

April 9, 2021

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Notice of an Upward Revision to the Full-year Consolidated Earnings Forecast and a Dividend of Surplus

Meiko Network Japan Co., Ltd. (the “Company”) upwardly revised its consolidated earnings forecast for the second quarter of the fiscal year ending August 31, 2021 as it has already announced. Following on from this, the Company hereby announces that, at the meeting of its Board of Directors held on April 9, 2021, it resolved to upwardly revise its full-year consolidated earnings forecast for the fiscal year ending August 31, 2021 it announced on October 15, 2020 and to pay a dividend of surplus at the end of the second quarter with February 28, 2021 serving as the record date. The Company stipulates in its Articles of Incorporation that dividends of surplus are to be paid with a resolution by its Board of Directors.

1. Revised Full-year Consolidated Earnings Forecast

- (1) Revised Full-year Consolidated Earnings Forecast for the Fiscal Year Ending August 31, 2021 (September 1, 2020 to August 31, 2021)

(Unit: millions of yen)

	Net Sales	Operating Income	Ordinary Income	Net Income Attributable to Owners of Parent	Net Income Per Share
Previously announced forecast (A)	18,300	264	319	270	10.76 yen
This revised forecast (B)	18,600	630	760	700	27.91 yen
Change (B – A)	+300	+366	+441	+430	
Percentage change (%)	+1.6%	+138.6%	+138.2%	+159.3%	
Reference: Consolidated results for the previous fiscal year (fiscal year ended August 31, 2020)	18,218	214	451	(2,232)	(85.21 yen)

(2) Reason for the Revision

The outlook for the business environment surrounding the Company remains unclear because mutant strains of COVID-19 are spreading. However, the Company has consistently prioritized the safety and peace of mind of its students and has continued to provide learning optimal for individuals to meet the needs of its customers while strengthening its support to its franchisees. As a result of this, signs of recovery in business performance have begun to appear. Therefore, the Company upwardly revised its consolidated earnings forecast for the second quarter of the fiscal year ending August 31, 2021. The number of inquiries about the Company’s services has now recovered to the level it was before the COVID-19 pandemic. Furthermore, the Company expects the number of students enrolled with it and its business performance to be strong. Accordingly, **the Company has upwardly revised its full-year**

consolidated earnings forecast for the fiscal year ending August 31, 2021.

2. Dividend of Surplus

(1) Dividend Details

	Determined Amount	Latest Dividend Forecast (Announced on October 15, 2020)	Dividend in the Previous Fiscal Year (Fiscal Year Ended August 31, 2020)
	End of the Second Quarter	End of the Second Quarter	End of the Second Quarter
Record date	February 28, 2021	February 28, 2021	February 29, 2020
Dividend per share	10.00 yen	5.00 yen	15.00 yen
Total amount of dividend	250 million yen	-	398 million yen
Effective date	May 7, 2021	-	May 8, 2020
Dividend resource	Earned surplus	-	Earned surplus

(2) Reason

The Company considers ensuring the continued business management and growth potential of its existing businesses, 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.

The Company will **increase its dividend at the end of the second quarter by 5 yen from its previous forecast to 10 yen per share** based on recent business trends under the above policy.

Moreover, the Company plans to pay an annual dividend of 15 yen per share in its annual dividend forecast for the fiscal year ending August 31, 2021. This sum will be a combination of a 10-yen dividend at the end of the second quarter and a 5-yen dividend at the end of the fiscal year.

Reference: Breakdown of the Annual Dividend

	Annual Dividend		
	End of the Second Quarter	End of the Fiscal Year	Total
Dividend forecast	-	5.00 yen	15.00 yen
Dividend in this fiscal year	10.00 yen	-	-
Reference: Dividend in the previous fiscal year	15.00 yen	15.00 yen	30.00 yen

Note: The Company has prepared the abovementioned earnings and dividend forecasts based on information available at this time. It is possible that the actual business performance and dividend may differ to the forecast figures due to various factors in the future.