



**CRESCO LTD.**

Financial Results Briefing for the Fiscal Year Ended March 2024

May 13, 2024

## Event Summary

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<b>[Company Name]</b>	CRESCO LTD.
<b>[Company ID]</b>	4674-QCODE
<b>[Event Language]</b>	JPN
<b>[Event Type]</b>	Earnings Announcement
<b>[Event Name]</b>	Financial Results Briefing for the Fiscal Year Ended March 2024
<b>[Fiscal Period]</b>	FY2024 Annual
<b>[Date]</b>	May 13, 2024
<b>[Number of Pages]</b>	31
<b>[Time]</b>	15:00 – 15:46 (Total: 46 minutes, Presentation: 29 minutes, Q&A: 17 minutes)
<b>[Venue]</b>	Webcast
<b>[Venue Size]</b>	
<b>[Participants]</b>	
<b>[Number of Speakers]</b>	1 Hiroshi Tominaga                      President and Executive Officer

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## Presentation

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**Moderator:** Thank you very much for your patience. CRESCO LTD. will now hold its financial results briefing for the fiscal year ended March 31, 2024. Thank you very much for joining us today.

Today, Hiroshi Tominaga, President and Executive Officer, will provide an overview of the financial results for the fiscal year ended March 31, 2024, explain the mid-term management plan, and the outlook for the fiscal year ending March 31, 2025. This will be followed by a question-and-answer period. Please note that due to the time constraint we may not be able to answer all of the questions. Please understand this in advance.

The briefing is scheduled to end at 16:00.

Now, let us begin the presentation. President Tominaga, please begin.

**Tominaga:** Yes. Hello, everyone. I am Tominaga from CRESCO. Thank you very much for taking time out of your busy schedule to participate in our financial results briefing today.

I would now like to begin the analyst meeting and financial results briefing for the full fiscal year ended March 31, 2024.

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## 1 決算のポイント ✨ 1.1. 2024年3月期の主な取組み①

### ■ 組織および体制関連

- 2023年4月1日付で、更なる品質強化と業務効率化の促進を目的として、「品質管理本部」を「品質・プロセス統括本部」に改組。また、デジタルソリューション事業中心に事業拡大のため「営業統括部」を「ビジネスイネーブルメントサービス本部」の直下組織に。
- 2023年5月10日の取締役会で、自己株式の取得（上限10億円または50万株）と自己株式の消却を決議。また、2024年2月に配当方針変更を発表（2025年3月期中間配当より配当性向40%を目標に）。
- 2023年9月29日、当社企業グループの財務情報と非財務情報（経営理念、事業内容、価値創造プロセス、サステナビリティ/ESGの取組みなど）を整理し、詳述した「統合報告書2023」を創刊。
- 2024年1月29日、グループの人材・経営資源の有効活用によるシナジー効果の更なる発揮を目的として、日本ソフトウェアデザイン(株)、(株)メクゼスおよび(株)クレスコ間でリソースの整理・統合検討を発表。同年3月25日、組織再編方針合意を発表。
- 2024年2月、「中期経営計画2023」で目標とした、当社全体でのISMS認証取得を達成。
- 2024年2月26日、ITインフラ関連業務の対応力強化とグループとしてのシナジー実現を目的として、ジェット・テクノロジーズ(株)の全発行済株式取得による子会社化決定を発表（4/1実施）。

### ■ 事業関連

- デジタルソリューションとしての自動化/業務効率化の強化
  - ・ UiPath社のRevenue Growth Partner of the Yearを受賞。
  - ・ ウイングアーク1st社と販売代理店契約を締結。同社の電子帳票プラットフォームinvoiceAgentとUiPath連携による経理業務ペーパーレス化・自動化ソリューションの提供を開始。
  - ・ 自ら業務自動化できる人材育成をサポートする「UiPath寄り添いサービス」提供を開始。

These are the highlights. First, here is a page on our main initiatives. First, regarding the organization and structure, I will provide a brief overview since there is some overlap with past explanations.

First, as of April 1 one year ago, we reorganized our organization as described here, with the purpose of increasing quality and promoting operational efficiency.

On May 10, exactly one year ago, the Board of Directors approved a resolution to repurchase JPY1 billion or 500,000 shares of treasury stock and to cancel shares. These measures were implemented last fiscal year. In February 2024, we also announced a change in our dividend policy. In the fiscal year ending March 31, 2025, we will aim for a dividend payout ratio of 40%, starting with the interim dividend. The target was 30% in the past, but we have announced the change to 40%.

