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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
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 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
	Yen	Yen
Fiscal year ended		
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
	Millions of yen	Millions of yen	%	Yen
As of				
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

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1. Overview of operating results and others

(1) Overview of operating results for the fiscal year under review

In the fiscal year ended March 31, 2026, triggered by protectionist trade policies between various foreign countries, domestic companies actively reviewed export prices, suppressed costs, and restructured supply chains. In the IT industry to which the Group belongs, events such as the cancellation or postponement of development and investment projects were also observed. In addition, price levels remain high, and at the end of 2025 the Bank of Japan raised its policy interest rate, further heightening concerns about corporate performance.

In particular, in the fourth quarter, the surge in crude oil prices due to the situation in the Middle East began to have a serious impact on the operations of domestic companies. Moreover, concerns about substitution by generative AI, referred to as the Anthropoc Shock or the death of SaaS, caused a sharp decline in stock prices across the entire IT and software industry, among other events that could pose challenges to the maintenance and enhancement of the Group's corporate value.

However, among the Group's client companies, demand for system investments aimed at renewing existing systems and improving productivity remains robust, and inquiries for technical support aimed at the introduction of generative AI are also strong. Therefore, we have determined that there is no serious impact on the Group's orders. Specifically, in the current fiscal year, orders in the digital solutions fields on which the Group has focused, such as AI, cloud, security, and data analytics, increased significantly.

Since its founding, the Company has cultivated CRESCO's unique strengths, including a corporate attitude of taking responsibility for high technology and quality, as well as business expertise and corporate culture that place the highest priority on the success of customers' business strategies. This strength, which can be called CRESCO's DNA, is not easily imitated by competitors or replaced by AI, and we are further evolving this strength by leveraging generative AI and promoting co-creation that accelerates the establishment of new quality standards in the AI era and the realization of customer strategies. The Company will research and utilize generative AI as a driver to further accelerate the growth of CRESCO, thereby achieving growth in the next-generation SI business model and enhancing corporate value.

Under this business environment, the Group launched the "Medium-Term Management Plan 2026" in the previous fiscal year. With consolidated net sales of 70 billion yen, a consolidated operating profit ratio of 11.5%, and a consolidated ROE of 15% set as financial KPIs for fiscal 2026, the Group aims to achieve these KPIs and its mission of "continuously growing and moving society forward together with our customers" through the implementation of seven growth strategies: (1) Establish a co-creation model, (2) Exercise quality leadership, (3) Promote human capital management, (4) Expand technological and digital solutions, (5) Promote coordination among businesses, (6) Realize digital transformation, and (7) Integrated Group management.

The Group's key initiatives during the fiscal year under review are outlined below.

Organization and structure

At the Company, in order to strengthen development and proposal capabilities in the "automotive, transport equipment" area, we reorganized the Industrial Business-Unit and newly established the Mobility DX Business-Unit. In addition, for the purpose of strengthening sales capabilities, we newly established the Market Development-Unit. We also enhanced the executive officer system to establish a structure capable of advancing our business in all directions.

In July 2025, we consolidated the Company's previously dispersed development sites and opened Teq-C, as well as thoroughly pursuing improvements in employee work environments and communication activation.

Furthermore, as ZXY MEQQE Corporation, which was an equity-method affiliate, completed liquidation in January 2026, we have excluded the company from the scope of the equity method.

Financial affairs

On May 9, 2025, we announced an increase in the consolidated dividend payout ratio from the previous 40% to 50%, starting from the interim dividend for the current fiscal year.

On the same date, we also announced an open-market purchase of treasury shares with an upper limit of 1,000,000 shares or 1,500 million yen. The actual purchases during the current fiscal year totaled 903,600 shares (total acquisition cost: 1,499 million yen).

Furthermore, in August 2025, the Company disposed of 30,120 treasury shares as restricted shares remuneration granted to its Directors (excluding Outside Directors and Directors serving on the Audit and Supervisory Committee), employees of the Company serving as Executive Officers, and some Directors of our subsidiaries (the total disposal amount was 48,914,880 yen). In December 2025, the Company disposed of 35,640 treasury shares as restricted shares remuneration granted to some employees of the Company and its subsidiaries (the total disposal amount was 53,994,600 yen).

Business

The Company

In August 2025, we concluded a business partner agreement with SonarSource Sàrl, headquartered in Switzerland, and were certified as the first “SonarQube Gold Reseller Partner” in Japan. We also began offering Trust Code Hub, as a service that utilizes the code quality analysis platform SonarQube.

