

July 10, 2020

Company name Meiko Network Japan Co., Ltd.
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Stock code: 4668 (TSE First Section)
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Notice of Leaving in Place the Dividend of Surplus Forecast and a Change to the Shareholder Benefit Program

Meiko Network Japan Co., Ltd. (the “Company”) hereby announces that, at the meeting of its Board of Directors held on July 10, 2020, the Company resolved to leave in place its annual dividend forecast for the fiscal year ending August 31, 2020 that it announced on October 10, 2019. At the same time, the Company hereby announces that it will change its shareholder benefit program that it offers as a part of return to shareholders.

1. Details of the Dividend Forecast for the Fiscal Year Ending August 31, 2020

	Dividend Per Share (Yen)		
	End of the Second Quarter	End of the Fiscal Year	Total
Previous forecast	-	15.00 yen	30.00 yen
This forecast	-	15.00 yen	30.00 yen
Paid in this term	15.00 yen	-	-
Dividends paid in the fiscal year ended August 31, 2019	15.00 yen	15.00 yen	30.00 yen

2. Reason

The Company considers ensuring the continued business management and growth potential of its existing businesses, strengthening its business foundations toward reinforcing its profitability, enhancing its self-funding through internal reserves of the funds necessary for new growth strategies, and the return of profit to its shareholders as its most important policies.

Nevertheless, the recent spread of Covid-19 infections has had a major impact on the Company’s consolidated results for the fiscal year ending August 31, 2020. The business environment is also rapidly changing. Under such an environment, after careful consideration, the Company has decided that leaving in place the dividend is a high priority as return of profits to shareholders. However, the Company regrets to announce that it will change its shareholder benefit program. The Company will halve the face value of the QUO cards it provides to shareholders according to the number of shares they hold and the number of years they have continuously held those shares.

3. Change to the Shareholder Benefit Program

Before the Change

Eligible Shareholders	Shareholders as of August 31 (record date) every year		
Details of the benefits	Presentation of QUO cards equivalent to the amounts below according to the number of shares held and the number of years of continuous holding		
	No. of Years of Continuous Holding	Continuous Holding of Less Than Three Years	Continuous Holding for Three Years or More (Listed for Three Consecutive Years (Seven Record Dates) with the Same Number in the Shareholder Registry)
	No. of Shares Held		
	100 shares or more but less than 500 shares	Equivalent to 1,000 yen	Equivalent to 3,000 yen
	500 shares or more but less than 1,000 shares	Equivalent to 2,000 yen	Equivalent to 4,000 yen
1,000 shares or more	Equivalent to 3,000 yen	Equivalent to 5,000 yen	
Number of times provided	Once a year (Scheduled to be sent in late November after the end of the Ordinary General Meeting of Shareholders every year)		

After the Change

Eligible Shareholders	Shareholders as of August 31 (record date) every year		
Details of the benefits	Presentation of QUO cards equivalent to the amounts below according to the number of shares held and the number of years of continuous holding		
	No. of Years of Continuous Holding	Continuous Holding of Less Than Three Years	Continuous Holding for Three Years or More (Listed for Three Consecutive Years (Seven Record Dates) with the Same Number in the Shareholder Registry)
	No. of Shares Hold		
	100 shares or more but less than 500 shares	Equivalent to 500 yen	Equivalent to 1,500 yen
	500 shares or more but less than 1,000 shares	Equivalent to 1,000 yen	Equivalent to 2,000 yen
1,000 shares or more	Equivalent to 1,500 yen	Equivalent to 2,500 yen	
Number of times provided	Once a year (Scheduled to be sent in late November after the end of the Ordinary General Meeting of Shareholders every year)		

4. Timing of the Change to the Shareholder Benefit Program

The Company will change the shareholder benefit program for all shareholders listed or recorded on the shareholder registry as of August 31, 2020.

The Company asks for the understanding of all its shareholders in regards to this matter.