Our Integrated Report was released in September. This was the first-time integrated report released by CRESCO.

Next, we announced our structural reorganization in January 2024. The company Japan Software Design, part of the CRESCO Group, is headquartered in Osaka and also has considerable operations in Nagoya. On March 25, the company also announced that it had reached an agreement with Mexess, a subsidiary also headquartered in Osaka, and with CRESCO itself to consolidate resources. I will explain more in detail later.

In February 2024, we were able to acquire ISMS, which was our goal for 2023 in the medium-term plan.

In February 2024, we announced the acquisition of Jet Technologies, a company which joined the Group on April 1, 2024.

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Regarding the automotive business, what is written on this page is mostly about UiPath. UiPath is working on digital solutions for automation and work efficiency, which we used to call RPA, with a variety of products. We are working on strengthening automation/work efficiency, as shown in the three items below.

We have won awards, provided solutions with WingArc, and CRESCO itself has started providing a UiPath service called “Yorisoi service.”

## 1 決算のポイント ✨ 1.1. 2024年3月期の主な取組み②

- デジタルソリューションとしてのAI分野強化
  - Microsoft社の「Azure OpenAI Service」を利用した生成AIチャットサービス「CrePT（クレプト）」を構築し、5月より社内向け運用開始。
  - 当社AI専門家による「AIエスコート」サービス提供開始。
  - 数理最適化手法を用いてホテルの部屋割り業務を効率化するツール「RooMagic」をリリース。
- その他
  - 「セキュリティ脆弱性診断」のメニューにペネトレーションテストを追加したサービスを提供開始。
  - 資本出資するインド法人「Cognavi India」がインド新卒学生向けジョブポータルサイトをオープン。
  - ベトナムのレストラン&リテールテックスタートアップ企業CAPICHI社に出資。同社提供のQRモバイルオーダーシステム「Capichi OI」の日本国総代理店として、飲食店、小売店、宿泊施設のDX化への貢献を図る。
  - 連結子会社「クレスコ・デジタルテクノロジーズ」が、サブスクリプション型WiFiサービスおよび製造業向け「統合BOM管理ソリューション」の提供を発表。
  - 当社のセキュリティソリューションの強化を目的として、情報セキュリティサービスを展開する(株)セキュアイノベーション（本社：沖縄県那覇市）と資本業務契約を締結。
  - かねて組み込みセキュリティ技術および脆弱性攻撃の評価に関する共同研究など産学連携活動を実施してきた、名古屋大学大学院情報学研究所付属組み込みシステム研究センター様宛に、次世代自動車関連の技術研究支援・促進のため寄付を実施。

Continuing on, I would like to talk about the AI field of digital solutions.

This is for internal use, but we have a generative AI chat service, CrePT, which uses Microsoft's Azure. It has been in operation since May.

With regard to AI, we have also begun offering a service called AI Escort.

At the bottom is a hotel room assignment tool using mathematical optimization techniques. We have released this product under the name RooMagic, and several hotels are currently using it.

In addition, we have released a security vulnerability assessment service and established a company in India called Cognavi India, which has opened a portal site for new graduates.

In Vietnam, we have invested in CAPICHI, a restaurant and retail tech startup company, and have also started selling this service as the sole distributor in Japan.

CRESCO Digital Technologies, a subsidiary of CRESCO, has released WiFi services for subscribers and integrated BOM parts management solutions for the manufacturing industry.

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To strengthen our security solutions, we have entered into a capital and business agreement with a company called Secure Innovation, located in Naha, Okinawa, which provides security services.

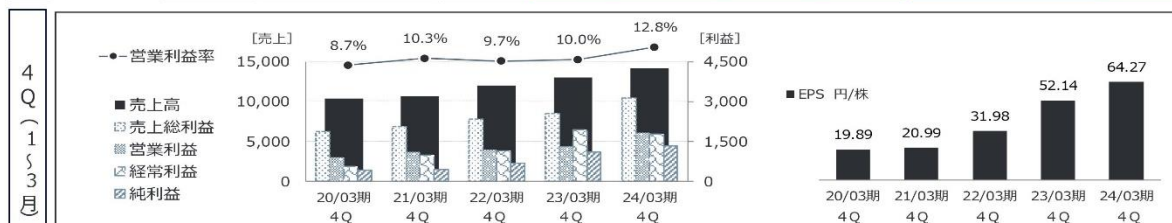
And the topic at the bottom is more recent. For some time, we have been conducting joint research on embedded security technology and vulnerability attack assessment in collaboration with the Graduate School of Nagoya University. CRESCO has donated JPY100 million to the Center for Embedded Computing Systems to support and promote these technologies for the next generation of cars. We will take this opportunity to work with Nagoya University to further advance our research together to create the cars of the future.