In October 2025, we began supporting Microsoft Sentinel for Creage SIEM+. We were also certified as Diamond (highest tier) for Business Partners and Service Partners accreditations provided by UiPath.

At EdgeTech+ 2025 held in November 2025, the industry-academia partnership project Open SDV Initiative, in which the Company participates in the mobility field, exhibited a demonstration allowing participants to experience SDV (Software Defined Vehicle) operations.

In February 2026, we announced the joint development with Japan Airlines Co., Ltd. and JAL Engineering Co., Ltd. of a system to streamline recording and analysis in aircraft engine borescope inspections, and the start of its operation. We also announced a case study on migration acceleration utilizing generative AI.

In March 2026, we expanded the menu of our Security Vulnerability Diagnosis services by adding ASM Diagnosis and AWS Configuration Diagnosis, thereby enhancing our service lineup.

Subsidiaries

On April 1, 2025, CRESCO J CUBE CO., LTD. took over its subsidiary TAKAGI SYSTEM CO., LTD for the purpose of maximizing synergistic effects and expanding business through integration. In addition, based on a resolution of its Board of Directors meeting held on September 9, 2025, the company acquired all issued shares of iS Technoport, which has strengths in the IBMi business, effective October 1, 2025.

Similarly, CRESCO HOKURIKU. LTD. acquired all issued shares of APES CO., LTD., which specializes in system development for the manufacturing industry, effective October 1, 2025, based on a resolution of its Board of Directors meeting held on August 25, 2025.

IOS Co., Ltd. entered into a ten-year basic partnership agreement with Mitsubishi UFJ Trust and Banking Corporation as of May 1, 2025 for the purpose of steadily securing IT engineers in system development and services that are incidental to it over the long term.

CRESCO Digital Technologies Ltd. announced in January 2026 the expansion of the scope of its Network Survey Service from LAN to WAN.

CRESCO e-Solution Co., Ltd. was certified for the second consecutive year in March 2026 as a Platinum Partner, the highest in Concur Japan, Ltd.’s service partner rank.

Aside from the above, in funds management, the Company recorded a gain on sale of investment securities (in extraordinary income) of 641 million yen and a gain on redemption of investment securities

(in extraordinary income) of 54 million yen.

As a result of the above, both sales and profit increased, and for the fiscal year ended March 31, 2026, the Company recorded 64,676 million yen in net sales (10.1% increase from 58,760 million yen for the previous fiscal year), 6,605 million yen in operating profit (10.4% increase from 5,983 million yen for the previous fiscal year), 6,980 million yen in ordinary profit (11.0% increase from 6,290 million yen for the previous fiscal year), and 5,279 million yen in profit attributable to owners of parent (19.8% increase from 4,405 million yen for the previous fiscal year).

Operating results for each segment are as follows.

Segment	Net sales (thousand yen)			Segment profit and loss (thousand yen)		
	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Year on year	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Year on year
Enterprise	22,050,907	24,008,994	108.9%	2,498,338	3,296,241	131.9%
Finance	17,165,646	17,427,161	101.5%	2,392,828	2,208,349	92.3%
Manufacturing	14,866,436	13,928,405	93.7%	2,786,321	2,534,975	91.0%
Total IT services business	54,082,989	55,364,561	102.4%	7,677,488	8,039,566	104.7%
Digital solutions business	4,677,602	9,312,382	199.1%	167,071	815,466	488.1%
Total	58,760,592	64,676,944	110.1%	7,844,559	8,855,032	112.9%

(i) IT services business

Net sales from the IT services business were 55,364 million yen (2.4% increase year on year), and segment profit (operating profit) was 8,039 million yen (4.7% increase year on year). Business results for each subsegment are as follows.

(Enterprise)

Net sales from the enterprise segment were 24,008 million yen (8.9% increase year on year). This was primarily due to an increase in application development support in the “information, communication and advertising” area at the Company and some of its consolidated subsidiaries.

The enterprise segment profit (operating profit) was 3,296 million yen (31.9% increase year on year). This was primarily due to the increase in net sales mentioned above, as well as the conclusion of the Company’s unprofitable projects that had occurred in the “recruitment and dispatching” area in the same period of the previous fiscal year.

