July 11, 2018

Company name:	Meiko Network Japan Co., Ltd.
Representative:	Setsuro Tagami, President
Stock code:	4668 (TSE First Section)
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Notice of Revised Projections

Meiko Network Japan Co., Ltd. (the "Company") hereby announces that, at the meeting of its Board of Directors held on July 11, 2018, the Company resolved to revise, as follows, the projections it disclosed on October 12, 2017, for the fiscal year ending August 31, 2018 (September 1, 2017, to August 31, 2018).

After considering the Company's performance in the third quarter, the Board of Directors decided to downwardly revise the full-year consolidated earnings forecasts from levels previously announced.

Net sales

Our core business, Meiko Gijuku, experienced a disappointing spring intake despite introducing new tutoring services, expanding learning content, rebranding the business, and ramping up marketing. Earnings were similarly poor in the medical cram school business, which saw a lower-than-expected spring intake due to intensified competition. The other businesses generally performed well.

Meiko Gijuku's delay in recuperating student numbers will adversely affect its class sales for the fourth quarter. Moreover, net sales in the medical cram school business will suffer because of below-target student registrations.

Accordingly, we have downwardly revised consolidated net sales from the previously announced figure by ¥1,295 million (6.3%), to ¥19,120 million.

Operating and ordinary income

Income will be adversely affected by the downwardly revised net sales and also by increased expenditure on sales promotion up to the third cumulative quarter (rebranding exercise, ramping up marketing).

Accordingly, we have downwardly revised consolidated operating income from the previously announced figure by ¥731 million (36.4%), to ¥1,280 million, and downwardly revised consolidated ordinary income from the previously announced figure by ¥710 million (33.8%), to ¥1,390 million.

Net income attributable to owners of the parent

JCLI Japanese Language School (the operator of Kokusai Jinzai Kaihatsu Co., Ltd.) will relocate in October this year, and this move will entail costs in returning the building to its original condition. These costs, coupled with our fixed asset retirement obligations and other costs, will result in special losses of ¥50 million.

Accordingly, we have downwardly revised net income attributable to owners of the parent from the previously announced figure by ¥461 million (38.7%), to ¥730 million.

Dividends

There is no change to the dividends we announced on April 12, 2018 (Summary Report on Financial Results for the Second Quarter). The projected year-end (August 31, 2018) dividend remains ¥21, and the projected annual dividend remains ¥42.

The following table shows the revisions to full-year consolidated earnings forecasts for the fiscal year ending August 31, 2018 (September 1, 2017, to August 31, 2018).

	Net sales	Operating income	Ordinary income	Net income attributable to owners of the parent	Net income per share
Previous announcement (A)	¥20,415 million	¥2,011 million	¥2,100 million	¥1,191 million	¥44.85
Current announcement (B)	¥19,120 million	¥1,280 million	¥1,390 million	¥730 million	¥27.49
Change (B−A)	(¥1,295 million)	(¥731 million)	(¥710 million)	(¥461 million)	-
Percentage change	(6.3%)	(36.4%)	(33.8%)	(38.7%)	-
(Ref) Previous consolidated earnings (FYE Aug 31, 2017)	¥19,383 million	¥2,615 million	¥2,806 million	2,042 million	¥76.92