog, is successful (e.g. a user purchases the product), the operator of the website receives a reward.



What's "Non-virtual Affiliate"?



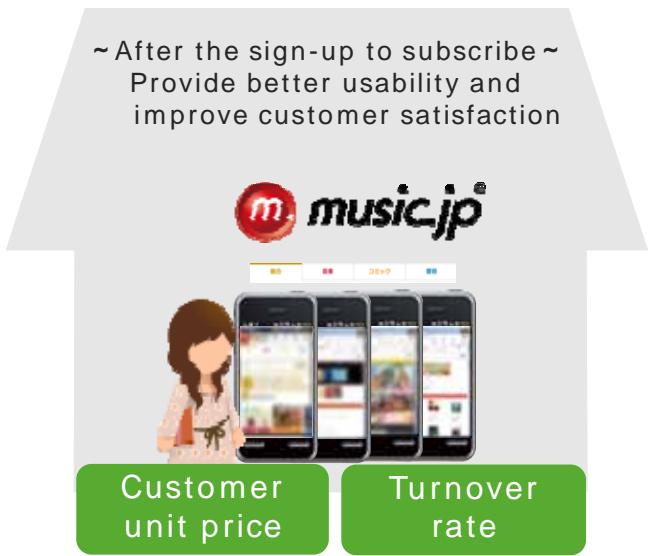
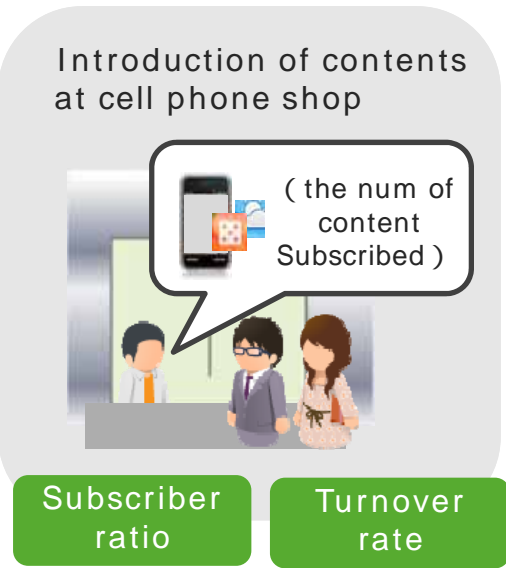
Non-virtual affiliate is an internet advertising system as applied to cellphone shops as physical locations. Under this system, cellphone shops encourage customers visiting them to subscribe to particular content, and if a customer actually subscribes to the content, the cellphone shop receives a reward.





Improvement of Index for Contents Business

Construction of a detailed sales support system	The number of new subscribers	= Contract num of cell phone shops × Cellphone shop occupancy rate × The num of visitors per cell phone shop × ¹ Subscriber ratio × ² Content subscribed
Introduction of a compensation system based on the turnover rate of each cellphone shop	The number of increase to member	= The num of new subscribers × (1 - Turnover rate)
Enlargement of Contents service	Sales	= The num of subscribers × Customer Unit price



* 1 Subscriber ratio: the number of content subscribers per cell phone shop visitors (Unique)
 * 2 Content subscribed: the number of subscribed contents per



