

January 31, 2025

For Immediate Release:

MTI Ltd.
 Representative: Toshihiro Maeta,
 President and Chief Executive Officer
 Listing: TSE Prime [9438]
 Contact: Hiroshi Matsumoto,
 Senior Managing Director
 Tel: +81-3-5333-6323

**Notice Concerning Posting of Extraordinary Income, Income Taxes - Deferred
and Revision of First Half and Full Year Consolidated Results Forecasts**

MTI Ltd. (hereinafter the “Company”) announces that the Company will post extraordinary income and income taxes - deferred as stated below for the second quarter of the fiscal year ending September 30, 2025 (from January 1, 2025 to March 31, 2025).

In addition, the Company announces that the Company will revise the earnings forecast for the first half and full year of the fiscal year ending September 30, 2025 announced on November 7, 2024, Detail are as follows.

1. Posting of Extraordinary Income and Income Taxes – Deferred

Effective from the fiscal year ended September 30, 2022, the Company has adjusted the handling of consumption tax on lapsed points in monthly content services that award points. As a result, net sales corresponding to lapsed points were treated as non-taxable transactions. In connection with this, a consumption tax refund of ¥650 million will be recorded as extraordinary income as a result of a correction decision (refund) today from the Shinjuku Tax Office regarding the treatment of consumption tax in the fiscal year ended September 30, 2019, and the decision to refund the relevant consumption tax. In addition, the Company will post income taxes - deferred of ¥199 million.

2. Correction details

**(1) Revision of the consolidated financial forecast for the first half of the fiscal year ending
September 30, 2025
(October 1, 2024 – March 31, 2025)**

	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
Previous announced forecast (A)	14,000	1,250 ~ 1,450	1,300 ~ 1,500	660 ~ 800	11.99 ~ 14.53
Current announced forecast (B)	14,000	1,250 ~ 1,450	1,300 ~ 1,500	1,250 ~ 1,390	22.70 ~ 25.24
Differences (B-A)	–	–	–	+590	
Differences (%)	–	–	–	+73.8% ~ +89.4%	
(Reference) Previous period first half results (For the first half of the fiscal year ended September 30, 2024)	13,517	1,052	1,518	1,558	28.41

**(2) Revision of the consolidated financial forecast for the full fiscal year ending September 30, 2025
(October 1, 2024 – September 30, 2025)**

	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
Previous announced forecast (A)	28,500	2,800 ~ 3,200	2,900 ~ 3,300	1,460 ~ 1,740	26.51 ~ 31.60
Current announced forecast (B)	28,500	2,800 ~ 3,200	2,900 ~ 3,300	2,050 ~ 2,330	37.23 ~ 42.31
Differences (B-A)	–	–	–	+590	
Differences (%)	–	–	–	+33.9% ~ +40.4%	
(Reference) Previous period results (For the fiscal year ended September 30, 2024)	27,669	2,394	2,827	2,363	43.05

3. Reasons for the revisions

Extraordinary income and income taxes - deferred will be recorded as mentioned in 1. above. Additionally, the consolidated subsidiary, Video Market Corporation, plans to record ¥88 million as extraordinary income under "Consumption Tax Refund" in the first quarter, following the confirmation of a consumption tax refund for the fiscal year ended December 31, 2019. Furthermore, ¥63 million will be recorded as extraordinary income under the same category in the second quarter, following the confirmation of a consumption tax refund for the fiscal year ended September 30, 2020. As a result, the forecast for profit attributable to owners of the parent has been revised upward for both the first half results and the full-year consolidated earnings forecast for the fiscal year ending September 30, 2025.

The amounts to be posted mentioned above are estimates based on information available on the date of publication of this document. Actual results may differ from the forecasts due to various subsequent factors. The Company will promptly disclose any deviation between forecasts and consolidated financial results that should be disclosed.

<Points to consider concerning forecasts>

Matters stated in this material concerning results forecasts are based on assessments, assumptions and convictions derived from information available to the Company at the time when this material is published. They may differ significantly from actual results due to a variety of factors, including future economic conditions in Japan and overseas, changes in conditions for business operations in Japan and overseas, or uncertain factors and potential risks inherent in forecasts. Those risks and uncertain factors include unpredictable effects on results that may arise from future events.

Note: This document is a translation of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

Contact information for inquiries

Investor Relations Office

E-mail: ir@mti.co.jp URL: <https://ir.mti.co.jp/eng/>