## 1 決算のポイント ※ 1.2. 売上高・利益

【注】（ ）内の数字は各々の利益率を表します。  
【注】「純利益」は「親会社株主に帰属する当期(四半期)純利益」です。

- **売上高** [単位：百万円未満切捨]  
既存システムの刷新やDX推進による生産性向上を目的としたIT投資需要が依然として旺盛で、売上高は順調に推移し、9.1%の増収。
- **営業利益・利益率**  
増収効果あるも、人件費・教育費増およびITサービス事業での大型不採算案件の発生により、2.5%の増益にとどまる。利益率は9.7% (前年同期10.3%)。
- **経常利益**  
米国における株高の進行により、当社が保有する金融商品に関してデリバティブ評価益(営業外収益)2億73百万円を計上し、10.2%の増益。

通期		22/03期	23/03期	24/03期	前年同期比	対通期達成率	通期 業績予想	
							23/5/10 予想	前年同期比
	売上高	44,450	48,368	<b>52,755</b>	<b>109.1%</b>	<b>100.5%</b>	52,500	108.5%
	売上総利益	8,698 (19.6%)	9,641 (19.9%)	<b>10,337 (19.6%)</b>	<b>107.2%</b>			
	営業利益	4,457 (10.0%)	4,998 (10.3%)	<b>5,121 (9.7%)</b>	<b>102.5%</b>	<b>97.6%</b>	5,250 (10.0%)	105.0%
	経常利益	4,782 (10.8%)	5,135 (10.6%)	<b>5,658 (10.7%)</b>	<b>110.2%</b>	<b>105.4%</b>	5,370 (10.2%)	104.6%
	純利益	3,236 (7.3%)	3,328 (6.9%)	<b>3,728 (7.1%)</b>	<b>112.0%</b>	<b>104.1%</b>	3,582 (6.8%)	107.6%
	EPS 円/株	153.92	158.10	<b>180.12</b>			173.89	



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This is the sales and profit section.

The orange section is the points of emphasis. Net sales were favorable, with a 9.1% increase. The table below shows a figure of JPY52,755 million, an increase of 9.1%.

Operating profit and the operating profit margin increased but due to the increase in personnel and training costs, as well as the unprofitable projects that I mentioned last year, the increase was limited to 2.5% YoY, and the profit margin slightly decreased to 9.7% compared to 10.3% the previous year.

Ordinary profit benefited from the appreciation of the stock market in the US, as well as from valuation gains on derivatives held by the Company. Last year we took a valuation loss, but this year we recovered and increased our gains.

As a result, to repeat, we were able to end up with JPY52.7 billion in net sales, up 9.1%, JPY5.12 billion in operating profit, up 2.5%, JPY5.65 billion in ordinary profit, up 10.2%, and JPY3.72 billion in net profit, up 7.1%, as seen in the table below.