Improvement of Index for Non-virtual Affiliate Business

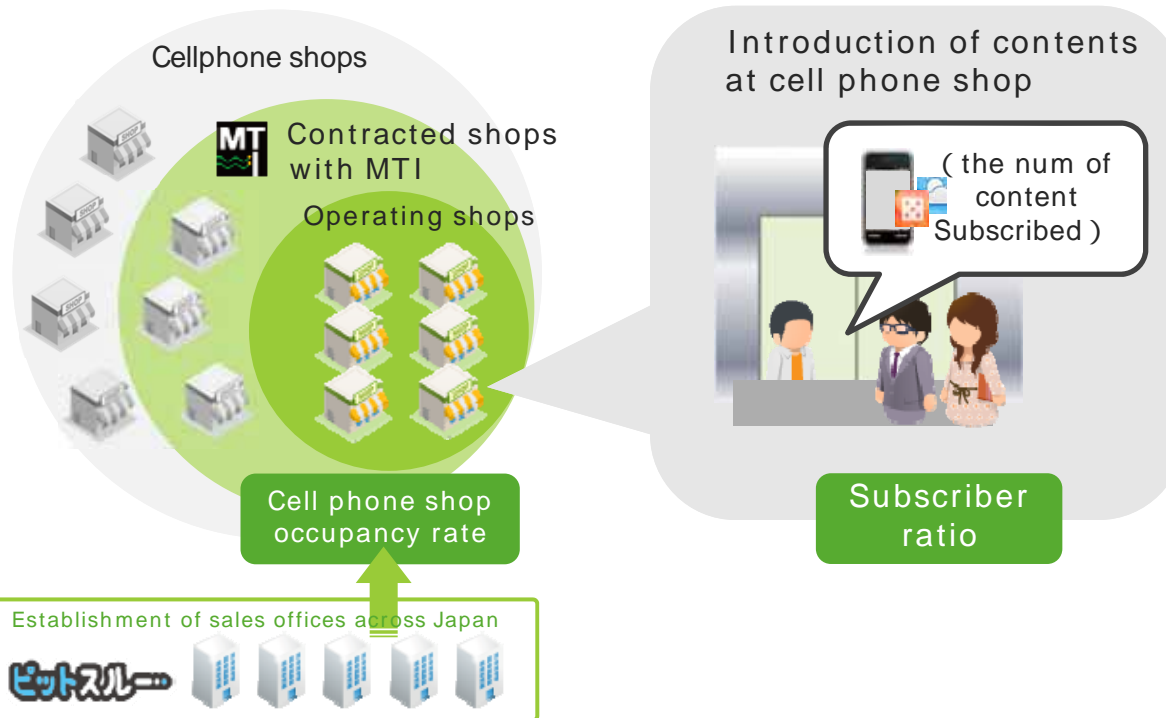
Construction of a detailed sales support system

The number of new subscribers

$$= \text{Contract num of cell phone shops} \times \text{Cellphone shop occupancy rate} \times \text{The num of visitors per cell phone shop} \times \text{Subscriber ratio}^1 \times \text{Content subscribed}^2$$

Sales

$$= \text{The num of subscribers} \times \text{Customer Unit price}$$



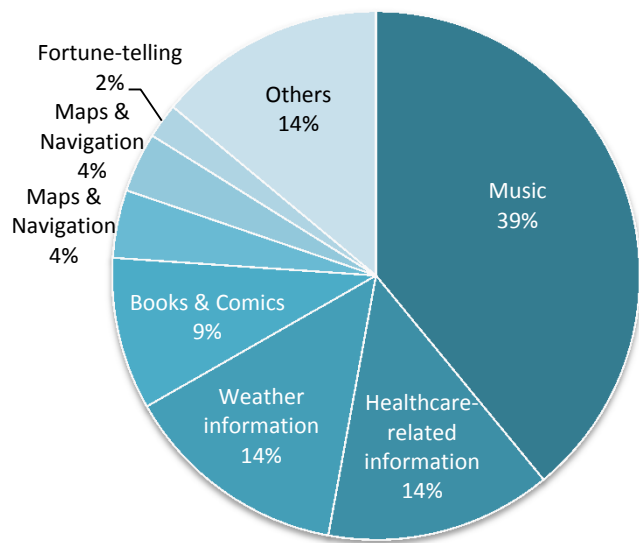
* 1 Subscriber ratio: the number of content subscribers per cell phone shop visitors (Unique)

* 2 Content subscribed: the number of subscribed contents per



Line-up our own contents services provided mainly moth-paid

MTI monthly paying subscribers
(As the end of September, 2015)

