Medium-Term Management Plan

（FY2024-FY2026）

AS of May 10, 2024

CRESCO✳

CRESCO LTD.

Contents

Note: Medium-Term Management Plan 2023 : CRESCO's "Medium-Term Management Plan (FY2021–FY2023)"
Medium-Term Management Plan 2026 : CRESCO's "Medium-Term Management Plan (FY2024–FY2026)"

1. Review of Medium-Term Management Plan 2023

Review of Medium-Term Management Plan 2023｜Financial (Group)

- **In the Medium-Term Management Plan 2023, we were able to promote improved profitability and expanded sales simultaneously and to achieve our business revenue targets, overall.**

	FY3/2021 results	Medium-Term Management Plan 2023 Targets (FY3/2024)	Medium-Term Management Plan 2023 Results (FY3/2024)	Growth Rate
Consolidated net sales	39.7 billion yen	50.0 billion yen	52.7 billion yen	+32.9%
Consolidated operating profit	3.4 billion yen	5.0 billion yen	5.1 billion yen	+47.0%
Consolidated operating profit ratio	8.8%	10%	9.7%	-
ROE	14.8%	15% or more	14.3%	-

Review of Medium-Term Management Plan 2023 | Strategy-specific Assessment

- **Centered on our basic strategy, the business foundation of the existing SI business has been stabilized. We are laying the groundwork for a shift in our business structure starting with growth in our digital solutions business and will continue to promote related initiatives toward further growth in the Medium-Term Management Plan 2026.**

		Status of Initiatives and Results	Future Policy
Key strategy	**Strengthening digital solutions**	✓ Group net sales in the digital solutions business increased 2.6 times compared to FY2021. This growth was centered on improved functions for our cloud service "Creage" and RPA ✓ Additional lineup expansions implemented	➤ Continue to increase the sales ratio of the digital solutions business ➤ To pursue increased profitability, promote the development of in-house digital solutions. Also procure and expand solutions centered on the fields of core systems, operational improvements, and increased productivity
	Evolution of agile management	✓ Achieved Group sales growth. Built a platform for coordination among Group companies in sales projects and exercised synergies in customer proposals and other areas ✓ Acquired Digital Transformation (DX) certification. Continued to challenge ourselves to become a DX stock	➤ Pursue stronger business synergies among Group companies ➤ Pursue internal digital transformation as a key policy and work to further improve operational performance
	Deepening of human-centered management	✓ Recognized as an organization under the "Certified Health & Productivity Management Outstanding Organizations Recognition Program (large enterprise category)" for our health management initiatives for five consecutive years, and recognized as "White 500" for the first time. ✓ Established next-generation personnel training and an internal on-demand learning platform ✓ Introduced an engagement survey. Implemented improvement policies	➤ Build a human resource portfolio based on our management strategy and promote the hiring and development of highly specialized personnel ➤ Build systems and environments in which diverse personnel can be successful over the long term and create a culture that tackles even greater challenges
Basic strategy	**Expansion of IT services**	✓ IT service sales in the financial and manufacturing segments have achieved significant growth of more than 135% compared to FY2021 ✓ The growth rates for the enterprise business differ on an industry basis, however we newly entered the public welfare and healthcare industries	➤ Expand the provision of value in sectors that connect more strongly to customer growth and innovation ➤ Create dedicated teams and personnel able to provide optimal offerings on an individual customer basis
	Enhancement of quality	✓ Created standard development processes, issued manuals, and acquired ISMS certification in the business sector ✓ With the increase in extremely difficult projects (use of new technologies, large-scale), we produced cases studies for the required quality initiatives	➤ In addition to raising the level of existing quality and issue resolution, create quality standards, risk management, and development processes in line with the growth strategy
	Enhancement of technology	✓ The sales ratio of focus technology fields (AI, cloud, agile, robotics) reached one-third of company-wide sales ✓ Starting with the launch of CRESCO A STARS, developed and strengthened our internal and external leaders centered on technology fields	➤ Continue to grow the cloud, automation, and agile sectors and focus on strengthening AI, data analytics, and security ➤ While continuing to reshuffle our technology portfolio, encourage coordination with external specialist companies

2. Realizing the CRESCO Group Ambition 2030

Positioning of Medium-Term Management Plan 2026

- **The Group continues to aim to become a business with consolidated net sales of 100 billion yen by 2030. At the same time, under the theme of "Challenge" in the Medium-Term Management Plan 2026, the Group has set a target of achieving consolidated net sales of 70 billion yen.**
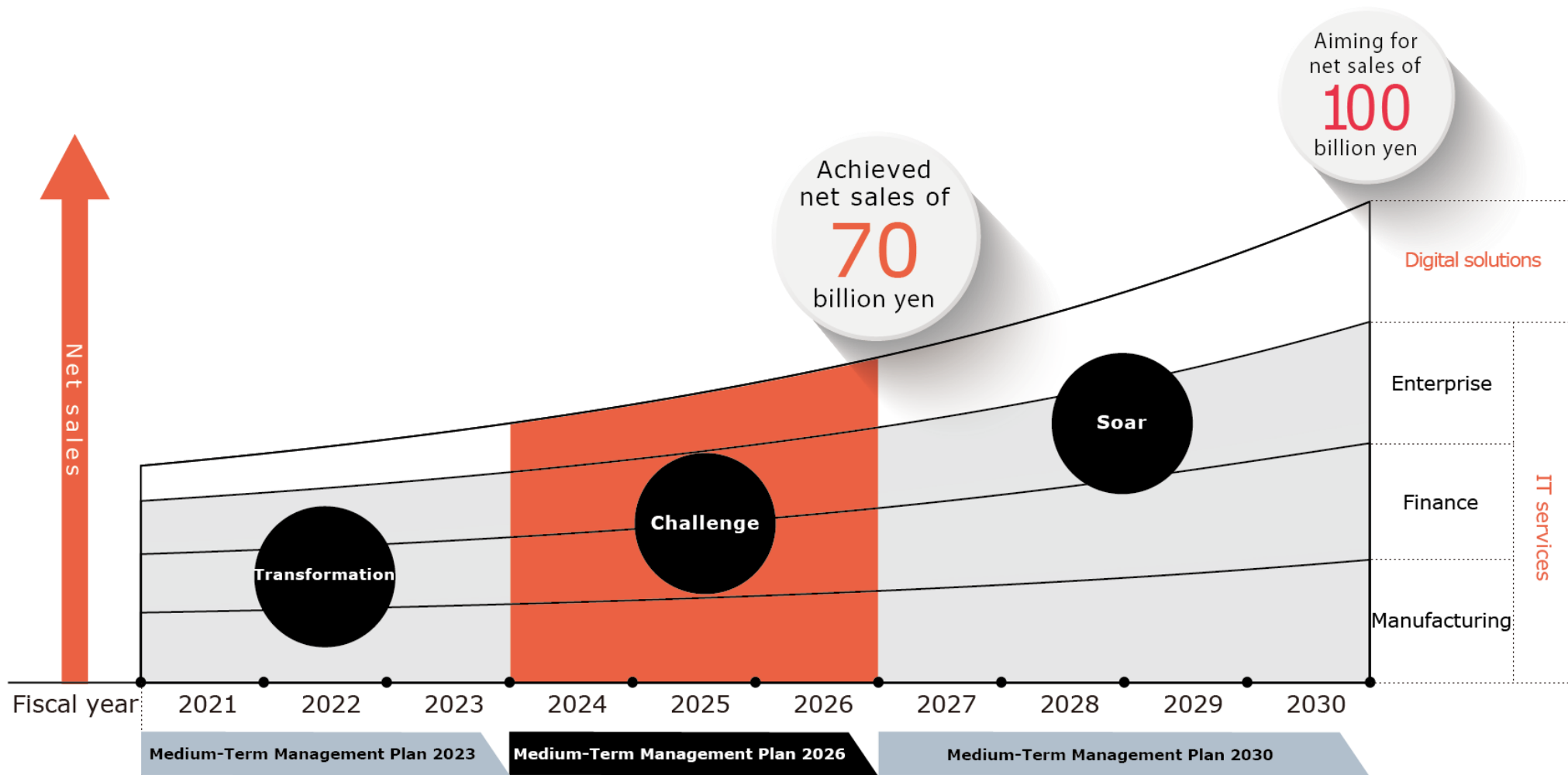
Roadmap to 2030

