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For Immediate Release:

MTI Ltd.
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Listing: Tokyo Stock Exchange
(First Section) [9438]
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Notice of Posting of Extraordinary Losses

MTI Ltd. (hereinafter the “Company”) announces that it will recognize extraordinary losses in the financial statements for the fourth quarter (July 1, 2018 - September 30, 2018) of the fiscal year ended September 30, 2018. An outline of the extraordinary losses is as follows.

1. Posting of extraordinary losses

Mainly due to the following matters, extraordinary losses of 815 million yen on a consolidated basis and 1,252 million yen on a non-consolidated basis will be posted.

(i) **Posting of valuation loss on shares of affiliates on a non-consolidated basis**

With respect to shares of Clinical Platform, Inc. and Video Market Corporation, which are consolidated subsidiaries of the Company, the Company will recognize valuation loss on shares of affiliates of 1,223 million yen, by taking into account the business environment, future outlook, etc.

(ii) **Posting of amortization of goodwill on a consolidated basis**

As a result of recognizing valuation loss on shares of Clinical Platform, Inc. as described in (i) above, the entire goodwill regarding said company, amounting to 730 million yen, will be posted as amortization of goodwill in the consolidated financial statement.

[Reference]

Breakdown of consolidated extraordinary losses for the fourth quarter)

(Unit: millions of yen)

Amortization of goodwill:	730
Impairment loss:	47
Loss on valuation of investment securities:	28
Loss on disposal of fixed assets:	9

Breakdown of extraordinary losses for the fourth quarter)

(Unit: millions of yen)

Loss on valuation of shares of subsidiaries and associates:	1,223
Loss on valuation of investment securities:	28

2. The resulting impact of the losses on operating results

The resulting impact of the extraordinary losses on operating results is as described in the Summary of Consolidated Financial Results for the Fiscal Year ended September 30, 2018 (Japanese Accounting Standards).

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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