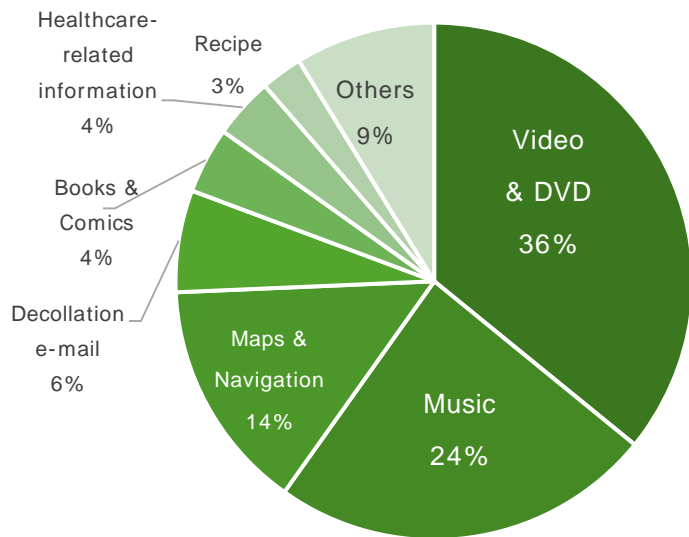


<p>Music</p>	<p>Healthcare-related information</p> <p>+KARADAmedica</p>	<p>Weather information</p>	<p>Books & Comics</p> <p>Photo Book</p> <p>GettyImages</p>	<p>Maps & Navigation</p>	<p>Fortune-telling</p>
				<p>Decollation e-mail</p>	<p>Others</p> <p>KZ</p>



Other companies content services proposed at mobile phone shops

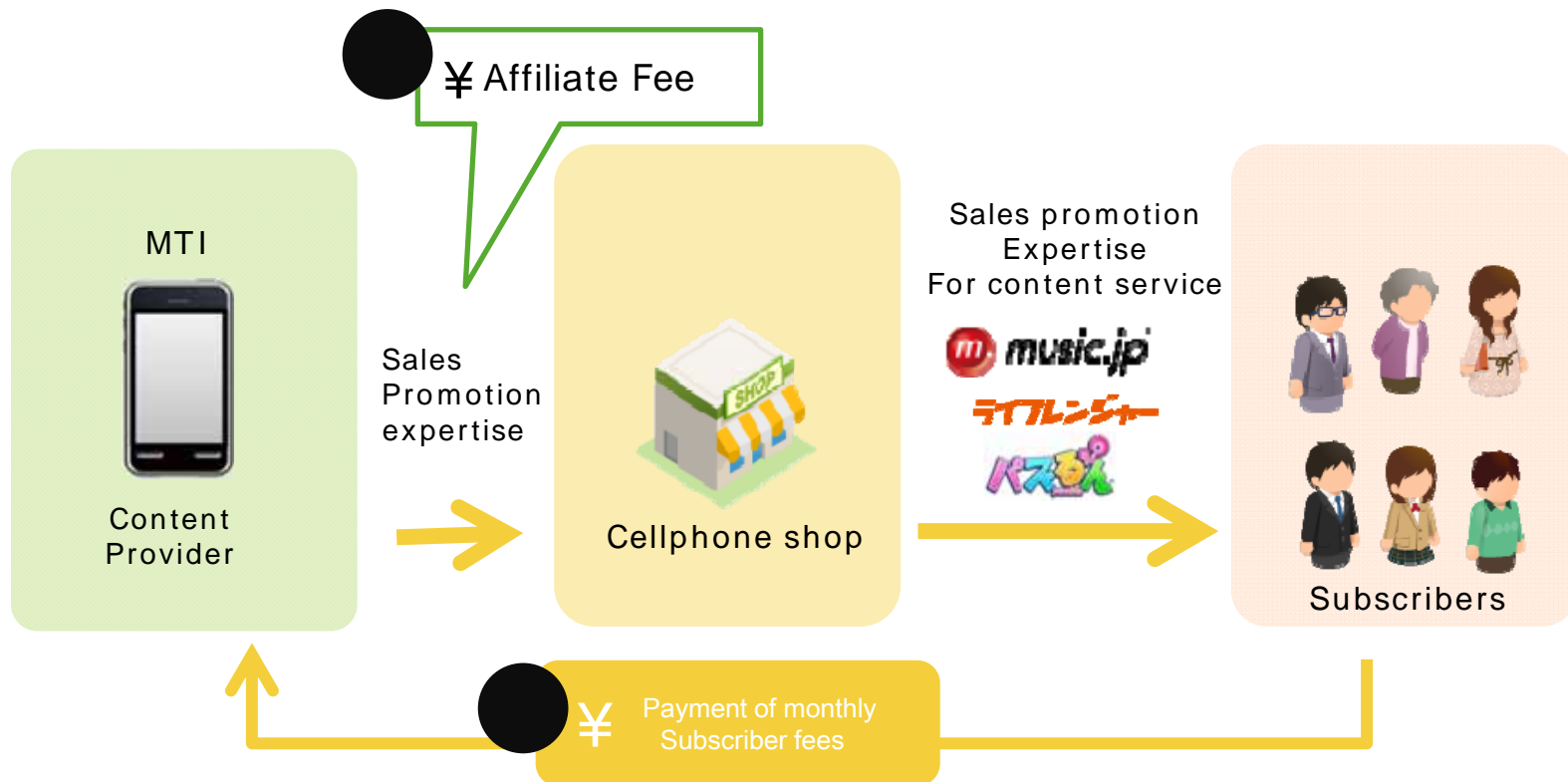
Total number of new paying subscribers by categories (October, 2014 - September, 2015)