(Finance)

Net sales from the finance segment were 17,427 million yen (1.5% increase year on year), remaining at roughly the same level as the previous fiscal year.

The finance segment profit (operating profit) was 2,208 million yen (7.7% decrease year on year). This was primarily due to unprofitable projects occurring at some consolidated subsidiaries in other area.

(Manufacturing)

Net sales from the manufacturing segment were 13,928 million yen (6.3% decrease year on year). This was primarily due to severe effects of manufacturer product development project cancellation and postponement in the “machinery, electronics” area.

The manufacturing segment profit (operating profit) was 2,534 million yen (9.0% decrease year on year). This is primarily for the same reason as that for the said decrease in net sales.

(ii) Digital solutions business

Net sales from the Digital solutions business were 9,312 million yen (99.1% increase year on year). This was primarily due to a significant increase in sales and installation support of products and licenses at the Company and some of its consolidated subsidiaries, as well as the effect of acquiring companies with strengths in digital solutions, including TAKAGI SYSTEM CO., LTD., APES CO., LTD., and iS Technoport Co., Ltd.

The segment profit (operating profit) was 815 million yen (388.1% increase year on year). This is for the same reason as that for the said increase in net sales.

(2) Overview of financial position for the fiscal year under review

Total assets at the end of the fiscal year under review were 47,899 million yen, a year-on-year increase of 4,563 million yen.

Current assets rose by 2,326 million yen year on year to 30,778 million yen. This is mainly because, while there were decreases in electronically recorded monetary claims - operating and work in process by 249 million yen and 136 million yen, respectively, there were increases in suspense payments included in "other," contract assets, accounts receivable - trade, and cash and deposits by 811 million yen, 776 million yen, 656 million yen and 144 million yen, respectively. Note that the balance of suspense payments at the end of the current consolidated fiscal period includes 813 million yen for the purchase of shares of Officemation Co., Ltd. acquired on April 1, 2026.

Non-current assets rose by 2,236 million yen year on year to 17,121 million yen. This is mainly because there were increases in investment securities, buildings, deferred tax assets, insurance funds, and tools, furniture and fixtures by 895 million yen, 785 million yen, 162 million yen, 167 million yen, and 136 million yen, respectively.

Total liabilities at the end of the fiscal year under review were 14,420 million yen, a year-on-year increase of 1,899 million yen.

Current liabilities increased by 1,299 million yen year on year to 10,270 million yen. This is mainly because there were increases in accounts payable - trade, contract liabilities, income taxes payable, accounts payable - other, and provision for bonuses by 435 million yen, 345 million yen, 270 million yen, 144 million yen, and 139 million yen, respectively.

Non-current liabilities increased by 599 million yen year on year to 4,149 million yen. This is mainly because, while there was a decrease in long-term borrowings by 398 million yen, there were increases in deferred tax liabilities, asset retirement obligations, provision for retirement benefits for directors (and other officers), and retirement benefit liability by 497 million yen, 248 million yen, 130 million yen, and 113 million yen, respectively.

Total net assets at the end of the fiscal year under review were 33,479 million yen, a year-on-year increase of 2,663 million yen. This is mainly because, while treasury shares increased by 1,425 million yen, retained earnings and valuation difference on available-for-sale securities increased by 3,155 million yen and 854 million yen, respectively.

(3) Overview of cash flows for the fiscal year under review

The balance of cash and cash equivalents at the end of the fiscal year under review was 15,263 million yen, a year-on-year increase of 18 million yen.

Cash flows from operating activities

There was a net cash inflow of 5,331 million yen from operating activities, compared to a net cash inflow of 4,762 million yen for the previous fiscal year.

This was primarily due to profit before income taxes of 7,541 million yen, an increase in trade payables of 414 million yen, an increase in accounts payable - other of 139 million yen, and an increase in provision for bonuses of 130 million yen, despite income taxes paid of 2,003 million yen and an increase in contract assets of 776 million yen.

Cash flows from investing activities

There was a net cash outflow of 1,319 million yen from investing activities, compared to a net cash outflow of 2,293 million yen for the previous fiscal year.

This was primarily due to purchase of property, plant and equipment of 850 million yen, purchase of shares of Officemation Co., Ltd. included in “other, net” of 813 million yen, purchase of shares of subsidiaries resulting in change in scope of consolidation of 450 million yen, purchase of investment securities of 382 million yen, and purchase of intangible assets of 175 million yen, despite proceeds from sale of investment securities of 696 million yen and proceeds from redemption of investment securities of 543 million yen.

