

October 12, 2023

Company name: Meiko Network Japan Co., Ltd.

Representative: Kazuhito Yamashita, President & Representative Director

Stock code: 4668 (TSE Prime Market)

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Notice Concerning Revision of Management Indicators (Plan) for the Fiscal Year Ending August 2024 in the Mid-Term Management Plan (Fiscal Year Ended August 31, 2022 to Fiscal Year Ending August 31, 2024)

Meiko Network Japan Co., Ltd. (the “Company”) hereby announces that, at the meeting of its Board of Directors held on October 12, 2023, the Company resolved as follows to announce that we have revision of management indicators (Plan) for the fiscal year ending August 31, 2024.

This is the final year of the mid-term management plan (Fiscal year ended August 31, 2022 to fiscal year ending August 31, 2024) announced on October 14, 2021.

1. Difference between initial management indicator (plan) and revised management indicator (plan)

(Unit: millions of yen)

	Consolidated sales	Consolidated operating income
Initial Management Indicators (A) (announced on October 14, 2021)	21,000	2,000
Revised Management Indicators (B)	22,000	1,200
Change (B-A)	1,000	(800)
Percentage change (%)	+ 4.7%	(40.0)%
Reference: Consolidated results for the previous fiscal year (FY 08/2023)	20,871	1,064

2. Reason of revision

The Company have announced its mid-term management plan, "Fan and Fun Innovation," covering the period from August 2022 to August 2024. At that time, the Company anticipated economic recovery following the containment of the COVID-19 pandemic. However, the expected pent-up demand has not been realized, and the investment returns of new businesses and the recovery of the Meiko Gijuku franchised schools are delayed. In this context, the Meiko Gijuku directly operated business and Japanese language school business are performing well.

Considering this situation, in the fiscal year ending in August 31, 2024, the Company will aiming for the renewed growth of the Meiko Gijuku franchised schools and will actively pursue a dominant strategy based on the success of the Meiko Gijuku directly operated schools.

As a result of increased transfers from franchised schools and new openings of directly operated schools, consolidated revenue is expected to exceed the initial management indicators (plan). However, on the other hand, consolidated operating profit will decrease, so we will revise the initial management indicators (plan).

The Company will continue to repeatedly transforming with its "purpose" as its origin. It will achieve sustainable improvement in corporate value and growth by making fans through innovation (= new combination) that links Fan and Fun.