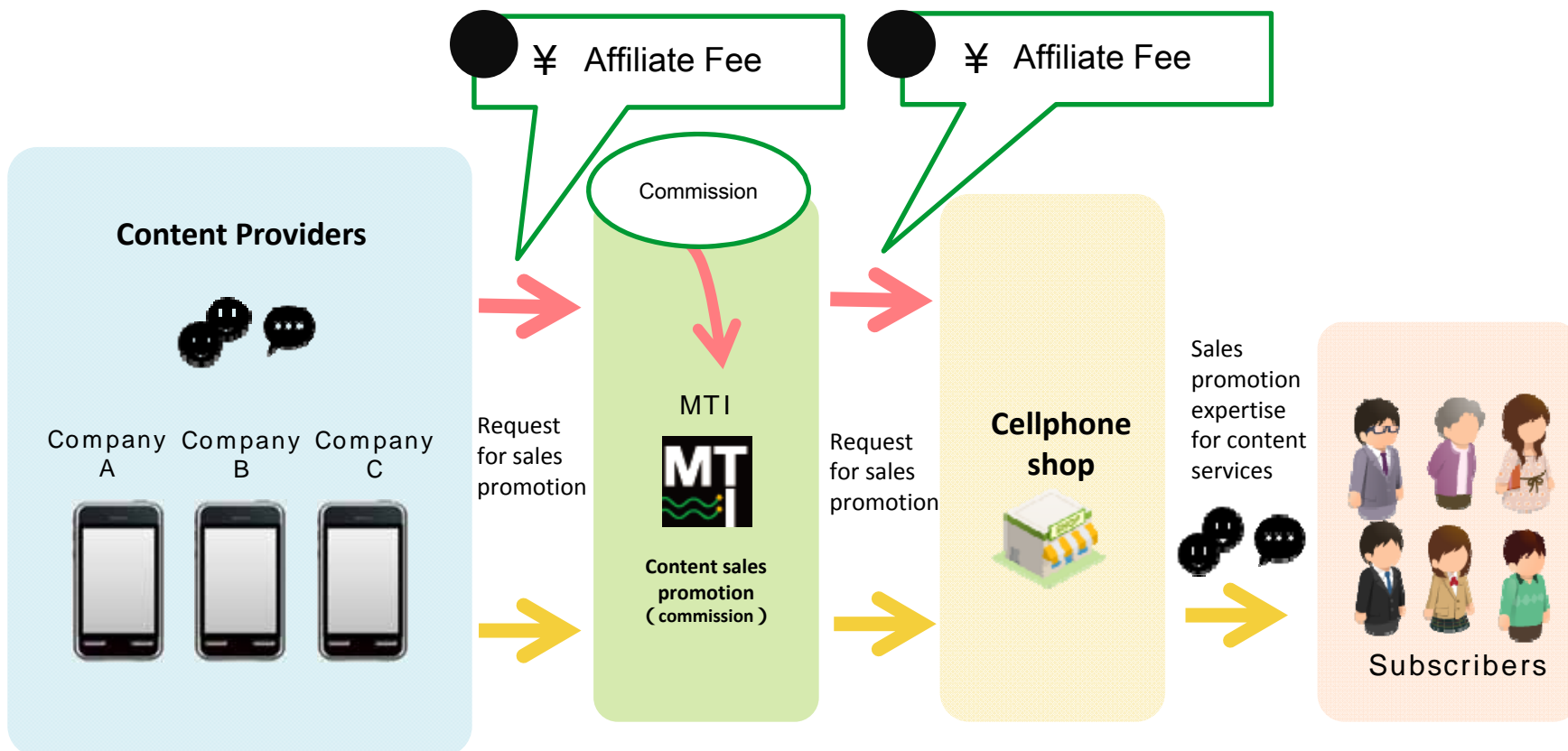
<p>Video & DVD</p>  <p>Video Market, Inc. (Our affiliated Company)</p> 	<p>Music</p> 	<p>Maps & Navigation</p> 	<p>Others</p> 
	<p>Books & Comics</p> 	<p>Healthcare-related information</p> 	<p>Recipe</p> 

