



**Mechanical Technology Incorporated**  
**Announces 2018 Financial Results, Annual Shareholder Meeting**  
**Date and Dividend Distribution**

Albany, New York, (PRWEB) February 26, 2019 - Mechanical Technology, Incorporated (“MTI” or the “Company”), a publicly traded company (OTC Pink: MKTY) headquartered in Albany, New York, announces today its financial results for 2018. Please visit <https://www.mechtech.com> under News & Events.

***2018 Financial Results***

- Revenue rose \$1.0 million, or 14%, to \$8.1 million in 2018 due to increased activity with the U.S. government, as we continued to expand our PBS product offerings within both existing and new Air Force, Navy and Coast Guard programs. Additionally, we continued to grow our commercial engine balancing system and accessories business, most notably in engine test cell facilities throughout the world. This contributed to a record-setting year for our PBS product family; which surpassed \$5.0 million in annual orders for the first time ever.
- Spending on new development initiatives and product enhancements at our MTI Instruments (“MTII”) subsidiary intensified in 2018 as part of the Company’s commitment to grow organically. As a result, 2019 will see the introduction of new capacitance products and an updated model of our renowned engine vibration balancing system.
- Operating income grew \$935 thousand in 2018 to \$1.5 million; the highest such level reported by the Company since 1998. The increase in revenue, along with continued improvements to product margins and reduced administrative costs related to the Company’s deregistration of its common stock with the Securities and Exchange Commission (“SEC”) in March of 2018 contributed to this rise in profitability. Additionally, 2017 operating results were negatively impacted by \$398 thousand in one-time severance and reorganizational costs.
- Financial results in 2018 were further bolstered by a \$395 thousand deferred income tax benefit from recognizing a portion of our deferred tax asset, as the Company projects the utilization of a portion of its net operating loss carryforward to offset its taxable income. The Company will continue to assess and adjust the net deferred tax asset associated with its \$50.4 million in net operating loss carryforwards, as warranted, based upon historical operating results and financial forecasts.

- MTI's cash surplus of \$1.9 million for the year pushed our available cash balance at year-end to nearly \$5.8 million; the Company's highest ending cash balance since December 2007.

### ***Annual Shareholders Meeting***

The Company will review our 2018 financial results and provide current business updates at the MTI Annual Meeting of Shareholders on Friday, March 29, 2019. At that meeting, Mr. Matthew E. Lipman and Mr. David C. Michaels, current MTI Board members, will be nominated for re-election to hold three-year terms expiring in 2022. The MTI Board of Directors has established Tuesday, March 12, 2019 as the date of record for shareholders eligible to vote at our Annual Meeting.

### ***Dividend Distribution***

The Company is pleased to announce that its Board of Directors declared a cash dividend of \$0.37 per share of outstanding common stock. The dividend will be payable on March 20, 2019 to shareholders of record at the close of business on March 12, 2019. This is the first dividend in the Company's 58 year history.

"The MTI Board is extremely pleased with MTI's top and bottom line growth. The Company's new focus on high-potential products and cost management resulted in higher growth and profitability, and improved cash flow. This strong performance enabled us to begin utilizing our deferred tax asset enhancing future cash flow" said David Michaels, MTI's Chairman of the Board. "With our cash resources at the highest level in a decade and no financially attractive acquisition opportunities on the horizon, the MTI Board of Directors unanimously agreed that distributing a portion of our excess cash in the form of a dividend and continuing our organic growth and acquisition strategies would be in the best interest of our shareholders."

Rick Jones, MTI's President and CEO, also noted, "2018 was quite the transformational year for MTI, as we successfully deregistered our common stock with the SEC, yet still remain a publicly traded company on the OTC Pink-Current Information tier of the OTC Markets. In doing so, MTI is able to report financial information to our valued shareholders on a timelier basis, by complying with OTC Alternative Reporting Standards rather than overly comprehensive SEC regulatory compliance. To illustrate, our annual results being reported today are one month earlier than the previous year. Additionally, we are also moving up the date of our Annual Shareholders Meeting to March, rather than in June; allowing us to provide updates on recent activities earlier than in prior years. As expected, we have now been able to better deploy existing resources towards strategic endeavors, including the support of growth initiatives at MTI Instruments which began to take root in 2018. All in all, exciting times at MTI!"

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**About MTI**

MTI is engaged in the design, manufacture, and sale of test and measurement instruments and systems through its subsidiary MTI Instruments, Inc. MTI Instrument's products use a comprehensive array of technologies to solve complex, real world applications in numerous industries including manufacturing, electronics, semiconductor, solar, commercial and military aviation, automotive and data storage. For more information about the Company, please visit <https://www.mechtech.com>.

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