



Consolidated Financial Results for the Three Months Ended June 30, 2025 [Japanese GAAP]

August 5, 2025

Company name: CRESCO LTD.
 Listing: Tokyo Stock Exchange
 Securities code: 4674
 URL: <https://www.cresco.co.jp/ja/index.html>
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 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on financial results: None
 Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated Financial Results for the Three Months Ended June 30, 2025 (April 1, 2025 to June 30, 2025)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	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 June 30, 2025	15,080	9.6	1,014	16.6	1,095	6.6	754	(0.2)
June 30, 2024	13,758	15.8	870	85.0	1,027	23.8	756	24.8

(Note) Comprehensive income: Three months ended June 30, 2025: ¥ 1,334 million [(4.0)%]
 Three months ended June 30, 2024: ¥ 1,390 million [11.6%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2025	18.33	-
June 30, 2024	18.35	-

(Note) The Company implemented a 2-for-1 share split of common shares as of July 1, 2024.

Assuming that the stock split was implemented at the beginning of the entire consolidated fiscal year, the net income per share is calculated.

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
As of June 30, 2025	42,617	30,794	72.3
March 31, 2025	43,336	30,815	71.1

(Reference) Equity: As of June 30, 2025: ¥ 30,794 million
 As of March 31, 2025: ¥ 30,815 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	-	19.00	-	23.00	42.00
Fiscal year ending March 31, 2026	-				
Fiscal year ending March 31, 2026 (Forecast)		29.00	-	29.00	58.00

(Note) Revision to the forecast for dividends announced most recently: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026(April 1, 2025 to March 31, 2026)

(Percentages indicate 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
Six months ending September 30, 2025	31,100	9.1	2,870	10.0	2,890	4.6	1,950	3.8	47.58
Full year	64,000	8.9	7,000	17.0	7,140	13.5	4,900	11.2	119.55

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

* Notes:

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: - (Company name: -)
Excluded: 1 (Company name: TAKAGI SYSTEM CO., LTD)

(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 due to revisions to accounting standards and other regulations: None
- 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)

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

June 30, 2025: 42,000,000 shares
March 31, 2025: 42,000,000 shares

2) Number of treasury shares at the end of the period:

June 30, 2025: 1,012,164 shares
March 31, 2025: 762,218 shares

3) Average number of shares outstanding during the period:

Three months ended June 30, 2025: 41,156,655 shares
Three months ended June 30, 2024: 41,199,236 shares

(Note) The Company implemented a 2-for-1 share split of common shares as of July 1, 2024.

Assuming that the stock split was implemented at the beginning of the entire consolidated fiscal year, Number of Shares Outstanding at End of Period, Number of Treasury Shares at End of Period, and Average Number of Shares During the Period are calculated.

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes(voluntary)

Quarterly Consolidated Financial Statements and Primary Notes
Quarterly Consolidated Balance Sheet

(Thousands of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	15,334,671	14,395,246
Accounts receivable trade and contract	10,489,635	9,757,137
Electronically recorded monetary claims - operating	485,899	336,939
Securities	815,839	611,195
Merchandise and finished goods	48,376	56,482
Work in process	316,708	446,490
Supplies	36,419	31,448
Other	923,475	1,290,183
Total current assets	28,451,026	26,925,123
Non-current assets		
Property, plant and equipment	1,009,084	1,086,050
Intangible assets		
Goodwill	2,755,749	2,663,450
Software	319,848	312,884
Other	14,088	14,026
Total intangible assets	3,089,686	2,990,361
Investments and other assets		
Investment securities	8,103,753	9,052,285
Other	2,785,682	2,666,402
Allowance for doubtful accounts	(102,425)	(102,425)
Total investments and other assets	10,787,011	11,616,263
Total non-current assets	14,885,781	15,692,675
Total assets	43,336,808	42,617,798

(Thousands of yen)