Cash flows from financing activities

There was a net cash outflow of 3,995 million yen from financing activities, compared to a net cash outflow of 2,084 million yen for the previous fiscal year.

This was primarily due to dividends paid of 2,122 million yen, purchase of treasury shares of 1,502 million yen, and repayments of long-term borrowings of 458 million yen.

(4) Outlook for the coming year

With regard to the outlook for the fiscal 2026, we expect that, due to the surge in crude oil prices associated with the situation in the Middle East and to continuing inflation, client companies with particularly high dependence on energy market conditions will proceed with more selective IT investment projects. Specifically, while IT investments for new businesses such as proof-of-concept trials are likely to be restrained, we anticipate that IT investments essential to business activities, such as replacement of existing systems, IT investments to improve productivity, and security investments to address cyber attacks, will become even more robust. The Group will strive for steady growth from fiscal 2026 onward by accurately converting customer demand for system replacement and IT investment into orders, improving profitability through development efficiency and cost efficiency utilizing generative AI, and expanding sales channels by supporting growing customer needs for the utilization of generative AI and other DX.

Based on the above preconditions, we set performance forecasts for the first six months ending September 30, 2026 and for the full fiscal year ending March 31, 2027 as below, with the aim of achieving the financial targets in Medium-Term Management Plan 2026: consolidated net sales of 70 billion yen, consolidated operating profit ratio of 11.5%, consolidated ROE of 15% or higher.

(“%” indicates year-on-year increase-decrease rate)

	First six months ending September 30, 2026		Full year ending March 31, 2027	
Net sales	34,360 million yen	11.0%	71,500 million yen	10.5%
Operating profit	2,920 million yen	7.3%	8,000 million yen	21.1%
Ordinary profit	2,990 million yen	4.3%	8,200 million yen	17.5%
Profit attributable to owners of parent	2,085 million yen	1.5%	5,530 million yen	4.8%

If any event that should be disclosed occurs due to any revision to these prerequisites, etc., the Company will promptly announce it.

2. Basic policy on the selection of accounting standards

Taking into consideration the ability to compare not only consolidated financial statements for different accounting periods but also the Company to other companies, the Group has adopted, for the time being, a policy of creating consolidated financial statements based on Japanese generally accepted accounting principles.

As for the application of International Financial Reporting Standards (IFRS), the Company plans on appropriately responding after considering conditions both in Japan and overseas.

3.Consolidated Financial Statements and Primary Notes

(1)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

(2) 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	-	-

(3) 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

(4) 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

(5) Notes on consolidated financial statements

(Notes on the premise of going concern)

There is nothing to report.

(Changes in accounting estimates)

(Change in estimate of asset retirement obligations)

In the current fiscal year, regarding the asset retirement obligations recognized in connection with the Company's real estate lease contracts for restoration obligations, we obtained the latest information on restoration costs from the construction contractor and therefore revised the estimate of restoration expenses.

The increase of 128,489 thousand yen resulting from this change in estimate has been added to the asset retirement obligation balance prior to the change. Note that this change in estimate was made at the end of the current fiscal year and therefore has no impact on profit or loss for the current fiscal year.

(Additional information)

(Change in method of calculating retirement benefit obligations)

Since the number of employees at the Company's consolidated subsidiary IOS Co., Ltd. reached approximately 300, the method of calculating retirement benefit obligations was changed from the simplified method to the principle method from the beginning of the current fiscal year.

As a result of this change, the retirement benefit liability at the beginning of the current fiscal year increased by 46,642 thousand yen, and the same amount was recorded as retirement benefit expenses in extraordinary losses.

(Segment information, etc.)

[Segment information]

1. Summary of reportable segments

(1) Method for determining reportable segments

The Company's reportable segments are based on those units within the Company where separate financial information is available and where the Board of Directors periodically reviews matters such as the distribution of management resources and financial performance.

The Company has established divisions for product and service type, and each division creates a comprehensive strategy for the products and services it handles and conducts related business activities.

Therefore, the Company is composed of segments by products and services based on divisions, and its reportable segments consist of "IT services business" and "Digital solutions business."

In addition, the segment of IT services business is subdivided into three subsegments based on types of business of end users per contract: "Enterprise," "Finance" and "Manufacturing."