- **Create competitive superiority for our customers through IT and technology while aiming to become a company that creates digital value to evolve along with society.**
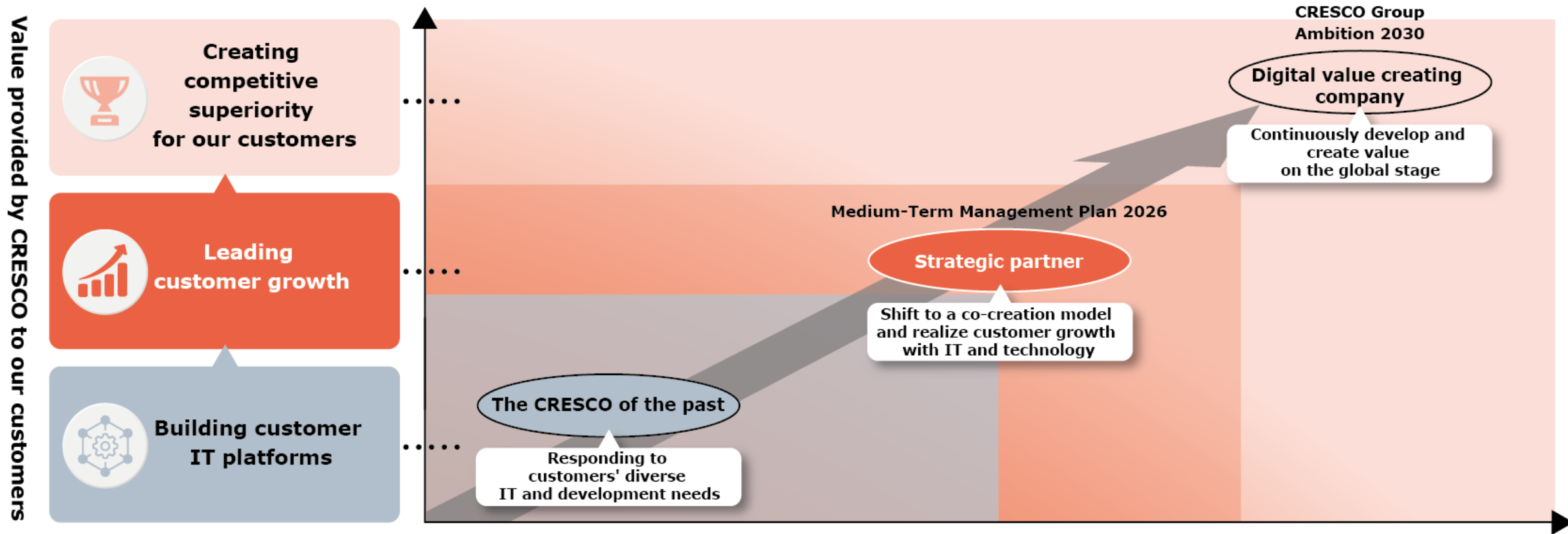
Sustainability Management at the Group

Highly developed digital society

- Spread of green technologies that reduce the environmental burden
- Improving experiential value through data use
- Automated driving and electrified automation
- Safe and secure lifestyles

Customers

- Banking
- Finance
- Securities
- Life and non-life insurance
- Automobiles
- Manufacturing
- Electronics
- Logistics, transportation, travel
- Human resources
- Energy
- Enterprise
- Travel/real estate
- Medical and healthcare

Data analytics, cloud computing, AI Robotics, agile, security

- IT and technology
- Digital Solution

1 Mutual growth through co-prosperity

Because the growth of our customers is essential to our continuous growth as a Group, we work to realize growth for our customers as a partner

2 Contributing to the resolution of social issues through our customers' businesses

Providing value centered on IT and technology and combining customer businesses to contribute to the resolution of social issues

3 Ongoing development and stability of digital society

With the transition to a digital society progressing, pursue safe and continuous development so that nobody is left behind

CRESCO

The Group's Material Issues

CRESCO Group Ambition 2030

Create the future, Beyond the horizon
We will realize a stimulating future
through the best technology and human bonds

- Realizing a sustainable society through DX and innovation
- Contributing to the global environment through IT
- Establishing a safe digital society
- CRESCO
- Creating opportunities for diverse human resources to have job satisfaction and success
- Maintain value provision through continuous governance checks and improvements

Category	Material Issue	Description
Resolving social issues through our business	**Realizing a sustainable society through DX and innovation**	Promote digitalization throughout society and contribute to an environment in which anyone can access the necessary technologies and digital services
	Contributing to the global environment through IT	By spreading green technology, realize a decarbonized society and GX together with our customers
	Establishing a safe digital society	Contribute to improved security throughout society and realize a safe, secure, and resilient society
Further strengthening our management platform	**Creating opportunities for diverse human resources to have job satisfaction and success**	Develop the next generation of personnel that will rise to the challenge of innovation and build work environments in which diverse human resources can work energetically with job satisfaction
	Maintain value provision through continuous governance checks and improvements	Create a solid structure for corporate governance and establish a system for business operations that continuously increases corporate value

The Group's Business Activities and Value Creation

Business activities' value and growth strategies

CRESCO Group's businesses
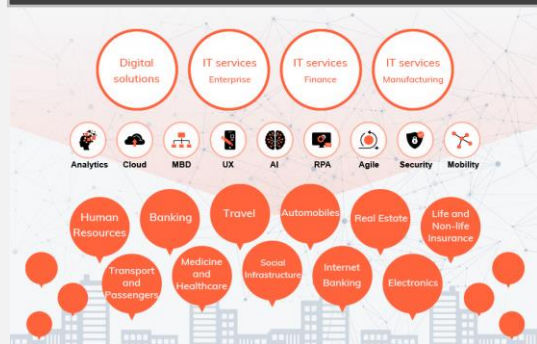
Digital Solution
- ◆ Solutions group from products and services that realize customer growth

IT Service
- ◆ Consulting
- ◆ IT planning
- ◆ Comprehensive services for development and maintenance

CRESCO Group's growth strategies
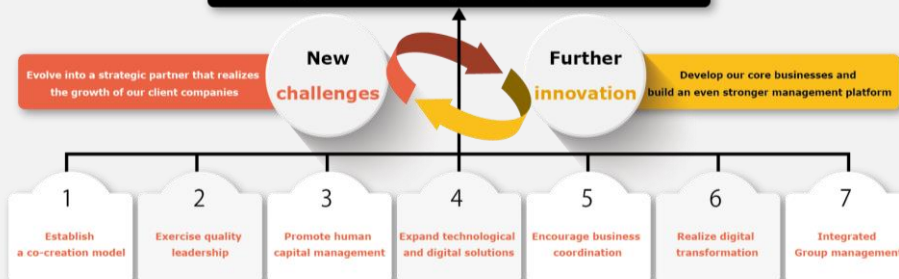
Sustainability management/ Corporate governance

Values created by the CRESCO Group

Social values

For local communities and society
- ◆ Contributing to the digital society through development of new technologies and services

For customers
- ◆ Provision of high-quality IT and digital solution services

For employees
- ◆ Environment in which each employee can keep growing and flourish energetically

For shareholders and investors
- ◆ Enhancement of corporate value through sustained growth

A world that the CRESCO Group wants to realize
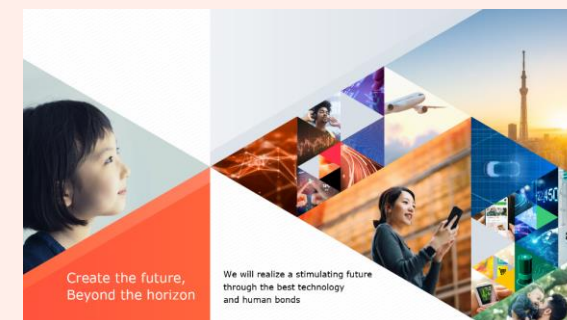
CRESCO Group Ambition 2030

Create the future, Beyond the horizon

We will realize a stimulating future through the best technology and partnerships

Toward a company with the consolidated net sales of 100 billion yen in 2030

3. Growth Strategy in Medium-Term Management Plan 2026

The Group's Ideal Direction based on a Recognition of the Business Environment

Changes in the External Environment

Keeping up with rapid changes in the business environment

To respond to rapid changes in the business environment, we must transform to a business model that uses optimal IT technology

Steady trend of DX needs and ICT/DX investment demand

DX needs are strong regardless of the industry or sector, and business applications of advanced technologies such as AI are progressing actively

Moving away from legacy systems

The move away from outdated and complex existing systems is progressing, and system standardization and usage-type models are progressing