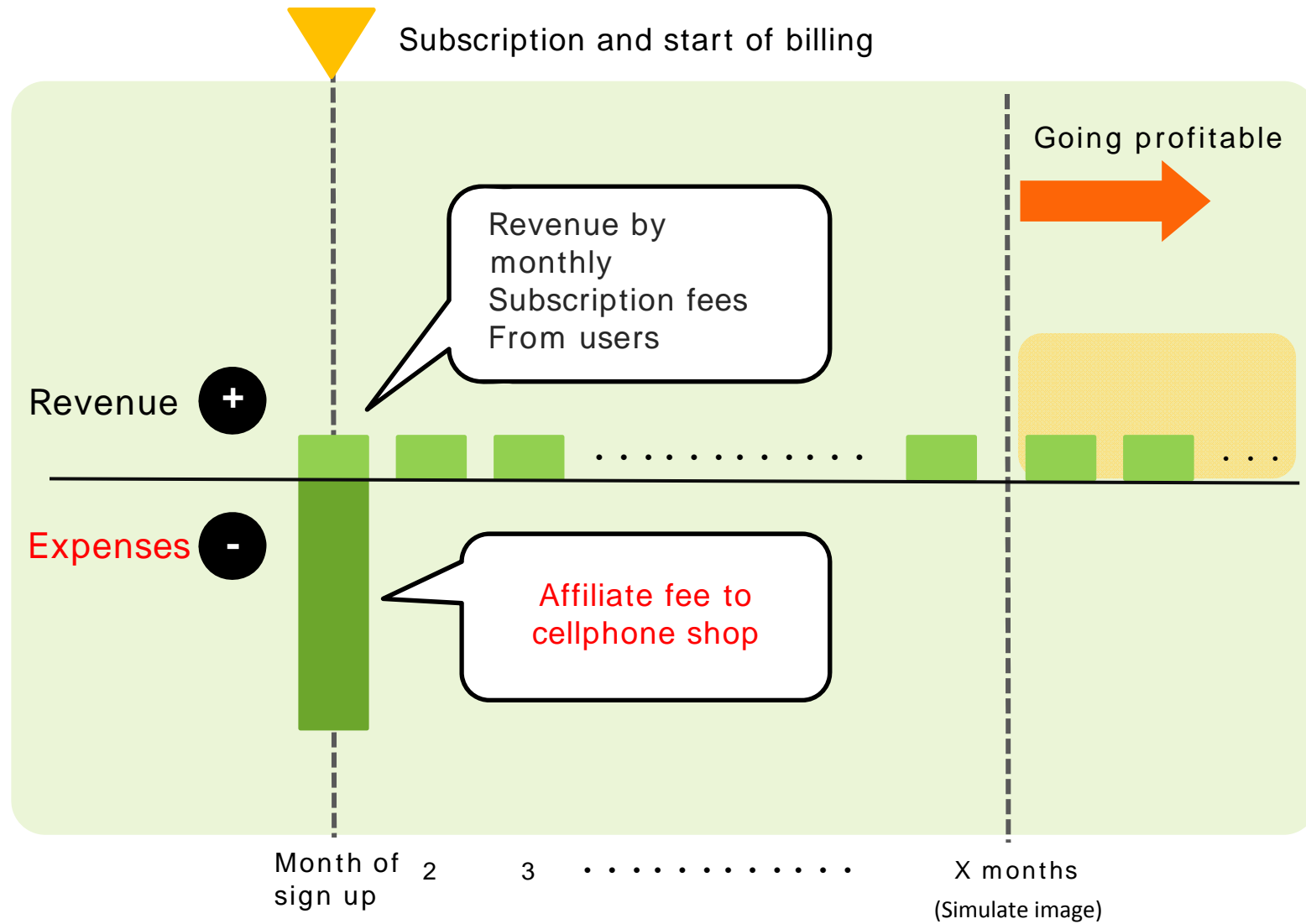
Other companies content pictures are only images. These are differs from their actual services.

