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May 8, 2026

Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 [Japanese GAAP]



Company name: CRESCO LTD.
 Listing: Tokyo Stock Exchange
 Securities code: 4674
 URL: <https://www.cresco.co.jp/ja/index.html>
 Representative: Hiroshi Tominaga, President, Executive Officer
 Inquiries: Takashi Sawada, Executive Officer, Investor Relations
 Telephone: +81-03)5769-8011
 Scheduled date of annual general meeting of shareholders: June 19, 2026
 Scheduled date to commence dividend payments: June 22, 2026
 Scheduled date to file annual securities report: June 18, 2026
 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 fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(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	%
Fiscal year ended March 31, 2026	64,676	10.1	6,605	10.4	6,980	11.0	5,279	19.8
March 31, 2025	58,760	11.4	5,983	16.8	6,290	11.2	4,405	18.2

(Note) Comprehensive income For the fiscal year ended March 31, 2026: ¥ 6,183 million [39.9%]
 For the fiscal year ended March 31, 2025: ¥ 4,419 million [(15.9)%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2026	129.82	-	16.4	15.3	10.2
March 31, 2025	106.89	-	15.1	15.1	10.2

Reference: Share of profit (loss) of entities accounted for using equity method

For the fiscal year ended March 31, 2026: ¥ 57 million
 For the fiscal year ended March 31, 2025: ¥ 62 million

(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	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2026	47,899	33,479	69.9	828.81
March 31, 2025	43,336	30,815	71.1	747.27

Reference: Equity

As of March 31, 2026: ¥ 33,479 million
 As of March 31, 2025: ¥ 30,815 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	5,331	(1,319)	(3,995)	15,263
March 31, 2025	4,762	(2,293)	(2,084)	15,244

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	-	19.00	-	23.00	42.00	1,731	39.3	5.9
Fiscal year ended March 31, 2026	-	29.00	-	35.00	64.00	2,588	49.3	8.1
Fiscal year ending March 31, 2027 (Forecast)	-	35.00	-	35.00	70.00		51.1	

3. Consolidated financial result forecasts for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(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, 2026	34,360	11.0	2,920	7.3	2,990	4.3	2,085	1.5	51.62
Full year	71,500	10.5	8,000	21.1	8,200	17.5	5,530	4.8	136.90

* Notes

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

Yes

Newly included:	2	companies(APES CO.,LTD. iS Technoport Co., Ltd.)
Excluded:	1	companies(TAKAGI SYSTEM CO., LTD)

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

- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: Yes
- (iv) Restatement: None

(3) Number of issued shares (common shares)

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

As of March 31, 2026	42,000,000 shares
As of March 31, 2025	42,000,000 shares

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

As of March 31, 2026	1,605,551 shares
As of March 31, 2025	762,218 shares

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

Fiscal Year ended March 31, 2026	40,665,841 shares
Fiscal Year ended March 31, 2025	41,217,485 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.

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended								
March 31, 2026	32,332	4.7	3,867	5.4	4,783	10.6	4,199	26.9
March 31, 2025	30,885	4.6	3,670	22.6	4,324	11.2	3,309	19.1

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2026	103.28	-
March 31, 2025	80.29	-

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2026	34,534	24,815	71.9	614.34
March 31, 2025	32,071	23,289	72.6	564.76

Reference: Equity

As of March 31, 2026: ¥ 24,815 million

As of March 31, 2025: ¥ 23,289 million

2. Non-consolidated financial result forecasts for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		Ordinary profit		Profit		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending							
September 30, 2026	17,000	10.5	2,519	11.1	2,190	8.8	54.22
Full year	35,500	9.8	5,569	16.4	4,285	2.0	106.08