The democratization of internal production and development at user companies

The internal production of IT capabilities to cut costs, enhance development agility, and accumulate knowhow is progressing

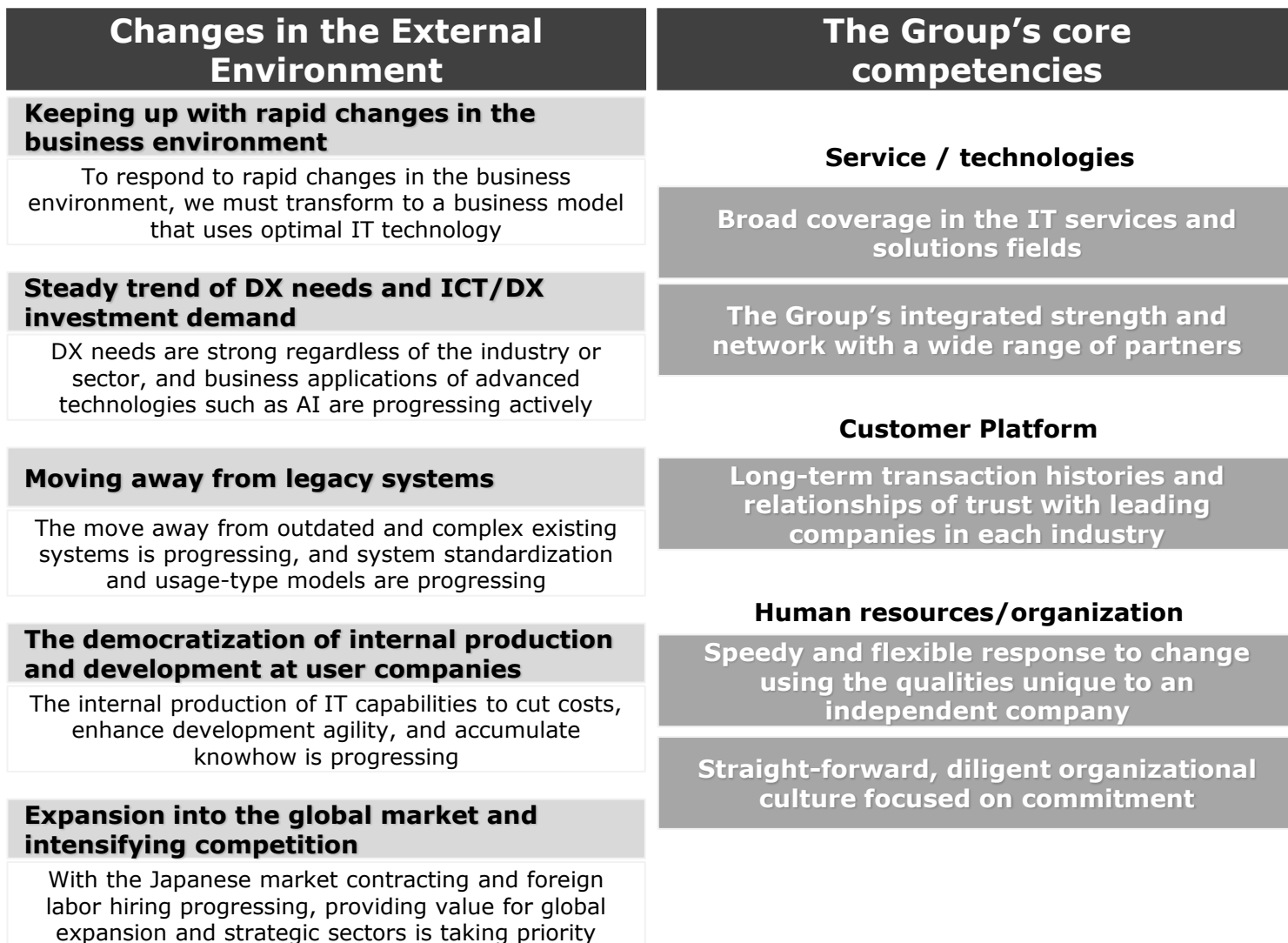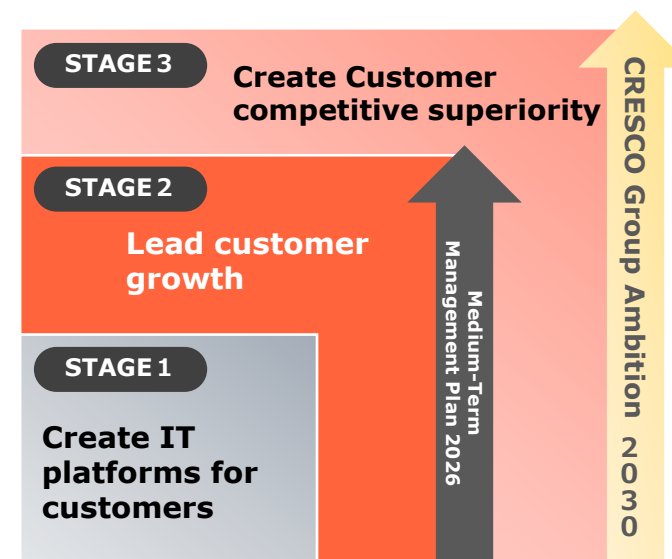**Expansion into the global market and intensifying competition**

With the Japanese market contracting and foreign labor hiring progressing, providing value for global expansion and strategic sectors is taking priority

The Group's core competencies

Service / technologies

Broad coverage in the IT services and solutions fields

The Group's integrated strength and network with a wide range of partners

Customer Platform

Long-term transaction histories and relationships of trust with leading companies in each industry

Human resources/organization

Speedy and flexible response to change using the qualities unique to an independent company

Straight-forward, diligent organizational culture focused on commitment

The Group's Ideal Direction

STAGE 3 Create Customer competitive superiority

STAGE 2 Lead customer growth

STAGE 1 Create IT platforms for customers

Medium-Term Management Plan 2026

CRESCO Group Ambition 2030

In addition to realizing customer growth and continuously increasing competitive superiority, by driving evolution in our digital society, make broad social contributions

Medium-Term Management Plan 2026

CRESCO

Continuously grow and move society forward together with our customers

Evolve into a strategic partner that realizes the growth of our client companies

New challenges

Further innovation

Develop our core businesses and build an even stronger management platform

1
Establish a co-creation model

Strengthen offerings to realize customer growth and shift to a co-creation model

2
Exercise quality leadership

Strengthen our omni-directional quality management with an eye on shifting to a co-creation model and expanding digital solutions

3
Promote human capital management

Build a human resources portfolio to realize our management strategy and maximize individual and organizational strengths to create value

4
Expand technological and digital solutions

Continuously search for and acquire market superiority centered on advanced technologies such as AI and convert this superiority to customer value

5
Encourage business coordination

Connect capabilities inside and outside the company and build a unique business eco-system