Subsegment	Types of end users' business
Enterprise	Information, communication and advertising, distribution services, transportation, recruitment and dispatching, public services, resources and energy, construction and real estate, travel and hotels, medical and healthcare, others
Finance	Banking, insurance, others
Manufacturing	Automotive, transport equipment, machinery, electronics, others

(2) Types of products and services belonging to each reportable segment

The IT services business segment is mainly engaged in the comprehensive service for consulting as well as IT planning, development and maintenance, covering enterprise systems, financial systems,

embedded systems, AI systems, mobile systems, platform, agile, near-shore and off-shore development, RPA introduction support, data analytics, UX design, etc.

The Digital solutions business segment mainly provides groups of solutions consisting of products and services supporting the realization of digital transformation by customers, which cover cloud computing, robotics, AI & data, security, UX/UI, etc.

2. Method for calculating net sales, profit (loss), assets, liabilities, and other items for each segment

The accounting treatment for business segments reported is generally the same as those given in “Significant Matters Forming the Basis of Preparing the Consolidated Financial Statements.”

Segment profit is based on operating profit.

Inter-segment earnings sales or transactions are based on actual market prices.

3. Information regarding amounts of net sales, profit (loss), assets, liabilities, and other items by reportable segment

Fiscal year ended March 31, 2025

(Thousands of yen)

	Reportable segments						Adjustment Note: 1	Amounts on consolidated financial statements Note: 2
	IT services business				Digital solutions business	Total		
	Enterprise	Finance	Manufacturing	Total				
Net sales								
Net sales to external customers	22,050,907	17,165,646	14,866,436	54,082,989	4,677,602	58,760,592	–	58,760,592
Inter-segment sales or transactions	–	–	–	–	–	–	–	–
Total	22,050,907	17,165,646	14,866,436	54,082,989	4,677,602	58,760,592	–	58,760,592
Segment profit	2,498,338	2,392,828	2,786,321	7,677,488	167,071	7,844,559	(1,860,737)	5,983,822
Segment assets	10,003,584	7,682,273	6,733,998	24,419,856	2,046,119	26,465,975	16,870,832	43,336,808
Other items								
Depreciation	104,514	71,217	67,752	243,484	22,921	266,405	16,295	282,701
Increase in property, plant and equipment and intangible assets	187,159	132,134	124,058	443,351	47,443	490,794	58,498	549,293

Notes: 1. The following adjustments have been made.

- (1) The negative 1,860,737 thousand yen adjustment to segment profit includes negative 1,860,737 thousand yen in all corporate expenses not allocated to reportable segments. All corporate expenses are mainly general and administrative expenses not attributed to reportable segments.
- (2) The 16,870,832 thousand yen adjustment to segment assets is all corporate assets not allocated to reportable segments. All corporate assets are primarily unused operating funds not attributed to reportable segments (cash and deposits and securities), long-term investments funds (investment securities), and assets, etc. related to administrative divisions.
- (3) The 58,498 thousand yen adjustment to increase in property, plant and equipment and intangible assets is for capital expenditures by the headquarters' administrative divisions.

2. Segment profit is calculated by making adjustments to the operating profit appearing in the consolidated statement of income.

Fiscal year ended March 31, 2026

(Thousands of yen)

	Reportable segments						Adjustment Note: 1	Amounts on consolidated financial statements Note: 2
	IT services business				Digital solutions business	Total		
	Enterprise	Finance	Manufacturing	Total				
Net sales								
Net sales to external customers	24,008,994	17,427,161	13,928,405	55,364,561	9,312,382	64,676,944	—	64,676,944
Inter-segment sales or transactions	—	—	—	—	—	—	—	—
Total	24,008,994	17,427,161	13,928,405	55,364,561	9,312,382	64,676,944	—	64,676,944
Segment profit	3,296,241	2,208,349	2,534,975	8,039,566	815,466	8,855,032	(2,249,244)	6,605,787
Segment assets	11,167,413	7,889,788	6,654,672	25,711,874	4,654,321	30,366,196	17,533,697	47,899,893
Other items								
Depreciation	111,484	70,681	60,156	242,322	47,351	289,674	17,846	307,520
Increase in property, plant and equipment and intangible assets	419,342	205,790	181,471	806,603	125,963	932,567	133,270	1,065,837

Notes: 1. The following adjustments have been made.

