

Note: This document has been translated from 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.

## Summary of Consolidated Financial Results for the Three Months Ended November 30, 2024 (Japanese GAAP)

January 9, 2025

Company name: MEIKO NETWORK JAPAN CO., LTD.  
 Listing: Tokyo  
 Securities code: 4668 (URL: <https://www.meikonet.co.jp>)  
 Representative: Kotaro Okamoto, President & Representative Director  
 Inquiries: Kouyuki Sakamoto, Director, General Manager of Corporate Planning Department  
 Telephone: +81-3-5860-2111  
 Scheduled date to commencement dividend payment: -  
 Preparation of supplementary material on quarterly financial results: None  
 Holding of quarterly financial results briefing: None

(Amounts are rounded down to the nearest million yen)

1. Consolidated financial results for the three months ended November 30, 2024 (From September 1, 2024 to November 30, 2024)

(1) Consolidated operating results (cumulative) (% indicates changes from the previous corresponding period)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended								
November 30, 2024	5,698	10.5	409	681.7	443	514.2	318	-
November 30, 2023	5,157	6.9	52	(66.1)	72	(59.8)	(10)	-

(Note) Comprehensive income: For the three months ended November 30, 2024: ¥565 million [265.1 %]  
 For the three months ended November 30, 2023: ¥155 million [34.0 %]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended		
November 30, 2024	12.64	-
November 30, 2023	(0.42)	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of			
November 30, 2024	16,333	11,146	68.2
August 31, 2024	16,240	10,884	67.0

Reference: Equity As of November 30, 2024: ¥11,146 million  
 As of August 31, 2024: ¥10,884 million

2. Cash Dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended August 31, 2024	-	22.00	-	12.00	34.00
Fiscal year ending August 31, 2025	-				
Fiscal year ending August 31, 2025 (Forecast)		13.00	-	13.00	26.00

Note: Revision of dividend forecast in the current quarter: None  
 Details of the dividend at the end of the second quarter of the fiscal year ended August 31, 2024.  
 Ordinary dividend: 12.00 yen Special dividend: 10.00 yen (40th Anniversary Commemorative Dividend)

3. Consolidated Financial Results Forecast for fiscal year ending August 31, 2025 (From September 1, 2024 to August 31, 2025)

(% indicates year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
Second quarter (cumulative)	11,380	2.1	680	(19.6)	710	(21.1)	390	(25.0)	15.47
Full-year	23,000	1.9	1,100	8.9	1,170	0.6	650	32.8	25.78

(Note) Revision to the financial results forecast announced most recently: None

**Notes:**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in the scope of consolidation): None

Newly included: 0 companies (Company name)

Excluded: 0 companies (Company name)

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

1) Changes in accounting policies caused by revision of accounting standards: Yes

2) Changes in accounting policies due to other reasons: None

3) Changes in accounting estimates: None

4) Restatement: None

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of November 30, 2024	27,803,600 shares
As of August 31, 2024	27,803,600 shares

(ii) Number of treasury shares at the end of the period

As of November 30, 2024	2,592,148 shares
As of August 31, 2024	2,592,148 shares

(iii) Average number of shares outstanding during the period.

Three months ended November 30, 2024	25,211,452 shares
Three months ended November 30, 2023	25,204,492 shares

Note: Treasury stock for the three months ended November 30, 2024 includes the Company's shares held by the "Stock Granting Trust for Officers." (141,000 shares of treasury stock at the end of the fiscal year) Treasury stock for the fiscal year ended August 31, 2024 includes the Company's shares held by the "Stock Granting Trust for Officers." (141,000 shares of treasury stock at the end of the fiscal year)

\* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

\* Proper use of earnings forecasts, and other special matters

Forward-looking statements in the document, such as earnings forecasts, are based on the information currently available and certain assumptions that the company thinks reasonable. Actual results may differ remarkably from the statements due to variety of different factors.