6
Realize digital transformation

Enhance operational performance through future-focused digital transformation and shift to creative, high value-added operations
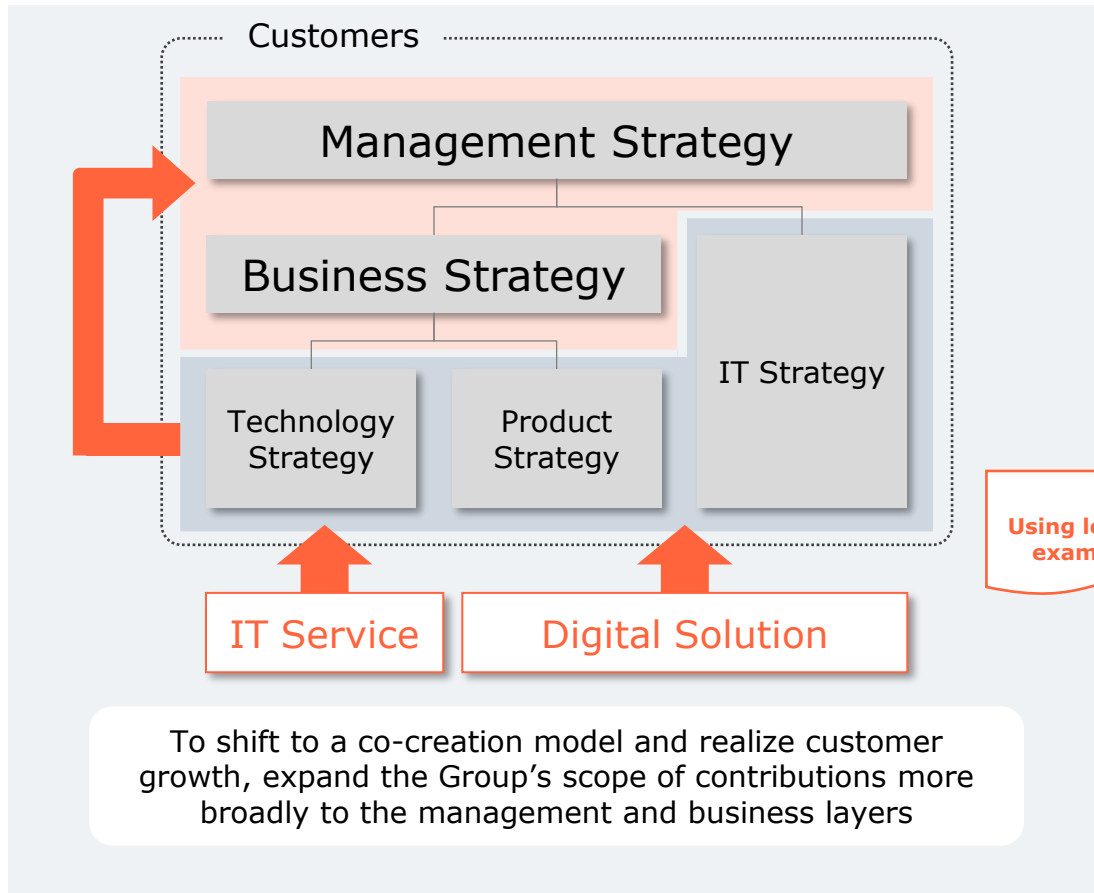
7
Integrated Group management

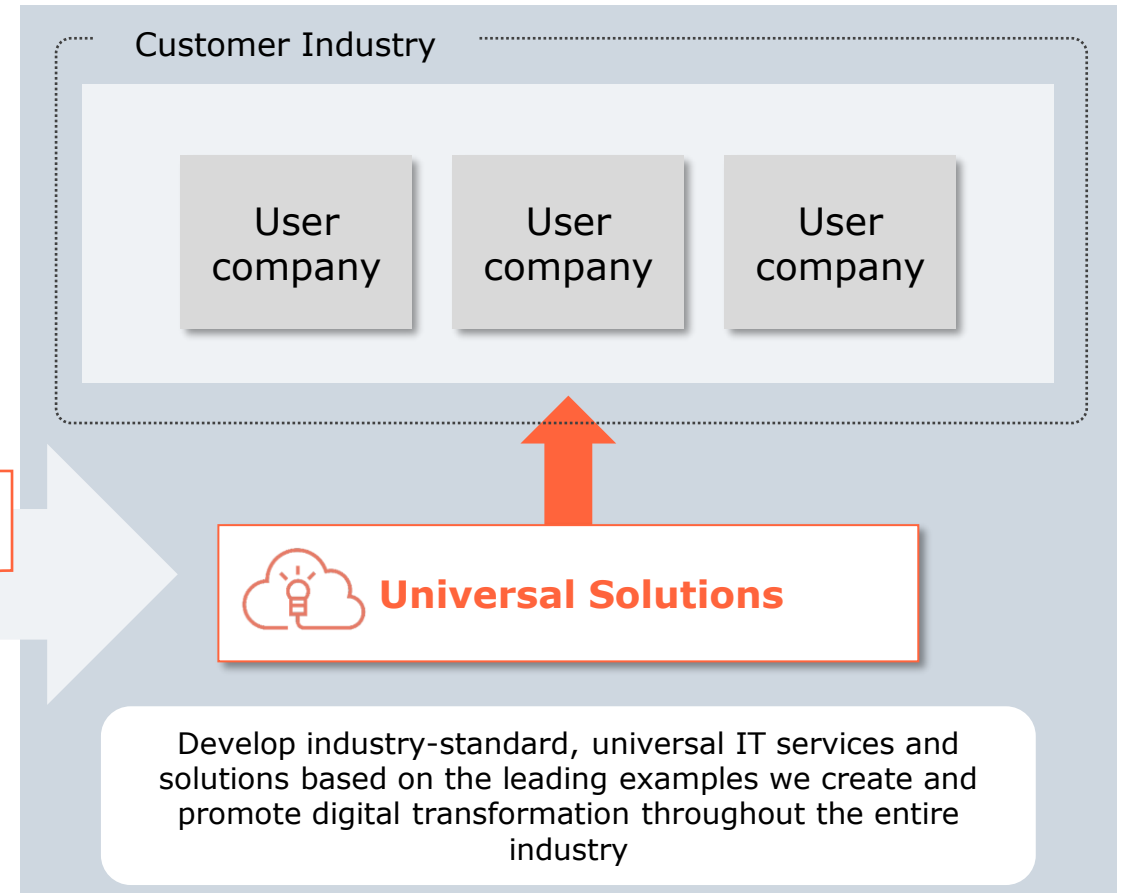Simultaneously pursue both independence and efficiency among Group companies and create business synergies

Policy to Realize Customer Growth

- **By contributing to the realization of each of our customer's strategies, we will establish a position as a strategic partner that is difficult for customers to replace**

- **Furthermore, we will circulate the knowledge that we gain through this process back into the industry and society at large in the interest of growth**

STEP 1 │ Evolve into a Strategic Partner

STEP 2 │ Promote Digital Transformation throughout the Industry

Customers

Management Strategy

Business Strategy

IT Strategy

Technology Strategy

Product Strategy

IT Service

Digital Solution

Using leading examples

To shift to a co-creation model and realize customer growth, expand the Group's scope of contributions more broadly to the management and business layers

Customer Industry

User company

User company

User company

Universal Solutions

Develop industry-standard, universal IT services and solutions based on the leading examples we create and promote digital transformation throughout the entire industry
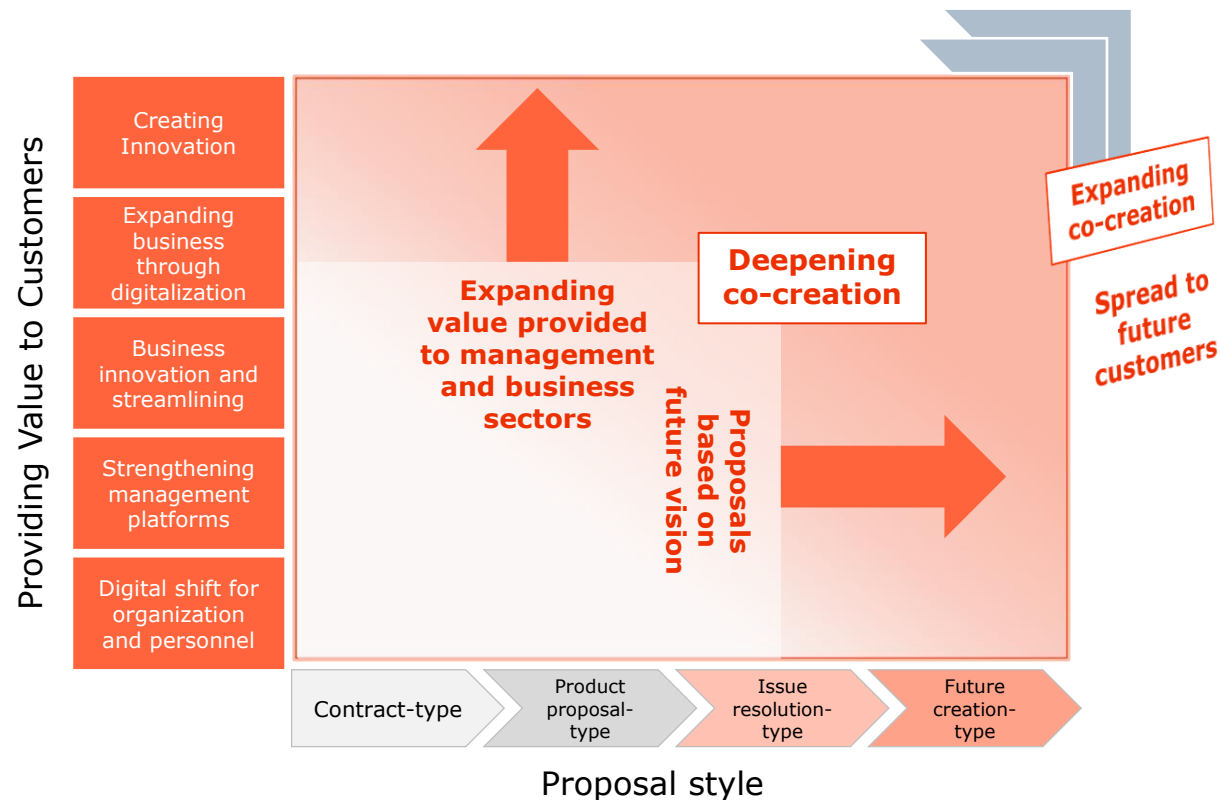
Establishing a Co-Creation Model｜Strategic Policy

