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August 5, 2026

Consolidated Financial Results for the Three Months Ended June 30, 2026 (Under 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 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, 2026 (from April 1, 2026 to June 30, 2026)

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	16,682	10.6	1,149	13.3	1,254	14.5	864	14.6
June 30, 2025	15,080	9.6	1,014	16.6	1,095	6.6	754	(0.2)

Note: Comprehensive income For the three months ended June 30, 2026: ¥ 1,740 million [30.4%]
For the three months ended June 30, 2025: ¥ 1,334 million [(4.0)%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2026	21.46	-
June 30, 2025	18.33	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2026	47,443	33,425	70.5
March 31, 2026	47,899	33,479	69.9

Reference: Equity
As of June 30, 2026: ¥ 33,425 million
As of March 31, 2026: ¥ 33,479 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	-	29.00	-	35.00	64.00
Fiscal year ending March 31, 2027	-				
Fiscal year ending March 31, 2027 (Forecast)		45.00	-	35.00	80.00

Note: Revisions to the forecast of cash dividends most recently announced: None

Note: Breakdown of the second quarter dividend for the fiscal year ending March 31, 2027 :

Ordinary dividend	35.00	yen
Commemorative dividend	10.00	yen

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	51.94
Full year	71,500	10.5	8,000	21.1	8,200	17.5	5,530	4.8	137.76

Note: Revisions to the financial result forecast most recently announced: None

*** Notes**

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

Newly included: 1 companies(Officemation co.,Ltd.)

Excluded: - companies( )

(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

(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: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of June 30, 2026	42,000,000 shares
As of March 31, 2026	42,000,000 shares

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

As of June 30, 2026	1,857,825 shares
As of March 31, 2026	1,605,551 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2026	40,312,714 shares
Three months ended June 30, 2025	41,156,655 shares

Quarterly Consolidated Financial Statements and Primary Notes

Quarterly Consolidated Balance Sheet

(Thousands of yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	15,478,999	15,072,645
Accounts receivable trade and contract	11,922,514	10,897,202
Electronically recorded monetary claims - operating	236,129	144,536
Securities	870,358	895,589
Merchandise and finished goods	113,572	115,256
Work in process	179,851	528,740
Supplies	47,721	16,485
Other	1,928,862	1,283,494
Total current assets	30,778,010	28,953,951
Non-current assets		
Property, plant and equipment	1,956,526	1,969,176
Intangible assets		
Goodwill	2,729,442	2,968,111
Software	354,156	456,428
Other	13,851	13,800
Total intangible assets	3,097,450	3,438,340
Investments and other assets		
Investment securities	8,998,997	9,951,008
Other	3,071,224	3,133,823
Allowance for doubtful accounts	(2,314)	(2,314)
Total investments and other assets	12,067,906	13,082,516
Total non-current assets	17,121,883	18,490,032
Total assets	47,899,893	47,443,983

(Thousands of yen)

	As of March 31, 2026	As of June 30, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	3,122,990	3,142,885
Short-term borrowings	200,000	200,000
Current portion of long-term borrowings	398,336	393,332
Income taxes payable	1,385,532	276,600
Provision for bonuses	2,155,589	1,287,437
Provision for loss on orders received	119,513	86,728
Other	2,888,733	3,762,034
Total current liabilities	10,270,694	9,149,018
Non-current liabilities		
Long-term borrowings	761,938	696,715
Long-term accounts payable - other	41,397	44,588
Retirement benefit liability	1,542,361	1,559,197
Provision for retirement benefits for directors (and other officers)	530,440	712,797
Asset retirement obligations	411,843	414,764
Deferred tax liabilities	824,427	1,393,466
Other	37,407	47,648
Total non-current liabilities	4,149,816	4,869,177
Total liabilities	14,420,511	14,018,195
Net assets		
Shareholders' equity		
Share capital	2,514,875	2,514,875
Capital surplus	3,008,851	3,008,851
Retained earnings	25,852,555	25,303,734
Treasury shares	(1,917,529)	(2,298,304)
Total shareholders' equity	29,458,752	28,529,157
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,840,754	4,729,597
Foreign currency translation adjustment	24,908	24,058
Remeasurements of defined benefit plans	154,966	142,974
Total accumulated other comprehensive income	4,020,629	4,896,630
Total net assets	33,479,382	33,425,788
Total liabilities and net assets	47,899,893	47,443,983

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income

For the Three-Month Period

(Thousands of yen)

	For the three months ended June 30, 2025	For the three months ended June 30, 2026
Net sales	15,080,518	16,682,784
Cost of sales	12,335,964	13,574,279
Gross profit	2,744,553	3,108,505
Selling, general and administrative expenses		
Advertising expenses	40,948	36,992
Remuneration, salaries and allowances for directors (and other officers)	631,982	691,820
Provision for bonuses	116,354	131,984
Retirement benefit expenses	15,860	16,633
Legal welfare expenses	100,506	119,153
Hiring expenses	93,063	97,379
Education Expense	110,211	123,163
Entertainment expenses	22,248	27,159
Rent expenses on land and buildings	68,110	75,058
Supplies expenses	22,020	14,823
Enterprise tax	53,038	60,954
Other	455,570	564,024
Total selling, general and administrative expenses	1,729,916	1,959,148
Operating profit	1,014,637	1,149,356
Non-operating income		
Interest income	17,349	59,098
Dividend income	36,625	45,749
Gain on sale of securities	-	1,230
Gain on valuation of securities	11,678	-
Subsidy income	8,436	2,968
Share of profit of entities accounted for using equity method	13,797	10,861
Other	16,331	17,258
Total non-operating income	104,217	137,167
Non-operating expenses		
Interest expenses	2,606	2,510
Investment advisory fee	18,676	28,169
Other	2,346	1,470
Total non-operating expenses	23,628	32,150
Ordinary profit	1,095,226	1,254,373

(Thousands of yen)

	For the three months ended June 30, 2025	For the three months ended June 30, 2026
Extraordinary income		
Gain on sale of investment securities	55,343	106,748
Gain on redemption of investment securities	54,232	-
Surrender value of insurance policies	3,395	5,853
Total extraordinary income	112,971	112,601
Extraordinary losses		
Loss on retirement of non-current assets	1,375	25
Loss on redemption of investment securities	-	6,740
Office relocation expenses	8,158	-
Retirement benefit expenses	46,642	-
Other	4,000	-
Total extraordinary losses	60,176	6,765
Profit before income taxes	1,148,021	1,360,209
Income taxes - current	70,819	236,555
Income taxes - deferred	322,723	258,668
Total income taxes	393,543	495,224
Profit	754,478	864,985
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	754,478	864,985

Quarterly Consolidated Statement of Comprehensive Income

For the Three-Month Period

(Thousands of yen)

	For the three months ended June 30, 2025	For the three months ended June 30, 2026
Profit	754,478	864,985
Other comprehensive income		
Valuation difference on available-for-sale securities	591,528	888,842
Foreign currency translation adjustment	(3,515)	(850)
Remeasurements of defined benefit plans, net of tax	(7,841)	(11,991)
Total other comprehensive income	580,171	876,000
Comprehensive income	1,334,650	1,740,985
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,334,650	1,740,985
Comprehensive income attributable to non-controlling interests	-	-