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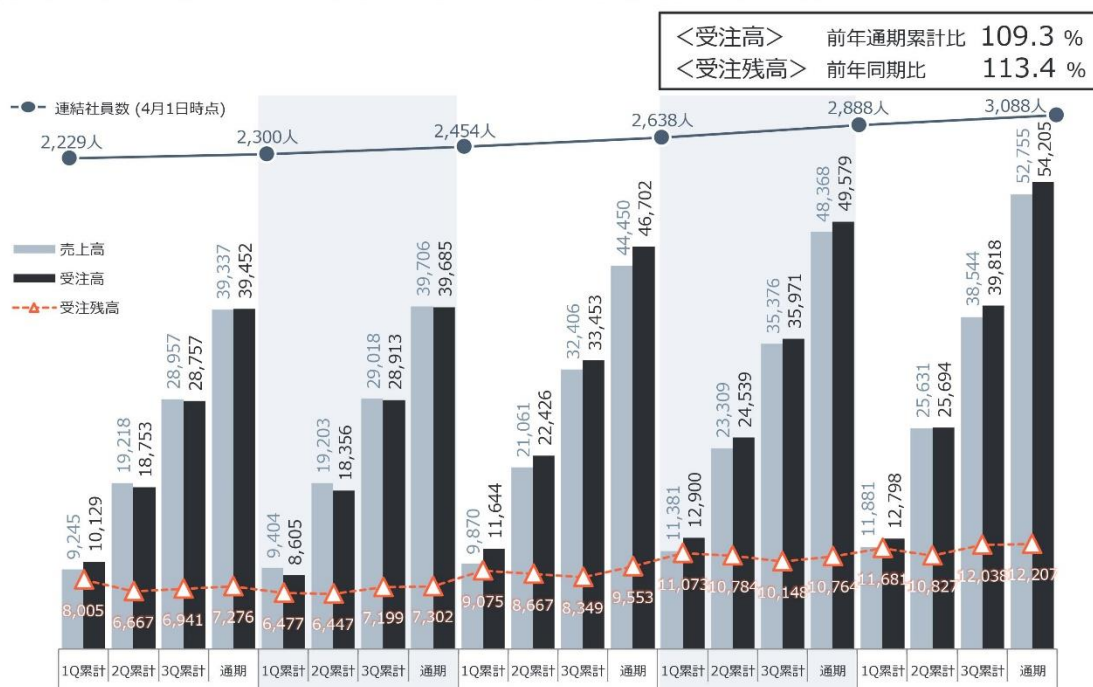
The forecast is shown on the right. We were able to achieve results almost in line with the forecast. Operating profit had a slightly different outcome, which I explained earlier.

As you can see from the line graph at the bottom, the operating profit margin returned to 12.8% in Q4 (January through March), and we intend to continue this trend in the current fiscal year.

## 1 決算のポイント \* 1.3. 受注高・受注残高

- 旺盛なIT投資需要を背景に、受注高と受注残高は順調に推移。
- 顧客企業における既存システムの刷新やDX推進によるIT投資需要が、受注を後押し。

[単位: 百万円未満切捨]



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Next are orders received and the order backlog.

Orders and the order backlog here have remained steady on the back of IT investment demand. Orders received were approximately 109.3% of the previous year's level, and the order backlog was 113% of the previous year's level, which is a good performance.

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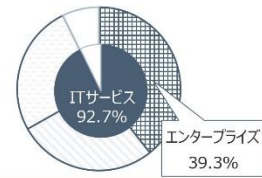
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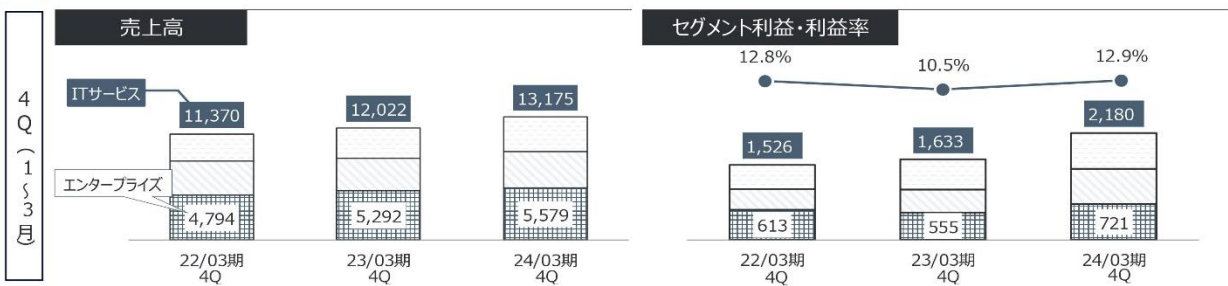
1 決算のポイント **1.4. セグメント別売上高・利益 [ITサービス事業：エンタープライズ]**

セグメント	サブセグメント
ITサービス ・コンサルティング ・IT企画 ・開発・保守の総合サービス	エンタープライズ 情報・通信、広告、流通サービス、運輸、人材紹介・人材派遣、公共、資源・エネルギー、建設・不動産、旅行・ホテル、医療・ヘルスケア、その他

<セグメント別の売上高比率:4Q(1~3月)>



- **売上高：203億11百万円（前年同期比 7.8% ↑）**  
 ・「建設・不動産」「情報・通信・広告」「資源・エネルギー」分野で一部の連結子会社の売上が大きく増加。
- **セグメント利益／利益率：20億73百万円／10.2%（前年同期比 12.7% ↓）**  
 ・主として「人材紹介・人材派遣」「流通サービス」分野で不採算プロジェクトが発生。
- [単位：百万円未満切捨]



I will continue with the explanation by segment.