- (1) The negative 2,249,244 thousand yen adjustment to segment profit includes negative 2,249,224 thousand yen in all corporate expenses not allocated to reportable segments. All corporate expenses are mainly general and administrative expenses not attributed to reportable segments.
 - (2) The 17,533,697 thousand yen adjustment to segment assets is all corporate assets not allocated to reportable segments. All corporate assets are primarily unused operating funds not attributed to reportable segments (cash and deposits and securities), long-term investments funds (investment securities), and assets, etc. related to administrative divisions.
 - (3) The 133,270 thousand yen adjustment to increase in property, plant and equipment and intangible assets is for capital expenditures by the headquarters' administrative divisions.
2. Segment profit is calculated by making adjustments to the operating profit appearing in the consolidated statement of income.

(Related information)

Fiscal year ended March 31, 2025

1. Information by product and service

This has been omitted since the same information is provided in segment information.

2. Information by geographical area

(1) Net sales

This has been omitted because net sales to external Japanese customers account for more than 90% of net sales on the consolidated statement of income.

(2) Property, plant and equipment

This has been omitted because the value of property, plant and equipment in Japan accounts for more than 90% of the value of property, plant and equipment on the consolidated balance sheets.

3. Information by major customer

This information has been omitted because no net sales to external customers represent 10% or greater of the net sales reported in the consolidated statement of income.

Fiscal year ended March 31, 2026

1. Information by product and service

This has been omitted since the same information is provided in segment information.

2. Information by geographical area

(1) Net sales

This has been omitted because net sales to external Japanese customers account for more than 90% of net sales on the consolidated statement of income.

(2) Property, plant and equipment

This has been omitted because the value of property, plant and equipment in Japan accounts for more than 90% of the value of property, plant and equipment on the consolidated balance sheets.

3. Information by major customer

This information has been omitted because no net sales to external customers represent 10% or greater of the net sales reported in the consolidated statement of income.

(Information on impairment losses of non-current assets by reportable segment)

Fiscal year ended March 31, 2025

(Thousands of yen)

	Reportable segments						Unallocation or elimination	Total
	IT services business				Digital solutions business	Total		
	Enterprise	Finance	Manufacturing	Subtotal				
Impairment losses	27,409	27,805	25,386	80,601	8,858	89,459	–	89,459

Fiscal year ended March 31, 2026

(Thousands of yen)

	Reportable segments						Unallocation or elimination	Total
	IT services business				Digital solutions business	Total		
	Enterprise	Finance	Manufacturing	Subtotal				
Impairment losses	–	–	–	–	–	–	–	–

(Information on amortization and unamortized balance of goodwill by reportable segment)

Fiscal year ended March 31, 2025

(Thousands of yen)

	Reportable segments						Unallocation or elimination	Total
	IT services business				Digital solutions business	Total		
	Enterprise	Finance	Manufacturing	Subtotal				
Amortization of goodwill	82,955	134,878	110,944	328,778	15,543	344,322	–	344,322
Unamortized balance at the fiscal year-end	534,879	1,059,892	928,591	2,523,363	232,386	2,755,749	–	2,755,749

Fiscal year ended March 31, 2026

(Thousands of yen)

	Reportable segments						Unallocation or elimination	Total
	IT services business				Digital solutions business	Total		
	Enterprise	Finance	Manufacturing	Subtotal				
Amortization of goodwill	92,859	135,841	103,066	331,768	64,877	396,645	–	396,645
Unamortized balance at the fiscal year-end	474,938	907,245	914,643	2,296,827	432,614	2,729,442	–	2,729,442

(Information on gain on bargain purchase by reporting segment)

There is nothing to report.

(Per share information)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net assets per share	747.27 yen	828.81 yen
Earnings per share	106.89 yen	129.82 yen
Diluted earnings per share	– yen	– yen

Notes: 1. Diluted earnings per share is not presented because no potentially dilutive shares exist.

2. The Company implemented a 2-for-1 share split of common shares with an effective date of July 1, 2024. Net assets per share and earnings per share are calculated on the assumption that the share split was conducted at the beginning of the previous fiscal year.