Consolidated Financial Statements and Primary Notes

Consolidated Balance Sheet

(Thousands of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	15,334,671	15,478,999
Accounts receivable - trade	10,106,343	10,762,852
Contract assets	383,291	1,159,662
Electronically recorded monetary claims - operating	485,899	236,129
Securities	815,839	870,358
Merchandise and finished goods	48,376	113,572
Work in process	316,708	179,851
Supplies	36,419	47,721
Prepaid expenses	765,104	761,880
Other	158,370	1,166,981
Total current assets	28,451,026	30,778,010
Non-current assets		
Property, plant and equipment		
Buildings	1,165,467	1,955,995
Accumulated depreciation	(482,862)	(488,055)
Buildings, net	682,604	1,467,940
Tools, furniture and fixtures	763,351	991,700
Accumulated depreciation	(472,476)	(564,686)
Tools, furniture and fixtures, net	290,874	427,014
Land	19,990	19,990
Leased assets	24,490	59,810
Accumulated depreciation	(8,874)	(18,228)
Leased assets, net	15,615	41,581
Total property, plant and equipment	1,009,084	1,956,526
Intangible assets		
Goodwill	2,755,749	2,729,442
Software	319,848	354,156
Other	14,088	13,851
Total intangible assets	3,089,686	3,097,450
Investments and other assets		
Investment securities	8,103,753	8,998,997
Leasehold and guarantee deposits	1,548,056	1,515,121
Insurance funds	45,319	213,107
Retirement benefit asset	-	72,509
Deferred tax assets	938,002	1,100,235
Other	254,303	170,250
Allowance for doubtful accounts	(102,425)	(2,314)
Total investments and other assets	10,787,011	12,067,906
Total non-current assets	14,885,781	17,121,883
Total assets	43,336,808	47,899,893

(Thousands of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	2,687,261	3,122,990
Short-term borrowings	100,000	200,000
Current portion of long-term borrowings	443,336	398,336
Lease liabilities	4,405	13,852
Accounts payable - other	663,107	807,325
Income taxes payable	1,115,265	1,385,532
Accrued business office tax	46,131	48,996
Accrued consumption taxes	650,935	502,013
Contract liabilities	349,171	694,986
Provision for bonuses	2,016,047	2,155,589
Provision for bonuses for directors (and other officers)	65,808	76,778
Provision for loss on orders received	43,057	119,513
Other	786,496	744,780
Total current liabilities	8,971,024	10,270,694
Non-current liabilities		
Long-term borrowings	1,160,274	761,938
Long-term accounts payable - other	52,772	41,397
Lease liabilities	12,771	31,887
Provision for retirement benefits for directors (and other officers)	400,000	530,440
Retirement benefit liability	1,428,595	1,542,361
Asset retirement obligations	163,104	411,843
Deferred tax liabilities	326,827	824,427
Other	5,520	5,520
Total non-current liabilities	3,549,865	4,149,816
Total liabilities	12,520,890	14,420,511
Net assets		
Shareholders' equity		
Share capital	2,514,875	2,514,875
Capital surplus	2,979,869	3,008,851
Retained earnings	22,696,786	25,852,555
Treasury shares	(491,536)	(1,917,529)
Total shareholders' equity	27,699,995	29,458,752
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,986,227	3,840,754
Foreign currency translation adjustment	20,878	24,908
Remeasurements of defined benefit plans	108,815	154,966
Total accumulated other comprehensive income	3,115,921	4,020,629
Total net assets	30,815,917	33,479,382
Total liabilities and net assets	43,336,808	47,899,893

Consolidated Statements of Income and Comprehensive Income

Consolidated Statement of Income

(Thousands of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net sales	58,760,592	64,676,944
Cost of sales	46,980,908	51,566,288
Gross profit	11,779,684	13,110,656
Selling, general and administrative expenses		
Advertising expenses	157,448	186,064
Remuneration, salaries and allowances for directors (and other officers)	2,219,409	2,436,452
Bonuses	187,963	200,516
Provision for bonuses	223,479	249,659
Provision for bonuses for directors (and other officers)	59,058	63,236
Retirement benefit expenses	51,540	70,293
Provision for retirement benefits for directors (and other officers)	680	-
Legal welfare expenses	362,760	396,737
Hiring expenses	228,722	281,567
Education expense	131,802	182,038
Entertainment expenses	85,479	95,968
Rent expenses on land and buildings	226,610	264,871
Supplies expenses	86,737	78,151
Amortization of goodwill	344,322	396,645
Enterprise tax	227,231	248,437
Other	1,202,615	1,354,227
Total selling, general and administrative expenses	5,795,861	6,504,868
Operating profit	5,983,822	6,605,787
Non-operating income		
Interest income	233,905	183,045
Dividend income	79,189	86,881
Gain on sale of securities	18,062	27,027
Gain on investments in money held in trust	3,964	-
Gain on valuation of derivatives	30,103	-
Subsidy income	51,367	52,924
Foreign exchange gains	8,474	47,282
Share of profit of entities accounted for using equity method	62,812	57,572
Other	22,718	32,982
Total non-operating income	510,597	487,716
Non-operating expenses		
Interest expenses	11,243	10,203
Loss on valuation of securities	25,436	-
Investment advisory fee	131,692	95,138
Donations	12,000	-
Other	23,406	8,144
Total non-operating expenses	203,778	113,486
Ordinary profit	6,290,640	6,980,017