Strategic Policy

As a strategic partner, proactively implement and promote proposals that lead to customer growth.
Based on the results and technologies cultivated through that process, strengthen external communication and expand the value provided to future customers

Desired Co-Creation Model

Providing Value to Customers

- Creating Innovation
- Expanding business through digitalization
- Business innovation and streamlining
- Strengthening management platforms
- Digital shift for organization and personnel

Expanding value provided to management and business sectors

Deepening co-creation

Proposals based on future vision

Expanding co-creation

Spread to future customers

Contract-type → Product proposal-type → Issue resolution-type → Future creation-type

Proposal style

Themes of Initiatives

Deepening Co-creation

Proactively promote proposals

- ✓ Discuss and formulate the necessary initiatives and policies for customer growth and proactively implement and promote proposals
- ✓ Design optimal architecture to realize growth for customers

Expand offerings

- ✓ In response to customer management issues, create systems and lineups better capable of realizing proposals that lead to growth

Expanding Co-creation

Spread to and acquire future customers

- ✓ Based on case studies of co-creation with customers, results, and researches, issue information originating from the Company, engage in consortium activities, and expand value provision to future customers through various policies

15

Exercising Quality Leadership | Strategic Policy

Strategic Policy	Providing the appropriate services and products to co-creation strategic partners that ensure quality levels for safety, security, and excitement and that support customer growth

Customer Relationships	**Realizing growth through co-creation with customers**

Realization Conditions

Exercising value with strategic partners ✕ **Providing quality in terms of safety, security, and excitement**

CRESCO Quality

Co-creation
- ✓ Develop the necessary initiatives and policies for customer growth jointly with customers

Continuous Growth Conditions

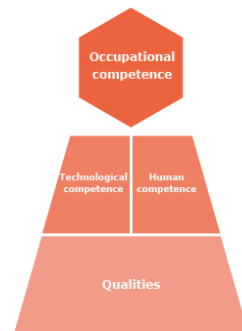**Individual Growth**
IT professional development initiatives

Organizational Growth
Four initiatives to create CRESCO quality

Value Creation
- ✓ Satisfy the "true requirements" of customers and realize proposals that exceed their expectations

Issue Resolution
- ✓ Propose resolutions that utilize our knowledge and experience as professionals

Constituent Elements

Occupational competence
Technological competence | Human competence
Qualities

Co-creation
Value Creation
Issue Resolution
CRESCO Quality
Expected quality

Expected Quality
- ✓ Continuously improve the quality management system for QCD compliance

Aim for further development of IT professionals toward the goal of "co-creation" with our strategic partners

In addition to our existing initiatives, aim to strengthen quality management in all directions toward "co-creation" with our customers

Promoting Human Capital Management | Strategic Policy

Strategic Policy

To realize our management strategy, build a human resources portfolio in which diverse human resources can be successful and create value by maximizing individual and organizational strength

Value Creation

Maximizing the value of human capital

Strategically based human resources portfolio

| Skill development and career independence | Cooperation and success of diverse personnel |

The CRESCO Charter

CRESCO is a company with a focus on **people** and **a merit-based philosophy**

Themes of Initiatives

Strategically based human resources portfolio   Personnel acquisition

- ✓ Create and manage a dynamic human resources portfolio focused on future change and innovation toward establishing a co-creation model
- ✓ To secure excellent human resources, aggressively strengthen new graduate hiring, mid-career hiring, and diversity hiring

Skill development and career independence   Development   Assignment   Assessment

- ✓ Create a structure for development, assignment, and assessment to expand co-creation-type personnel
- ✓ Foster the individual growth of each employee through synergies between skill development and career independence

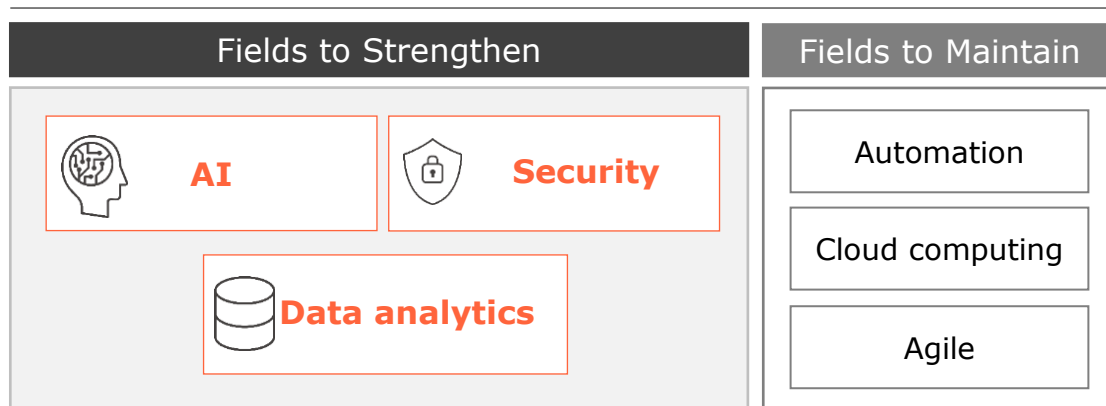**Cooperation and success of diverse personnel**   Health and productivity management   Engagement   D&I

- ✓ Create relationships of mutual growth through empathy and cooperation between the company and employees and among employees
- ✓ Create an atmosphere and culture in which individual employees can fully exercise diverse capabilities and approach new challenges with a sense of excitement
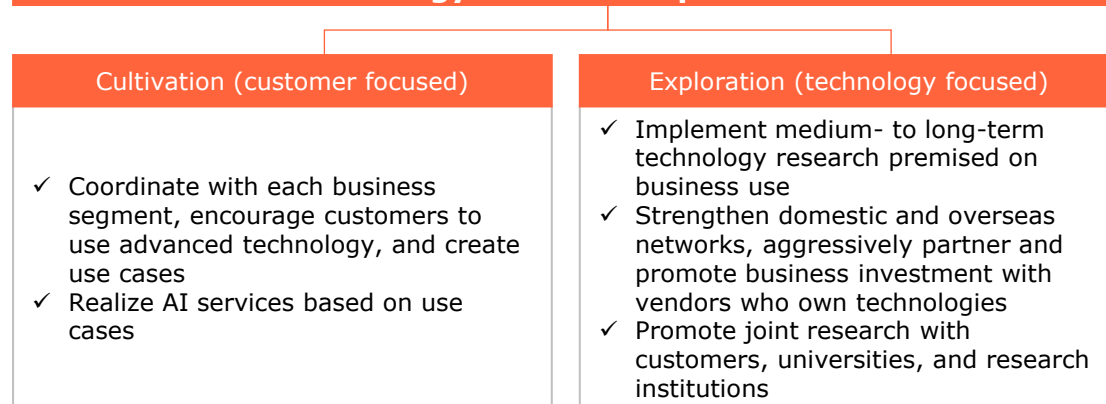
17

Expanding Technologies and Digital Solutions｜Strategic Policy

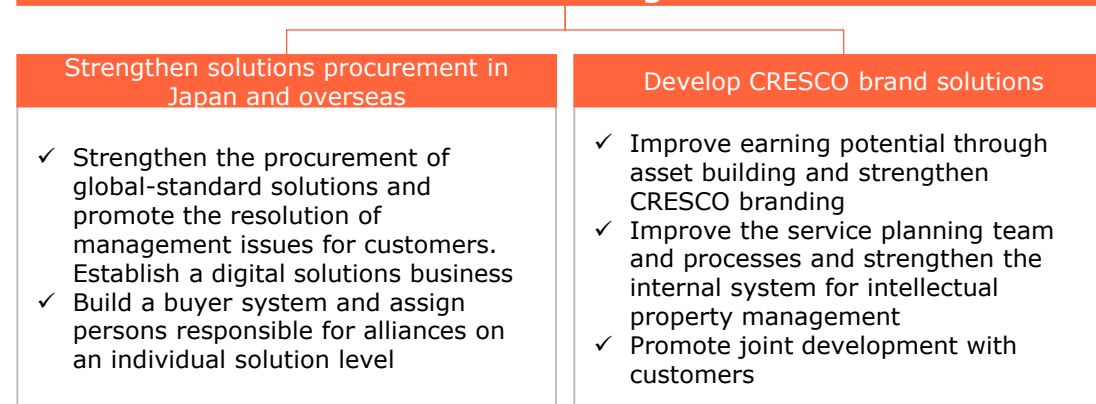| Strategic Policy	Provide services in response to management issues by expanding technologies and digital solutions from a customer-focused perspective and explore new technologies for the future

