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November 5, 2026

Consolidated Financial Results for the Six Months Ended September 30, 2026 (Under Japanese GAAP)

Company name: CRESCO LTD.
Listing: Tokyo Stock Exchange
Securities code: 4674
URL: https://www.cresco.co.jp/ja/index.html
Representative: Hiroshi Tominaga ,President, Executive Officer
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Scheduled date to file semi-annual securities report: November 6, 2026
Scheduled date to commence dividend payments: December 1, 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 six months ended September 30, 2026 (from April 1, 2026 to September 30, 2026)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2026	34,802	12.4	2,955	8.6	3,048	6.3	2,121	3.3
September 30, 2025	30,952	8.6	2,720	4.3	2,867	3.8	2,054	9.3

Note: Comprehensive income For the six months ended September 30, 2026: ¥ 3,347 million [7.8 %]
For the six months ended September 30, 2025: ¥ 3,105 million [75.2 %]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2026	52.96	-
September 30, 2025	50.18	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2026	48,277	33,770	70.0
March 31, 2026	47,899	33,479	69.9

Reference: Equity
As of September 30, 2026: ¥ 33,770 million
As of March 31, 2026: ¥ 33,479 million

2. Cash dividends

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

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

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

Ordinary dividend	35.00 yen
Commemorative dividend	10.00 yen

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

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	71,500	10.5	8,000	21.1	8,200	17.5	5,530	4.8	140.12

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

*** Notes**

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

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

Excluded: - companies( )

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None

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

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

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

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

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

As of September 30, 2026	2,534,902 shares
As of March 31, 2026	1,605,551 shares

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

Six months ended September 30, 2026	40,054,559 shares
Six months ended September 30, 2025	40,935,835 shares

Semi-annual Consolidated Financial Statements and Primary Notes

Semi-annual Consolidated Balance Sheet

(Thousands of yen)

	As of March 31, 2026	As of September 30, 2026
Assets		
Current assets		
Cash and deposits	15,478,999	15,104,870
Accounts receivable - trade and contract assets	11,922,514	11,538,989
Electronically recorded monetary claims - operating	236,129	105,603
Securities	870,358	874,116
Merchandise and finished goods	113,572	96,386
Work in process	179,851	462,273
Supplies	47,721	29,146
Other	1,928,862	1,164,362
Total current assets	30,778,010	29,375,749
Non-current assets		
Property, plant and equipment	1,956,526	1,934,238
Intangible assets		
Goodwill	2,729,442	2,853,250
Software	354,156	470,770
Other	13,851	14,108
Total intangible assets	3,097,450	3,338,129
Investments and other assets		
Investment securities	8,998,997	10,431,275
Other	3,071,224	3,200,579
Allowance for doubtful accounts	(2,314)	(2,314)
Total investments and other assets	12,067,906	13,629,539
Total non-current assets	17,121,883	18,901,907
Total assets	47,899,893	48,277,656

(Thousands of yen)

	As of March 31, 2026	As of September 30, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	3,122,990	2,928,853
Short-term borrowings	200,000	200,000
Current portion of long-term borrowings	398,336	393,332
Income taxes payable	1,385,532	1,372,685
Provision for bonuses	2,155,589	2,408,691
Provision for loss on orders received	119,513	50,459
Other	2,888,733	2,427,373
Total current liabilities	10,270,694	9,781,395
Non-current liabilities		
Long-term borrowings	761,938	598,382
Long-term accounts payable - other	41,397	44,163
Retirement benefit liability	1,542,361	1,587,541
Provision for retirement benefits for directors (and other officers)	530,440	712,797
Asset retirement obligations	411,843	417,686
Deferred tax liabilities	824,427	1,318,848
Other	37,407	46,601
Total non-current liabilities	4,149,816	4,726,021
Total liabilities	14,420,511	14,507,416
Net assets		
Shareholders' equity		
Share capital	2,514,875	2,514,875
Capital surplus	3,008,851	3,018,040
Retained earnings	25,852,555	26,560,053
Treasury shares	(1,917,529)	(3,569,092)
Total shareholders' equity	29,458,752	28,523,877
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,840,754	5,093,592
Foreign currency translation adjustment	24,908	21,786
Remeasurements of defined benefit plans	154,966	130,983
Total accumulated other comprehensive income	4,020,629	5,246,362
Total net assets	33,479,382	33,770,239
Total liabilities and net assets	47,899,893	48,277,656

Semi-annual Consolidated Statements of Income and Comprehensive Income

Semi-annual Consolidated Statement of Income

(Thousands of yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Net sales	30,952,579	34,802,691
Cost of sales	24,971,218	28,114,571
Gross profit	5,981,360	6,688,120
Selling, general and administrative expenses		
Advertising expenses	85,264	103,480
Remuneration, salaries and allowances for directors (and other officers)	1,231,722	1,370,375
Provision for bonuses	225,693	268,177
Retirement benefit expenses	31,286	31,773
Legal welfare expenses	194,949	235,006
Hiring expenses	154,874	167,487
Education expense	139,773	163,974
Entertainment expenses	40,022	44,495
Rent expenses on land and buildings	134,229	146,812
Supplies expenses	39,978	24,452
Enterprise tax	120,301	131,849
Other	862,973	1,044,675
Total selling, general and administrative expenses	3,261,069	3,732,559
Operating profit	2,720,291	2,955,560
Non-operating income		
Interest income	69,426	130,362
Dividend income	47,995	51,842
Gain on sale of securities	26,150	1,950
Subsidy income	18,405	10,074
Share of profit of entities accounted for using equity method	19,355	16,524
Other	20,208	15,066
Total non-operating income	201,542	225,821
Non-operating expenses		
Interest expenses	5,251	5,020
Investment advisory fee	43,226	57,134
Donations	-	64,500
Other	5,451	6,538
Total non-operating expenses	53,929	133,193
Ordinary profit	2,867,904	3,048,188