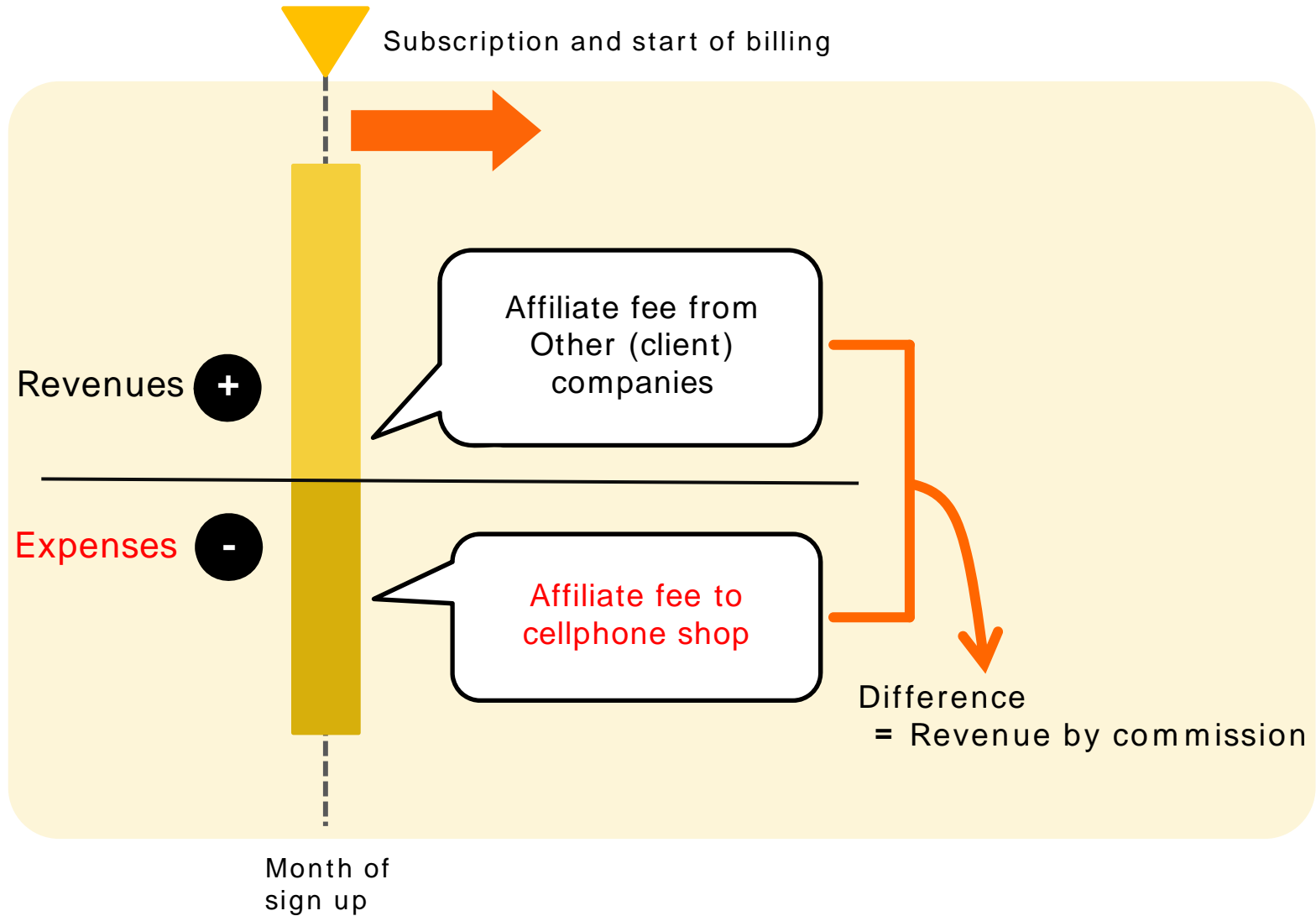
- ▶ B to C
- ▶ Stock-type business
- ▶ Num of monthly paying subscribers × ARPU = Sales