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	2,687,261	2,666,371
Short-term borrowings	100,000	200,000
Current portion of long-term borrowings	443,336	443,336
Income taxes payable	1,115,265	116,758
Provision for bonuses	2,016,047	1,101,943
Provision for loss on orders received	43,057	26,919
Other	2,566,057	3,264,789
Total current liabilities	8,971,024	7,820,117
Non-current liabilities		
Long-term borrowings	1,160,274	1,049,440
Long-term accounts payable - other	52,772	52,757
Retirement benefit liability	1,428,595	1,499,508
Provision for retirement benefits for directors (and other officers)	400,000	400,000
Asset retirement obligations	163,104	187,298
Deferred tax liabilities	326,827	786,041
Other	18,291	27,820
Total non-current liabilities	3,549,865	4,002,867
Total liabilities	12,520,890	11,822,985
Net assets		
Shareholders' equity		
Share capital	2,514,875	2,514,875
Capital surplus	2,979,869	2,979,869
Retained earnings	22,696,786	22,502,796
Treasury shares	(491,536)	(898,822)
Total shareholders' equity	27,699,995	27,098,720
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,986,227	3,577,755
Foreign currency translation adjustment	20,878	17,363
Remeasurements of defined benefit plans	108,815	100,974
Total accumulated other comprehensive income	3,115,921	3,696,093
Total net assets	30,815,917	30,794,813
Total liabilities and net assets	43,336,808	42,617,798

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income

For the three months ended June 30, 2025

(Thousands of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Net sales	13,758,514	15,080,518
Cost of sales	11,260,934	12,335,964
Gross profit	2,497,580	2,744,553
Selling, general and administrative expenses		
Advertising expenses	32,573	40,948
Remuneration, salaries and allowances for directors (and other officers)	590,158	631,982
Provision for bonuses	99,086	116,354
Retirement benefit expenses	14,704	15,860
Legal welfare expenses	94,366	100,506
Hiring expenses	83,278	93,063
EducationExpense	86,464	110,211
Entertainment expenses	25,340	22,248
Rent expenses on land and buildings	55,222	68,110
Supplies expenses	23,682	22,020
Enterprise tax	47,876	53,038
Other	474,801	455,570
Total selling, general and administrative expenses	1,627,556	1,729,916
Operating profit	870,023	1,014,637
Non-operating income		
Interest income	65,735	17,349
Dividend income	37,172	36,625
Gain on sale of securities	2,614	-
Gain on valuation of securities	-	11,678
Gain on investments in money held in trust	10,282	-
Gain on valuation of derivatives	30,103	-
Subsidy income	18,231	8,436
Share of profit of entities accounted for using equity method	12,583	13,797
Other	14,001	16,331
Total non-operating income	190,726	104,217
Non-operating expenses		
Interest expenses	3,049	2,606
Loss on valuation of securities	1,334	-
Investment advisory fee	27,183	18,676
Foreign exchange losses	0	-
Other	1,337	2,346
Total non-operating expenses	32,905	23,628
Ordinary profit	1,027,844	1,095,226

(Thousands of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Extraordinary income		
Gain on sale of investment securities	20,912	55,343
Gain on redemption of investment securities	37,043	54,232
Surrender value of insurance policies	-	3,395
Gain on sale of shares of subsidiaries and associates	1,626	-
Total extraordinary income	59,582	112,971
Extraordinary losses		
Loss on retirement of non-current assets	10,625	1,375
Loss on sale of investment securities	2,064	-
Office relocation expenses	15,655	8,158
Retirement benefit expenses	-	46,642
Other	2,638	4,000
Total extraordinary losses	30,984	60,176
Profit before income taxes	1,056,442	1,148,021
Income taxes - current	90,892	70,819
Income taxes - deferred	209,442	322,723
Total income taxes	300,334	393,543
Profit	756,107	754,478
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	756,107	754,478

Quarterly Consolidated Statement of Comprehensive Income
For the three months ended June 30, 2025

(Thousands of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Profit	756,107	754,478
Other comprehensive income		
Valuation difference on available-for-sale securities	639,610	591,528
Foreign currency translation adjustment	4,255	(3,515)
Remeasurements of defined benefit plans, net of tax	(9,120)	(7,841)
Total other comprehensive income	634,745	580,171
Comprehensive income	1,390,852	1,334,650
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,390,852	1,334,650
Comprehensive income attributable to non-controlling interests	-	-