Technology Strategy

Fields to Strengthen

- **AI**
- **Security**
- **Data analytics**

Fields to Maintain

- Automation
- Cloud computing
- Agile

Balancing customer-focused "cultivation" and technology-focused "exploration"

Cultivation (customer focused)

- ✓ Coordinate with each business segment, encourage customers to use advanced technology, and create use cases
- ✓ Realize AI services based on use cases

Exploration (technology focused)

- ✓ Implement medium- to long-term technology research premised on business use
- ✓ Strengthen domestic and overseas networks, aggressively partner and promote business investment with vendors who own technologies
- ✓ Promote joint research with customers, universities, and research institutions

Digital Solution Strategy

Platform (ERP, Workflow)	Sales (CRM, SFA)	Marketing (MA, CMS)
BCP, risk management	Communication (Groupware, storage)	Operations process management (BPM, PM)
Accounting, personnel, and compensation	Increased work productivity (Automation, Process mining)	Workstyle innovation, BPO

Strengthening the areas of operations that contribute to management issues

Strengthen solutions procurement in Japan and overseas

- ✓ Strengthen the procurement of global-standard solutions and promote the resolution of management issues for customers. Establish a digital solutions business
- ✓ Build a buyer system and assign persons responsible for alliances on an individual solution level

Develop CRESCO brand solutions

- ✓ Improve earning potential through asset building and strengthen CRESCO branding
- ✓ Improve the service planning team and processes and strengthen the internal system for intellectual property management
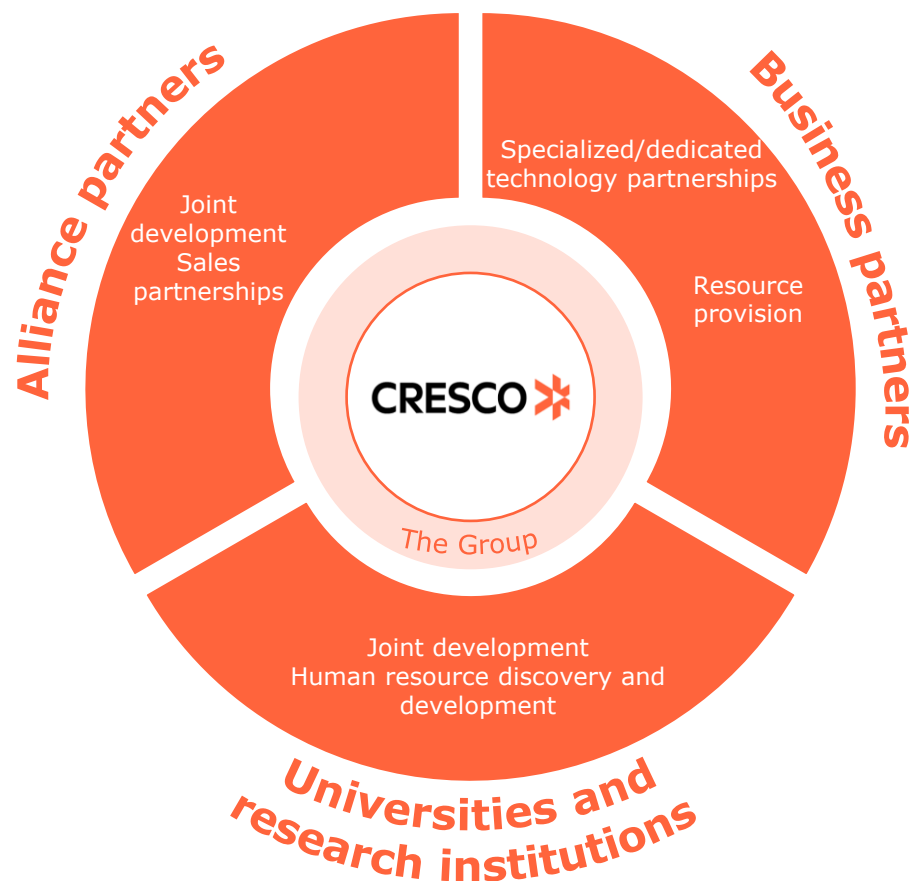- ✓ Promote joint development with customers

Promoting Coordination Among Businesses │ Strategic Policy

Strategic Policy

By cooperating and coordinating with diverse partners including companies, universities, and research institutions and creating synergies, we will expand our business ecosystem and draw out our usable capabilities and resources to the maximum

Business Ecosystem Concept

Alliance partners

Joint development
Sales partnerships

Business partners

Specialized/dedicated technology partnerships

Resource provision

CRESCO

The Group

Joint development
Human resource discovery and development

Universities and research institutions

Themes of Initiatives

Acquire Alliance Partners

✓ Through strategic alliance partnerships, we not only will provide intellectual property and resources, but also will acquire alliance partners with the goal of pioneering new markets and developing technologies
- Strengthen cooperation in technology and sales
- Acquire new alliance partners through technological partnerships

Strengthen Relationships with Business Partners

✓ Build strategic relationships and strengthen proposal capabilities with important business partners that allow the scope of both "specialized/dedicated technology partnerships" and "resource provision" to be expanded
- Define and expand core business partners with which we conclude partnerships based on the management and business strategies of both companies
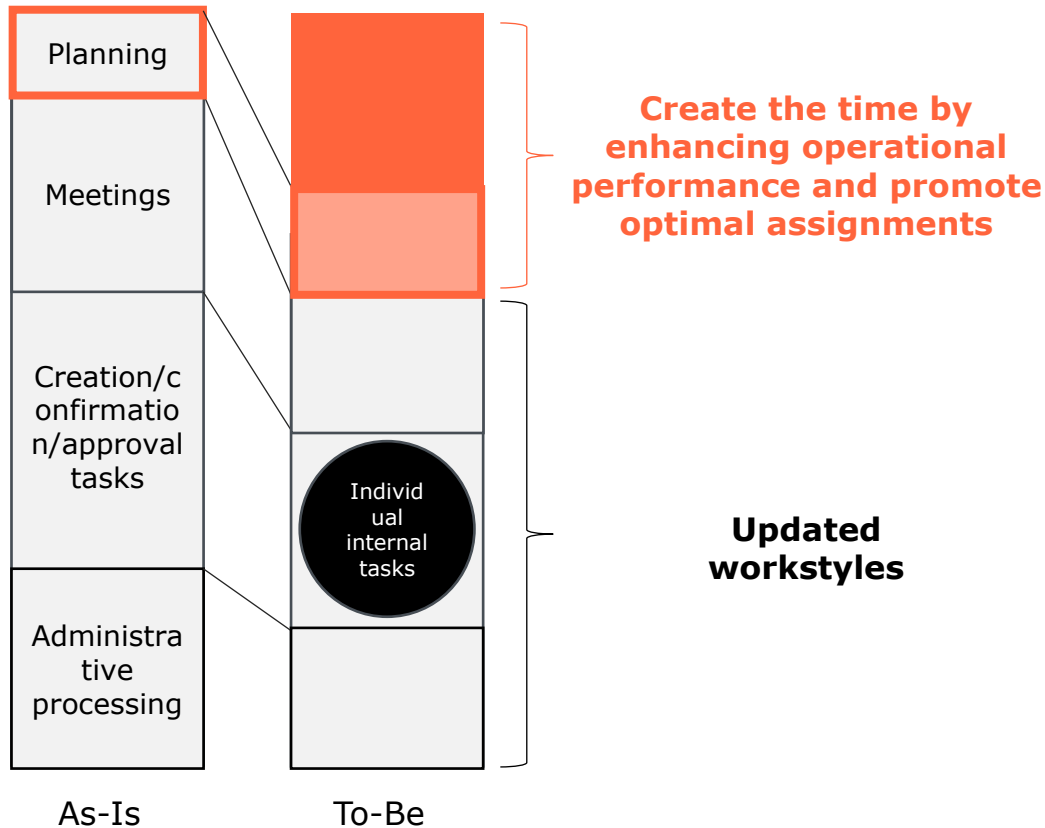- Build win-win relationships (holding joint education sessions, etc.)