- ▶ B to B
- ▶ Flow-type business
- ▶ Num of new subscribers × Revenue by commission = Sales
(Other companies' content)







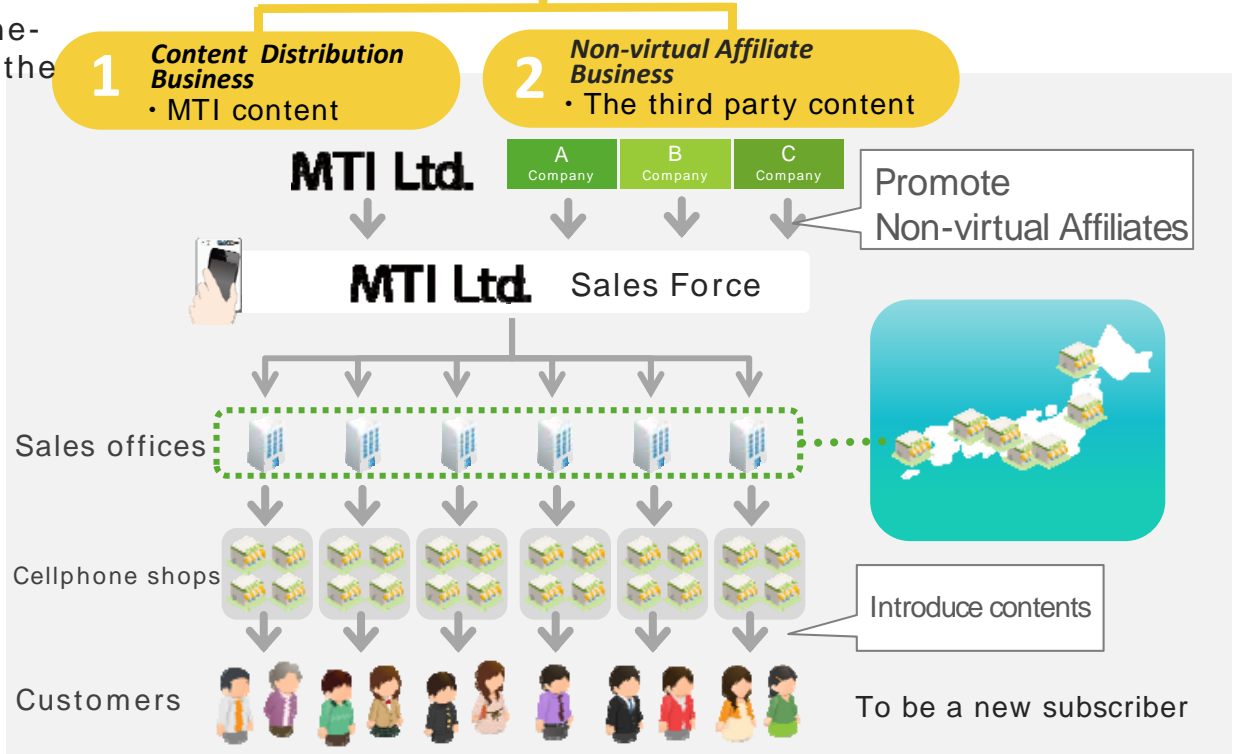
Enhancement in the Non-virtual Affiliate Business



MTI Ltd.



Providing more fine-tuned support for the sales activities of cellphone shops





Thank you for your attention.



〈Contact us〉

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