(Thousands of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Extraordinary income		
Gain on sale of non-current assets	983	-
Gain on sale of investment securities	173,288	641,564
Gain on redemption of investment securities	57,315	54,232
Gain on sale of shares of subsidiaries and associates	1,626	-
Surrender value of insurance policies	11,599	14,174
Gain on reversal of asset retirement obligations	-	11,768
Other	3,197	9,863
Total extraordinary income	248,010	731,605
Extraordinary losses		
Loss on retirement of non-current assets	16,663	53,040
Loss on sale of investment securities	5,380	-
Loss on valuation of investment securities	23,209	15,324
Office relocation expenses	42,008	38,063
Retirement benefit expenses	-	46,642
Impairment losses	89,459	-
Loss on compensations	85,475	-
Other	33,199	17,405
Total extraordinary losses	295,397	170,476
Profit before income taxes	6,243,253	7,541,146
Income taxes - current	1,924,200	2,286,780
Income taxes - deferred	(86,514)	(24,735)
Total income taxes	1,837,686	2,262,045
Profit	4,405,567	5,279,100
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	4,405,567	5,279,100

Consolidated Statement of Comprehensive Income

(Thousands of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Profit	4,405,567	5,279,100
Other comprehensive income		
Valuation difference on available-for-sale securities	65,851	854,527
Foreign currency translation adjustment	(5,735)	4,029
Remeasurements of defined benefit plans, net of tax	(46,394)	46,151
Total other comprehensive income	13,721	904,708
Comprehensive income	4,419,289	6,183,808
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,419,289	6,183,808
Comprehensive income attributable to non-controlling interests	-	-

Consolidated Statement of Changes in Equity
For the fiscal year ended March 31, 2025

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,514,875	2,979,869	20,897,649	(1,813,333)	24,579,061
Changes during period					
Dividends of surplus			(1,339,300)		(1,339,300)
Profit attributable to owners of parent			4,405,567		4,405,567
Purchase of treasury shares					-
Disposal of treasury shares		27,309		27,356	54,666
Cancellation of treasury shares		(1,294,440)		1,294,440	-
Transfer from retained earnings to capital surplus		1,267,130	(1,267,130)		-
Net changes in items other than shareholders' equity					
Total changes during period	-	-	1,799,136	1,321,796	3,120,933
Balance at end of period	2,514,875	2,979,869	22,696,786	(491,536)	27,699,995

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	2,920,375	26,614	155,210	3,102,199	27,681,261
Changes during period					
Dividends of surplus					(1,339,300)
Profit attributable to owners of parent					4,405,567
Purchase of treasury shares					-
Disposal of treasury shares					54,666
Cancellation of treasury shares					-
Transfer from retained earnings to capital surplus					-
Net changes in items other than shareholders' equity	65,851	(5,735)	(46,394)	13,721	13,721
Total changes during period	65,851	(5,735)	(46,394)	13,721	3,134,655
Balance at end of period	2,986,227	20,878	108,815	3,115,921	30,815,917

For the fiscal year ended March 31, 2026

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,514,875	2,979,869	22,696,786	(491,536)	27,699,995
Changes during period					
Dividends of surplus			(2,123,332)		(2,123,332)
Profit attributable to owners of parent			5,279,100		5,279,100
Purchase of treasury shares				(1,499,921)	(1,499,921)
Disposal of treasury shares		28,981		73,927	102,909
Cancellation of treasury shares					-
Transfer from retained earnings to capital surplus					-
Net changes in items other than shareholders' equity					
Total changes during period	-	28,981	3,155,768	(1,425,993)	1,758,756
Balance at end of period	2,514,875	3,008,851	25,852,555	(1,917,529)	29,458,752