3. The basis of calculating earnings per share is as follows:

Item	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Earnings per share		
Profit attributable to owners of parent (Thousands of yen)	4,405,567	5,279,100
Amounts not attributable to common shareholders (Thousands of yen)	–	–
Profit attributable to owners of parent related to common shares (Thousands of yen)	4,405,567	5,279,100
Average number of common shares during the period (Shares)	41,217,485	40,665,841

4. The basis of calculating net assets per share is as follows:

Item	Previous fiscal year (March 31, 2025)	Current fiscal year (March 31, 2026)
Total net assets (Thousands of yen)	30,815,917	33,479,382
Amount deducted from total net assets (Thousands of yen)	–	–
Net assets related to common shares at the fiscal year-end (Thousands of yen)	30,815,917	33,479,382
Number of common shares at the fiscal year-end used for the calculation of net assets per share (Shares)	41,237,782	40,394,449

(Significant subsequent events)

(Business combination through acquisition)

Based on a resolution of the Board of Directors meeting held on February 24, 2026, the Company acquired all issued shares of Officemation Co., Ltd. effective April 1, 2026, making it a subsidiary.

(1) Outline of the business combination

(i) Name of the acquired enterprise and description of its business

Name of the acquired enterprise Officemation Co., Ltd.

Description of business • Control system development
• Business application software development
• Solution sales for local governments
• Solution development and sales for mutual aid associations

(ii) Main reason for carrying out the business combination

Officemation Co., Ltd. has achieved numerous accomplishments centered on the material handling field, including automatic conveyance control systems for clean rooms and control systems for factories and warehouses. Its strengths lie in technical capabilities and high quality that enable consistent support from requirements definition through to maintenance, building strong, long-term relationships of trust with customers spanning more than 30 years. Furthermore, it offers its proprietary packaged product Smart Kyosai as a business efficiency solution for local government workers' welfare service centers, contributing to the digitalization and sophistication of mutual aid services.

On the other hand, the Group positions the manufacturing segment as one of its core business pillars alongside finance and enterprise. In addition to the Company, which has strengths in in-vehicle systems, the Group includes CRESCO HOKURIKU. LTD. (strong in CAE analysis), APES CO., LTD. (strong in FA), C3 Co. Ltd. (strong in MES and production management), CRESCO Digital Technologies Ltd. (strong in PLM), and CRESCO NEXIO CO., LTD. (strong in MBD).

This share acquisition is expected to expand the scope of coverage in the manufacturing segment through collaboration between Officemation and the Group, as well as to strengthen the Group's capabilities in the Nagoya region.

(iii) Date of the business combination

April 1, 2026

(iv) Legal form of the business combination

Share acquisition

(v) Name after the business combination

Officemation Co., Ltd.

(vi) Share of voting rights ratio acquired

100%

(vii) Primary basis for determining the acquiring enterprise

The Company acquired the shares of Officemation Co., Ltd. in exchange for cash.

(2) Acquisition cost of the acquired enterprise and breakdown by type of consideration

Consideration for acquisition	Cash	813,122 thousand yen
<hr/>		
Acquisition cost		813,122 thousand yen

(3) Details and amount of major expenses related to acquisition

External advisory fees 55,821 thousand yen

(4) The amount of goodwill that occurred, the cause for the occurrence, the amortization method, and the amortization period

Not confirmed yet.

- (5) The amount of assets accepted and liabilities assumed on the date of the business combination, and the major breakdown thereof
Not confirmed yet.

(Purchase and cancellation of treasury shares)

At the Board of Directors meeting held on May 8, 2026, the Company resolved as follows to purchase treasury shares pursuant to the Articles of Incorporation, as stipulated in Article 459, paragraph (1) of the Companies Act, as well as to cancel treasury shares as stipulated in Article 178 of the Companies Act.

(1) Reasons for the purchase of treasury shares

To improve capital efficiency while enhancing shareholder returns

(2) Matters related to purchase

- | | |
|--|--|
| (i) Type of shares to be purchased: | Common shares of the Company |
| (ii) Number of shares to be purchased: | 1,000,000 shares (maximum) |
| (iii) Aggregate purchase amount of shares: | 2,000,000 thousand yen (maximum) |
| (iv) Period of share acquisition: | From May 11, 2026 to November 30, 2026 |
| (v) Method of acquisition: | Open-market purchase on the Tokyo Stock Exchange |

(3) Matters related to cancellation

- | | |
|---------------------------------------|---|
| (i) Type of shares to be canceled: | Common shares of the Company |
| (ii) Number of shares to be canceled: | 1,000,000 shares (maximum) |
| (iii) Scheduled date of cancellation: | To be determined after completion of the purchase of treasury shares. |