October 14, 2025

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Notice of Differences Between FY2025 Consolidated Forecast and Actuals, and Revisions to KPIs in the Medium-Term Plan (FY2025–FY2027)

Meiko Network Japan Co., Ltd. (the "Company") hereby announces that, at the meeting of its Board of Directors held on October 14, 2025, it resolved to announce that a variance has arisen between the consolidated full-year results forecast for the fiscal year ended August 31, 2025, released on July 10, 2025, and the actual consolidated full-year results for the same fiscal year announced today, and to revise upward the management indicators (plan) under the Medium-Term Management Plan (FY2025–FY2027).

1. Difference between the Full-year Consolidated Earnings Forecast and Actual Results for the Fiscal Year Ended August 31, 2025

(1) Differences between consolidated earnings forecasts and actual results

	Net Sales	Operating Profit	Ordinary Profit	Profit Attributable to Owners of Parent	Earnings Per Share
Previously announced forecast (A)	¥24,500 million	¥1,500 million	¥1,570 million	¥1,320 million	¥52.30
Actual results (B)	**¥24,827 million**	**¥1,691 million**	**¥1,868 million**	**¥1,727 million**	**¥68.44**
Change (B-A)	+¥327 million	+¥191 million	+¥298 million	+¥407 million	
Percentage change (%)	+1.3%	+12.8%	+19.0%	+30.9%	
Reference: Consolidated results for FY2024	¥22,579 million	¥1,010 million	¥1,163 million	¥489 million	¥19.41

(2) Reasons for the Differences

The Company launched the three-year Medium-Term Management Plan "MEIKO Transition," commencing in FY2025, and is decisively executing two transitions—"Business Transition" and "Human Transition"—from both perspectives of investing for future profit generation and improving current profitability, in order to address the challenge of enhancing earning power.

Against this backdrop, the main reasons why the full-year consolidated results significantly exceeded the forecast are as follows.

(i) Profitability improvement in Meiko Gijuku directly operated schools

In our core Meiko Gijuku business, inquiry volumes continued to trend firmly, and the number of enrolled students exceeded expectations, resulting in higher net sales. In particular, within Meiko Gijuku directly operated schools, under the company-based structure, we organized strategy units tailored to the characteristics of each region, rigorously pursued selection and concentration of strategies, and enhanced visibility into profitability management by strategy unit, thereby improving earning power. As a result, the increase in net sales translated directly into profit improvement and made a significant contribution to the growth in operating profit.

(ii) Growth in Japanese language schools and Others

In Japanese language schools, the number of students increased on the back of expanding inbound demand, enhancing profitability. In Others, businesses progressed steadily after the investment phase and contributed to profit generation for the Group as a whole.

(iii) Recording of Extraordinary Income

As stated in the "Notice Regarding the Application for a Tender Offer and the Recording of Extraordinary Income (Gain on Sale of Investment Securities)" announced on June 25, 2025, the Company tendered all of the common shares of With us Corporation (Securities Code: 9696) held by the Company in the tender offer by NSSK-J1 Co., Ltd. As the tender offer was completed and the shares were sold, the Company recorded extraordinary income of ¥782 million as a gain on the sale of investment securities in the fourth quarter of the fiscal year ending August 2025.

2. Revisions to Management Indicators (Plan) under the Medium-Term Management Plan (FY2025–FY2027)

(1) Differences between the Initial Management Indicators (Plan) and the Revised Management Indicators (Plan)

	Final year of the Medium-Term Management Plan (FY2027) Consolidated net sales	Final year of the Medium-Term Management Plan (FY2027) Consolidated operating profit
Initial Management Indicators (A) (announced on October 10, 2024)	¥24,000 million	¥1,500 million
Revised Management Indicators (B)	¥26,500 million	¥2,000 million
Change (B-A)	+¥2,500 million	+¥500 million
Percentage change (%)	+10.4%	+33.3%
(Reference) Consolidated results for FY2025	¥24,827 million	¥1,691 million

(2) Reasons for the Revisions

Under the Medium-Term Management Plan MEIKO Transition: Aiming to be a 100-Year-Old Company (FY2025–FY2027), as a result of decisively carrying out two transitions—"Business Transition" and "Human Transition"—the Company achieved in the first year (FY2025) the targets for net sales, operating profit, and ROE that had been planned for the final year.

Viewing the achievement of these first-year targets as an opportunity to accelerate our growth toward becoming a 100-year-old company, we will also revise upward our management targets for the remaining period and strive to further enhance corporate value.

We sincerely ask for your continued support and expectations.