**(Reference) Trend of numbers of Meiko Gijuku schools and registered students and system-wide sales**

Term	Three months ended November 30, 2023		Three months ended November 30, 2024	
Fiscal Period	From Sep. 1, 2023 to Nov. 30, 2023		From Sep. 1, 2024 to Nov. 30, 2024	
	Operating results	YOY comparison	Operating results	YOY comparison
Number of Meiko Gijuku directly operated schools (MNJ)	252	28	265	13
Number of Meiko Gijuku directly operated schools (MAXIS)	97	2	90	(7)
Number of Meiko Gijuku directly operated schools (KLINE)	40	(1)	41	1
Number of Meiko Gijuku directly operated schools (TOMONI)	42	-	43	1
Number of Meiko Gijuku directly operated schools (One link)	22	-	21	(1)
Number of Meiko Gijuku directly operated schools (Cooth)	19	3	27	8
Subtotal number of Meiko Gijuku directly operated schools	472	32	487	15
Number of Meiko Gijuku franchised schools	1,279	(54)	1,213	(66)
Total number of Meiko Gijuku schools	1,751	(22)	1,700	(51)
Number of registered students of Meiko Gijuku directly operated schools (MNJ)	17,660	1,358	19,425	1,765
Number of registered students of Meiko Gijuku directly operated schools (MAXIS)	6,590	(170)	6,421	(169)
Number of registered students of Meiko Gijuku directly operated schools (KLINE)	2,807	(49)	2,946	139
Number of registered students of Meiko Gijuku directly operated schools (TOMONI)	2,181	(147)	2,303	122
Number of registered students of Meiko Gijuku directly operated schools (One link)	959	(22)	1,097	138
Number of registered students of Meiko Gijuku directly operated schools (Cooth)	1,276	66	1,860	584
Subtotal number of registered students of Meiko Gijuku directly operated schools	31,473	1,036	34,052	2,579
Number of registered students of Meiko Gijuku franchised Schools	66,539	(4,372)	67,209	670
Total number of registered students of Meiko Gijuku schools	98,012	(3,336)	101,261	3,249
Sales from Meiko Gijuku directly operated schools (Millions of yen)	2,909	136	3,148	238
Sales from Meiko Gijuku franchised schools *1 (Millions of yen)	985	(6)	975	(9)
Sales from Japanese language schools (Millions of yen)	342	70	378	36
Sales from others (Millions of yen)	920	133	1,196	275
Total Sales (Millions of yen)	5,157	333	5,698	541
Sales from Meiko Gijuku directly operated schools (Millions of yen)	2,909	136	3,148	238
System-wide sales from Meiko Gijuku franchised schools (Millions of yen)	5,437	(172)	5,542	104
Total system-wide sales from Meiko Gijuku schools*2(Millions of yen)	8,346	(36)	8,690	343

\*1 Sales from Meiko Gijuku franchised schools represent royalty revenues and sales of products.

\*2 Total system-wide sales from Meiko Gijuku schools represent the sum of total sales of Meiko Gijuku directly operated schools, including tuition, materials fees, and examination fees, and the total sales of Meiko Gijuku franchised schools, including tuition. Materials fees and examination fees of franchised schools are excluded.

## Quarterly Consolidated Financial Statements and Major Notes

### (1) Quarterly consolidated statement of Balance Sheets

(Millions of yen)

	As of August 31, 2024	As of November 30, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	7,871	7,515
Accounts receivable - trade	1,290	1,381
Merchandise	120	113
Work in process	15	8
Supplies	8	8
Advance payments to suppliers	106	9
Prepaid expenses	439	386
Other	725	602
Allowance for doubtful accounts	(41)	(38)
Total current assets	10,536	9,988
Non-current assets		
Property, plant and equipment		
Buildings and structures	1,624	1,760
Accumulated depreciation	(910)	(919)
Buildings and structures, net	713	840
Tools, furniture and fixtures	441	453
Accumulated depreciation	(379)	(379)
Tools, furniture and fixtures, net	62	74
Land	48	48
Leased assets	36	35
Accumulated depreciation	(12)	(12)
Leased assets, net	24	23
Total property, plant and equipment	849	986
Intangible assets		
Goodwill	344	333
Software	204	189
Software in progress	7	9
Telephone subscription right	4	4
Total intangible assets	561	536
Investments and other assets		
Investment securities	2,891	3,250
Long-term prepaid expenses	25	24
Deferred tax assets	128	195
Leasehold and guarantee deposits	1,087	1,188
Long-term time deposits	100	100
Other	61	61
Total investments and other assets	4,293	4,821
Total non-current assets	5,704	6,344
Total assets	16,240	16,333

(Millions of yen)

	As of August 31, 2024	As of November 30, 2024
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	174	186
Accounts payable - other	166	116
Accrued expenses	1,380	1,252
Income taxes payable	370	239
Accrued consumption taxes	277	297
Contract liabilities	1,379	1,240
Lease liabilities	5	5
Deposits received	190	263
Provision for bonuses	492	665
Other	43	21
Total current liabilities	4,480	4,288
Non-current liabilities		
Retirement benefit liability	133	133
Provision for share awards for directors (and other officers)	50	50
Long-term accounts payable-other to employees	79	77
Long-term accounts payable-other to officers	98	2
Deferred tax liabilities	48	136
Lease liabilities	21	20
Asset retirement obligations	442	474
Long-term guarantee deposits	1	1
Total non-current liabilities	875	897
Total liabilities	5,355	5,186
<b>Net assets</b>		
Shareholders' equity		
Share capital	972	972
Capital surplus	907	907
Retained earnings	10,752	10,766
Treasury shares	(2,700)	(2,700)
Total shareholders' equity	9,931	9,945
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	902	1,160
Foreign currency translation adjustment	51	40
Total accumulated other comprehensive income	953	1,200
Total net assets	10,884	11,146
Total liabilities and net assets	16,240	16,333

(2) Quarterly Consolidated statements of profit or loss and comprehensive income  
Quarterly Consolidated statements of profit or loss

(Millions of yen)