(Thousands of yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Extraordinary income		
Gain on sale of investment securities	262,343	366,864
Gain on redemption of investment securities	54,232	-
Surrender value of insurance policies	3,599	6,809
Other	10,593	-
Total extraordinary income	330,769	373,674
Extraordinary losses		
Loss on retirement of non-current assets	1,375	2,609
Loss on valuation of investment securities	15,324	73,997
Loss on redemption of investment securities	-	6,740
Office relocation expenses	12,074	-
Retirement benefit expenses	46,642	-
Other	5,463	-
Total extraordinary losses	80,880	83,347
Profit before income taxes	3,117,793	3,338,515
Income taxes - current	1,047,239	1,274,447
Income taxes - deferred	16,431	(57,235)
Total income taxes	1,063,670	1,217,211
Profit	2,054,122	2,121,303
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	2,054,122	2,121,303

Semi-annual Consolidated Statement of Comprehensive Income

(Thousands of yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Profit	2,054,122	2,121,303
Other comprehensive income		
Valuation difference on available-for-sale securities	1,069,218	1,252,837
Foreign currency translation adjustment	(1,959)	(3,121)
Remeasurements of defined benefit plans, net of tax	(15,682)	(23,983)
Total other comprehensive income	1,051,576	1,225,732
Comprehensive income	3,105,699	3,347,036
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,105,699	3,347,036
Comprehensive income attributable to non-controlling interests	-	-

Semi-annual Consolidated Statement of Cash Flows

(Thousands of yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Cash flows from operating activities		
Profit before income taxes	3,117,793	3,338,515
Depreciation	132,557	193,684
Increase (decrease) in provision for bonuses	6,532	231,501
Increase (decrease) in provision for loss on orders received	14,147	(69,053)
Increase (decrease) in retirement benefit liability	127,598	45,179
Decrease (increase) on net defined benefit assets	-	36,480
Interest and dividend income	(117,421)	(182,205)
Loss (gain) on sale of securities	(26,150)	(1,950)
Share of loss (profit) of entities accounted for using equity method	(19,355)	(16,524)
Loss (gain) on sale of investment securities	(262,343)	(366,864)
Loss (gain) on valuation of investment securities	15,324	73,997
Loss (gain) on redemption of investment securities	(54,232)	6,740
Decrease (increase) in accounts receivable - trade, and contract assets	650,019	652,890
Decrease (increase) in inventories	846	(234,895)
Increase (decrease) in trade payables	86,972	(247,367)
Increase (decrease) in accounts payable - other	(15,477)	(259,231)
Increase (decrease) in long-term accounts payable - other	(30)	(848)
Increase (decrease) in accrued consumption taxes	(228,656)	163,453
Other, net	(4,137)	(253,294)
Subtotal	3,423,985	3,110,208
Interest and dividends received	124,117	189,207
Interest paid	(5,032)	(4,785)
Income taxes paid	(981,371)	(1,284,495)
Net cash provided by (used in) operating activities	2,561,699	2,010,134

(Thousands of yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Cash flows from investing activities		
Payments into time deposits	(1,224)	(1,881)
Purchase of securities	(2,928)	(3,199)
Proceeds from sale of securities	139,454	6,289
Purchase of property, plant and equipment	(465,675)	(110,941)
Purchase of intangible assets	(76,060)	(108,624)
Purchase of investment securities	(351,280)	(75,096)
Proceeds from sale of investment securities	461,349	642,007
Proceeds from redemption of investment securities	534,676	317,836
Proceeds from sale of property, plant and equipment	-	25,000
Proceeds from cancellation of insurance funds	41,916	18,964
Other, net	(95,039)	315,528
Net cash provided by (used in) investing activities	185,188	1,025,882
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	100,000	-
Repayments of long-term borrowings	(221,668)	(211,666)
Repayments of lease liabilities	(5,358)	(11,094)
Dividends paid	(947,595)	(1,413,346)
Purchase of treasury shares	(1,255,010)	(1,699,172)
Decrease (increase) in deposits paid for purchase of treasury shares	(254,821)	(100,654)
Net cash provided by (used in) financing activities	(2,584,453)	(3,435,933)
Effect of exchange rate change on cash and cash equivalents	(816)	-
Net increase (decrease) in cash and cash equivalents	161,617	(399,916)
Cash and cash equivalents at beginning of period	15,244,793	15,263,484
Cash and cash equivalents at end of period	15,406,411	14,863,567