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	2,986,227	20,878	108,815	3,115,921	30,815,917
Changes during period					
Dividends of surplus					(2,123,332)
Profit attributable to owners of parent					5,279,100
Purchase of treasury shares					(1,499,921)
Disposal of treasury shares					102,909
Cancellation of treasury shares					-
Transfer from retained earnings to capital surplus					-
Net changes in items other than shareholders' equity	854,527	4,029	46,151	904,708	904,708
Total changes during period	854,527	4,029	46,151	904,708	2,663,465
Balance at end of period	3,840,754	24,908	154,966	4,020,629	33,479,382

Consolidated Statement of Cash Flows

(Thousands of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	6,243,253	7,541,146
Depreciation	282,701	307,520
Amortization of goodwill	344,322	396,645
Impairment losses	89,459	-
Increase (decrease) in allowance for doubtful accounts	-	(102,425)
Increase (decrease) in provision for bonuses	170,518	130,443
Increase (decrease) in provision for bonuses for directors (and other officers)	(2,857)	8,289
Increase (decrease) in provision for loss on orders received	(56,505)	76,456
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(102,960)	(1,635)
Increase (decrease) in retirement benefit liability	24,865	69,507
Decrease (increase) in retirement benefit asset	30,483	(72,509)
Interest and dividend income	(313,094)	(269,926)
Interest expenses	11,243	10,203
Loss (gain) on sale of securities	(18,062)	(27,027)
Loss (gain) on valuation of derivatives	(30,103)	-
Share of loss (profit) of entities accounted for using equity method	(62,812)	(57,572)
Loss on retirement of non-current assets	16,663	53,040
Loss (gain) on valuation of investment securities	23,209	15,324
Loss (gain) on sale of investment securities	(167,908)	(641,564)
Loss (gain) on redemption of investment securities	(57,315)	(54,232)
Decrease (increase) in trade receivables	426,218	(316,354)
Decrease (increase) in inventories	54,147	85,260
Decrease (increase) in contract assets	44,612	(776,370)
Increase (decrease) in trade payables	(10,599)	414,746
Increase (decrease) in accounts payable - other	(231,639)	139,741
Increase (decrease) in long-term accounts payable - other	(61)	(11,375)
Increase (decrease) in accrued consumption taxes	3,401	(193,454)
Other, net	(88,552)	348,058
Subtotal	6,622,631	7,071,935
Interest and dividends received	316,149	272,537
Interest paid	(10,672)	(9,744)
Income taxes paid	(2,166,067)	(2,003,495)
Net cash provided by (used in) operating activities	4,762,042	5,331,233

(Thousands of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Cash flows from investing activities		
Payments into time deposits	(2,410)	(5,510)
Proceeds from withdrawal of time deposits	47,912	31,000
Purchase of securities	(220,412)	(112,098)
Proceeds from sale of securities	132,286	148,361
Purchase of property, plant and equipment	(411,120)	(850,995)
Purchase of intangible assets	(183,834)	(175,117)
Purchase of investment securities	(1,413,860)	(382,238)
Proceeds from sale of investment securities	409,071	696,774
Proceeds from redemption of investment securities	817,092	543,445
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(1,165,882)	(450,926)
Income for sales of shares of subsidiaries resulting in change in scope of consolidation	6,099	-
Proceeds from cancellation of insurance funds	24,556	71,133
Other, net	(333,067)	(832,988)
Net cash provided by (used in) investing activities	(2,293,567)	(1,319,160)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	-	100,000
Proceeds from long-term borrowings	10,000	-
Repayments of long-term borrowings	(703,451)	(458,524)
Repayments of lease liabilities	(3,582)	(12,262)
Redemption of bonds	(50,000)	-
Dividends paid	(1,337,546)	(2,122,125)
Purchase of treasury shares	-	(1,502,920)
Net cash provided by (used in) financing activities	(2,084,579)	(3,995,832)
Effect of exchange rate change on cash and cash equivalents	(3,652)	2,449
Net increase (decrease) in cash and cash equivalents	380,242	18,690
Cash and cash equivalents at beginning of period	14,864,551	15,244,793
Cash and cash equivalents at end of period	15,244,793	15,263,484