Strengthen Partnerships between Industry and Academia

✓ Strengthen the joint development system with universities and research institutions
✓ Discover, develop, and acquire excellent human resources

Realizing digital transformation | Strategic Policy

Strategic Policy	Digitally innovate internal operations with a focus on the future and enhance operational performance to shift to more creative operations and higher value-added operations

Themes of Initiatives

As-Is: Planning, Meetings, Creation/confirmation/approval tasks, Administrative processing

To-Be: Individual internal tasks

Create the time by enhancing operational performance and promote optimal assignments

Updated workstyles

Management	✓ Use management data effectively and conduct strategic management-related decision making to establish competitive superiority
Sales	✓ Using internal and external data, by increasing the accuracy of sales operations for customers and realizing co-creative sales for our customers' businesses, contribute to expanded sales and profitability
System Development	✓ Using AI and automation, increase the operational efficiency of development ✓ Through the digital transformation of development processes, increase quality
Sales Management	✓ Through the digital transformation of sales management operating processes, enhance operational efficiency and provide higher value services

Group Integrated Management | Strategic Policy

Strategic Policy

Based on the independent management of each Group company, strengthen business synergies, maximize the value provided to customers, and streamline Group management

Maximize the Value Provided to Customers

Group Joint Proposals	Optimizing the Information Sharing Platform

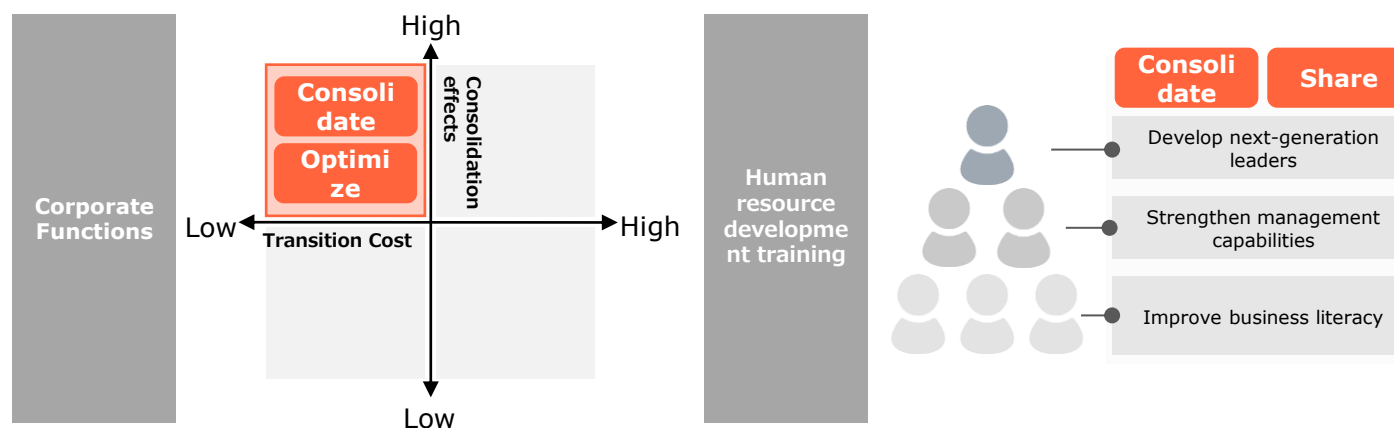✓ Promote Group coordination and supplement capabilities in the customer proposal and installation phase

IT Service — **Coordinate**

Digital Solution — **Expand**

CRESCO

Streamline Group Management

Consolidating Corporate Functions	Creating Shared Human Resource Development

✓ Consolidate and optimize duplicated tasks within the Group centered on management division operations such as purchasing, legal, corporate communication and human resource development

Corporate Functions

Consolidation effects: High / Low
Transition Cost: Low / High

Consolidate / **Optimize**

Human resource development training

Consolidate / **Share**

- Develop next-generation leaders
- Strengthen management capabilities
- Improve business literacy

4. Strategies by Business Segment

Enterprise｜Business strategy

- **Using connections with leading companies in a wide range of industries, build new services using multiple best practices that go beyond the boundaries of individual industries and develop them on a cross-industry basis**

Business outline

- In the enterprise business, support digital transformation that anticipates changes in the market and the emergence of new technologies for customers in diverse industries including human resources, travel, logistics, and transportation

- Using cross-industry-type knowledge and best practices, provide one-stop service from planning, to development, to operations and management

Business strategy

Grow and expand current business sectors

① **Expand and streamline the provision of one-stop service**
- Led by operational application development, expand the sectors we service including platform building (cloud) and data linking and analysis platform building
- Promote the streamlining of system introduction through not only full-scratch development, but also through the combination of low-code/no-code development and the introduction of digital solutions

② **Cultivate core industries**
- Promote the standardization of system development and maintenance on an individual industry basis for the core industries of human resource services, travel, air travel (passengers), and transportation (ground transportation)

Strengthen and establish new business sectors

① **Further growth in the enterprise sector**
- In addition to our core industries, maintain momentum in expanding into other industries including real estate, distribution, the government sector, and the medical and healthcare industry

② **Co-create services with new value together with customers**
- Innovate from a contracted-development business style to a value co-creation business that works to further understand customers' businesses, enhance their competitive superiority, and resolve issues
- Strengthen account management, pursue business transitions with customers, and engage in the co-creation of new businesses with customers
- Go beyond the boundaries of individual industries to build new services combining multiple best practices and develop them on a cross-industry basis

Finance | Business strategy

- **In addition to building and operating a sound financial system as a form of social infrastructure, promote digital transformation and co-creation toward rapid shifts in business categories**

Business outline

- In the financial business, we provide wide-ranging support from system building to operations and maintenance for core systems, information systems, market systems, and EUC mostly for the core industries of banking, securities, and insurance

- Based on the operational knowhow that we have cultivated since our founding as well as our track record in system building and operations, we are promoting digital transformation using new technologies together with our customers

Business strategy

Grow and expand current business sectors

① **Expand in the sectors with back-end systems**
- Build and operate on-premises and cloud platforms in the core sectors of financial institution systems and continuously automate and streamline operations
- Train in core back-end technologies and strengthen responsiveness to new technologies
- Strengthen evaluations of similar services and propose even better services

② **Strengthen data linking and processing technologies (middleware)**
- Using operational knowledge and data linking and processing technologies that link increasingly large-scale and complex financial systems, encourage data integration and utilization

Strengthen and establish new business sectors

① **Promote operations around the theme of co-creation**
- Promote co-creation with client companies centered on front-end system operations
- Introduce agile development methods to roll out highly flexible services

② **Promote further data use**
- Implement data governance, large-scale data processing, and improved and streamlined ETL processing
- Strengthen education and investment in new technologies such as generative AI and propose them to customers

③ **Strengthen operational knowledge and promote legal and regulatory compliance**
- Strengthen investment in education and development related to product knowledge, marketing, risk management, and global regulations
- Promote proposals and installations that immediately resolve customer issues such as regulatory compliance.