	Three months ended November 30, 2023	Three months ended November 30, 2024
Net sales	5,157	5,698
Cost of sales	4,126	4,346
Gross profit	1,030	1,352
Selling, general and administrative expenses	978	942
Operating profit	52	409
Non-operating income		
Interest income	1	2
Dividend income	9	14
Rental income	4	4
Reversal of allowance for doubtful accounts	2	5
Subsidy income	—	2
Other	7	7
Total non-operating income	25	36
Non-operating expenses		
Miscellaneous losses	—	2
Rental expenses	0	0
Other	5	—
Total non-operating expenses	5	2
Ordinary profit	72	443
Extraordinary income		
Gain on sale of non-current assets	0	—
Total extraordinary income	0	—
Extraordinary losses		
Loss on retirement of non-current assets	4	0
Loss on store closings	4	—
Total extraordinary losses	8	0
Profit before income taxes	63	443
Income taxes - current	196	217
Income taxes - deferred	(122)	(92)
Total income taxes	73	124
Profit (loss)	(10)	318
Profit (loss) attributable to owners of parent	(10)	318

**Quarterly consolidated statements of comprehensive income**

(Millions of yen)

	Three months ended November 30, 2023	Three months ended November 30, 2024
Profit (loss)	(10)	318
Other comprehensive income		
Valuation difference on available-for-sale securities	164	258
Share of other comprehensive income of entities accounted for using equity method	1	(10)
Total other comprehensive income	165	247
Comprehensive income	155	565
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	155	565

## Segment Information

### I. Three months ended November 30, 2023 (September 1, 2023 to November 30, 2023)

#### 1. Information related to net sales, profit or loss for each reportable segment.

(Millions of yen)

	Reportable segment				Others*	Total
	Meiko Gijuku directly operated schools	Meiko Gijuku franchised schools	Japanese language schools	Total		
Net sales						
Goods or services that are transferred at a point in time	180	357	—	538	571	1,110
Goods or services that are transferred over a fixed period of time	2,728	627	342	3,698	349	4,047
Revenue from contracts with customers	2,909	985	342	4,236	920	5,157
Other income	—	—	—	—	—	—
Sales to external customers	2,909	985	342	4,236	920	5,157
Inter-segment sales and transfers	—	229	—	229	75	305
Total	2,909	1,214	342	4,466	996	5,462
Segment profit (loss)	5	320	25	350	53	404

(Note) “Others” consists of the operating segments not included in reportable segments. It includes Kids Business (Afterschool), Jiritsugausyu RED, MEIKO Kids e business, HR solution business and other businesses of consolidated subsidiaries Koto & Company and Simple Inc.

#### 2. Difference between the Total of the Reportable Segments’ Measures of Profit or Loss and Income according to Consolidated Quarterly Statements of Income, and the Main Components of the Difference (Matters related to Adjustment of Difference)

(Millions of yen)

Profit (Loss)	Amount
Reportable segment total	350
Profit (Loss) for “Others” category	53
Corporate expenses *	(351)
Operating income in consolidated financial statements	52

(Note)\* Corporate expenses are mainly expenses that relate to the General Affairs section of the parent company that are not attributable to the reportable segment.

#### 3. Information related to impairment losses on non-current assets, goodwill, etc. for each reportable segment

Meiko Career Partners Co., Ltd. and Reverse Inc., which were non-consolidated subsidiaries until the previous fiscal year, were included in the scope of consolidation from the current fiscal year due to their increased importance.

As a result, the increase in goodwill in the "Other" segment was 30 million.



## II Three months ended November 30, 2024 (September 1, 2024 to November 30, 2024)

### 1. Information about Segment Sales and Income (Loss)

(Millions of yen)

	Reportable segment				Others*	Total
	Meiko Gijuku directly operated schools	Meiko Gijuku franchised schools	Japanese language schools	Total		
Net sales						
Goods or services that are transferred at a point in time	188	313	—	501	731	1,232
Goods or services that are transferred over a fixed period of time	2,960	662	378	4,001	464	4,466
Revenue from a contract with a customer	3,148	975	378	4,502	1,196	5,698
Other income	—	—	—	—	—	—
Sales to external customers	3,148	975	378	4,502	1,196	5,698
Intersegment sales and transfers	—	243	—	243	83	327
<b>Total</b>	<b>3,148</b>	<b>1,219</b>	<b>378</b>	<b>4,746</b>	<b>1,279</b>	<b>6,026</b>
Segment profit (loss)	171	388	65	625	196	821

(Note) \* “Others” consists of the operating segments not included in reportable segments. It includes Kids Business (Afterschool), Jiritsugakusyu RED, Meiko Kids e Business, HR solution business and other businesses of consolidated subsidiaries Koto & Company and Simple Inc.

### 2. Difference between the Total of the Reportable Segments’ Measures of Profit or Loss and Income according to Consolidated Quarterly Statements of Income, and the Main Components of the Difference (Matters related to Adjustment of Difference)

(Millions of Yen)

Profit (Loss)	Amount
Reportable segment total	625
Profit (loss) for “Others” category	196
Corporate expenses*	(411)
Operating profit reported on quarterly statements of income	409

(Note)\* Corporate expenses are mainly expenses that relate to the General Affairs section of the parent company that are not attributable to the reportable segment.

### 3. Information related to impairment losses on non-current assets, goodwill, etc. for each reportable segment

No applicable items.