Manufacturing | Business strategy

- **Expand the fields we service from product businesses to service business and promote co-creation businesses**

Business outline

- In the manufacturing business, to respond to changes in customers' business models such as the shift to products plus services centered on the mobility and electronics industries as well as software-first manufacturing, provide one-stop service including everything from UI/UX evaluations to design, development, evaluation, operation, and maintenance

- Also support the product development field, including consulting for safety and security, improved manufacturing efficiency, and the visualization of development processes

Business strategy

Grow and expand current business sectors

① **Integrating and improving the "infotainment" business**
- We have a development track record in the IVI sector including indicators and center displays, and we own multimedia technologies in the electronics field. Going forward, we will support product development aimed at integration and connectivity

② **Cybersecurity response and safe product design**
- Based on a software-first approach, develop consulting services for cybersecurity response and design

Strengthen and establish new business sectors

① **Focus on the mobility sector**
- Strengthen the safe driving control sector (ADAS and AD)
- Strengthen the AUTOSAR-compliant standardized development process and model-based development
- Expand into the electrified sector (battery control, battery charger control)

② **Implement mobility services**
- Develop and implement services using user data (vehicle management, telematics insurance, etc.)
- Develop sharing and MaaS applications and algorithms
- Transition customer service and sales online

③ **Strengthen the IT capabilities of client companies**
- Promote the development of IT personnel centered on software
- Create and provide low-code and no-code development tools and development environments

Digital Solution｜Business strategy

- **Expand solutions suited to fields of operation to respond to management issues**

Business outline

- In the digital solutions business, propose and support the introduction of solutions that contribute to the resolution of customers' management issues and solutions necessary for customers' business growth

- Stay current with trends in technology and create a service lineup using our own technologies and strengths

- Plan and develop new solutions and new businesses

IT and technology

Digital Solution

Data analytics, cloud computing, AI Robotics, agile, security
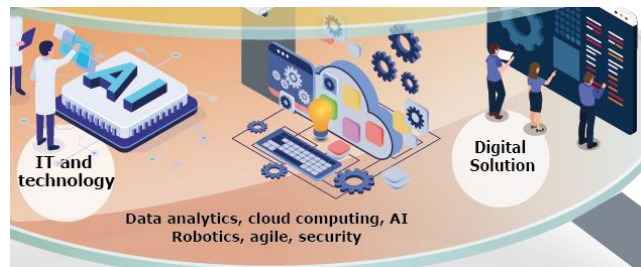
Business strategy

Grow and expand current business sectors

① **Continuous initiatives in the fields of the cloud and automation**
- Continuously update our core solutions including Creage, security, and RPA

② **Strengthen pre-sales and customer success**
- Strengthen and optimize pre-sales and sales systems
- Improve life time value through education and onboarding services
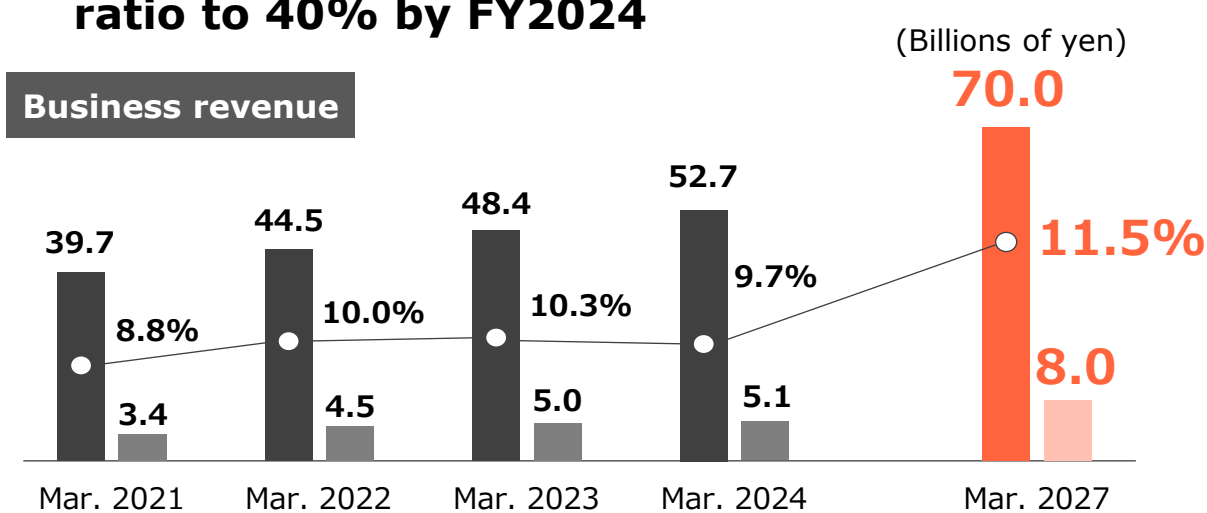
Strengthen and establish new business sectors

① **Expand solutions that contribute to the resolution of management issues**
- To enhance the value provided to customers, expand and promote the sales of solutions that contribute to the resolution of management issues and services that utilize our capabilities (strengthen our offerings)

② **Develop and implement CRESCO-brand digital solutions**
- Build asset businesses and develop profitable in-house solutions
- Build and curate our brand story

③ **Establish a position in the industry by enhancing our brand strength**
- Establish content websites and provide more information on case studies, technologies, and solutions externally
- Enhance our presence through public events and external lectures

5. Group-wide Objectives

FY2026 Financial and Non-Financial Targets (Group)

- In FY2026, on a consolidated basis, we aim to achieve 70 billion yen in net sales, an operating profit ratio of 11.5%, and ROE of 15%, and to realize high earnings and growth

- Furthermore, we aim to strengthen shareholder returns and to increase our dividend payout ratio to 40% by FY2024

Business revenue

(Billions of yen)

Bar chart values:

- Mar. 2021: 39.7 / 3.4 — 8.8%
- Mar. 2022: 44.5 / 4.5 — 10.0%
- Mar. 2023: 48.4 / 5.0 — 10.3%
- Mar. 2024: 52.7 / 5.1 — 9.7%
- Mar. 2027: 70.0 / 8.0 — 11.5%

	FY3/2024	FY3/2027	Growth Rate
Consolidated net sales	52.7 billion yen	**70.0 billion yen**	32.7%
Consolidated operating profit	5.1 billion yen	**8.0 billion yen**	56.2%
Consolidated operating profit ratio	9.7%	**11.5%**	-

Management efficiency

	FY3/2024	FY3/2027
ROE	14.3%	**15%**

Shareholder return

	FY3/2024	FY3/2027
Dividend payout ratio	30%	**40%**

Non-financial indicators

	FY3/2024	FY3/2027
Ratio of female managers*	11%	**13%**
Engagement score*	64.4	**70**

*Target values on a non-consolidated basis

28

Cash allocation policy

- **Over the course of three years, we will carry out aggressive investment centered on M&A and human capital development to enhance our corporate value and expand our capabilities. We will also strengthen shareholder returns mainly through the cash generated by business growth**

Cash-in

Allocation

- Realize **double-digit growth in consolidated sales**
- Profitability is expected to improve with increased productivity and a greater ratio of digital solutions

Cash-in from businesses

Cash on hand

- • **Increase our financial leverage** within the scope that financial soundness can be maintained

Optimize owned assets
Financing

20.0 billion yen

Shareholder return

- Strengthen and stabilize shareholder returns
  −Raise the **dividend payout ratio to the 40% level**
- Increase the dividend payout ratio based on the level of achievement of results targets

Investment

M&As

Human capital

Research & development
Business development

Branding

- • **Implement strategic M&A** to acquire insufficient capabilities and to pursue transitions in our business structure
- • **Strengthen the acquisition and development of high-level specialist personnel** to create strategic partners
- Research and development, in-house digital solutions development, and development related to promoting digital transformation

Terminology

CRESCO Group Ambition 2030	Official name for the Company's Group vision formulated in 2021.
People-centered management	Management policy deriving from "CRESCO is a company with a focus on people and a merit-based philosophy" in "The CRESCO Charter," which has formed the Company's management philosophy since our founding.
Strategic partner	Established in the Medium-Term Management Plan 2026 as a keyword indicating the type of relationship we hope to achieve by strengthening partnerships with our customers.
Co-creation model	Established in the Medium-Term Management Plan 2026 as a keyword indicating the style of co-creating value with our customers achieved by strengthening proactive proposals and offerings from the Company that connect to customer growth.
Core businesses	Official name for the main business segments that the Group has always pursued.
Digital Solution	Solutions group from products and services that support the realization of customers' digital transformation
Creage	Name for the integrated cloud support service provided by the Group.
CRESCO quality	Official name for the quality standards independently established by the Group to deliver safety, security, and excitement to our customers.
Alliance partner	Official name for the group or partner companies that conduct new market development and technological development jointly with the Group.
Business partner	Official name for the group of partner companies from which the Group obtains capabilities and resources and which cooperate with the Group. Following the strategic policy of the Medium-Term Management Plan 2026, we aim to create more strategic relationships in the future.
EUC	"EUC" is the acronym for "end user computing." EUC refers to technology that allows employees to access secure environments to perform operations.
ETL processing	Process to extract ("E") the necessary data from the data stored on databases, transform ("T") it for the desired purpose, and load ("L") data into the system requiring it.
IVI	"IVI" is the acronym used for "In-Vehicle Infotainment," a collective term for systems that provide information in an entertaining way and systems that provide both information and entertainment.

Thank You

CRESCO

Create the future,
Beyond the horizon

We will realize a stimulating future
through the best technology
and human bonds