First, in the upper right graph, the enterprise segment accounts for 39.3% of CRESCO's total revenue. In terms of content, we have described the industry at the top, and net sales were up 7.8%, to just over JPY20.3 billion. However, segment profit was JPY2.073 billion, down 12.7% from the previous year. As shown below, these figures are mainly due to four unprofitable projects in the areas of HR placement and temporary staffing, and distribution services, as we've been explaining since last year.

One unprofitable business remains, and that one will be settled during H1 of the current fiscal year. The financial results for the current fiscal year include H1, including the provision for this loss on orders received.

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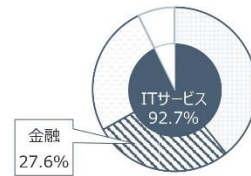
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1 決算のポイント ✨ 1.5. セグメント別売上高・利益 [ITサービス事業：金融]

セグメント		サブセグメント	
IT サービス	・コンサルティング	金融	銀行、保険、その他
	・IT企画		
	・開発・保守の総合サービス		

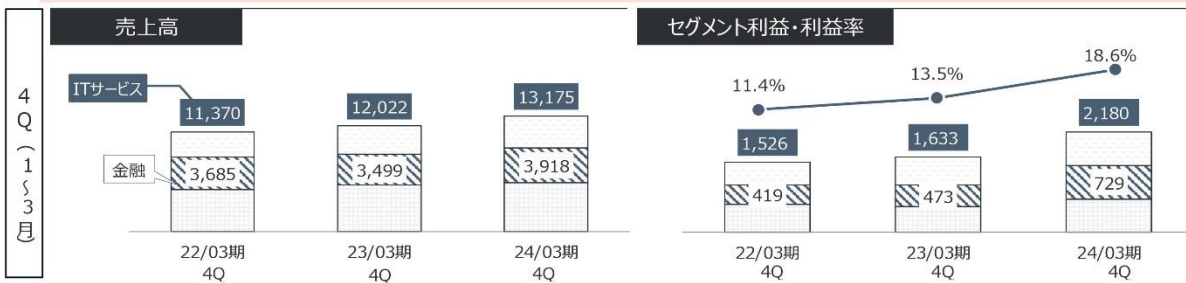
<セグメント別の売上高比率:4Q(1~3月)>



通期

- **売上高：147億40百万円**（前年同期比 4.4% ↑）
  - ・「保険」「その他」分野で大型案件収束も、「銀行」分野で既存顧客からの受注が堅調。
- **セグメント利益／利益率：20億73百万円／14.1%**（前年同期比 13.9% ↑）
  - ・「銀行」分野で不採算プロジェクト発生も第3四半期で収束。第4四半期に高収益案件を複数検収。

[単位：百万円未満切捨]



Next is the finance segment.

The finance segment was 27.6% of CRESCO's net sales, as shown in the pie chart in the upper right hand.

Net sales were JPY14.740 billion, a slight increase. Segment profit was JPY2.073 million, an increase of 13.9% YoY, and the profit margin was slightly lower at 14.1%. This was due to unprofitable projects in the banking sector, which were resolved in Q3, specifically in October. Several highly profitable projects contributed to a recovery in Q4, and the figures for the finance sector have returned to normal.

The line graph on the lower right shows the profit margin for Q4 alone, and here, too, it was a much better figure than the previous year at 18.6%. We were able to finish the year with very good results. Although net sales' growth for the full year was 4.4%, which was disappointing, the segment has recovered well in terms of profit.

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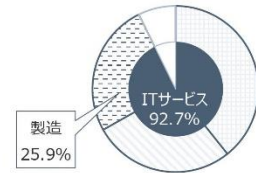
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1 決算のポイント ✨ 1.6. セグメント別売上高・利益 [ITサービス事業：製造]

セグメント		サブセグメント	
IT サービス	・コンサルティング	製造	自動車、輸送機器、機械、エレクトロニクス、その他
	・IT企画		
	・開発・保守の総合サービス		

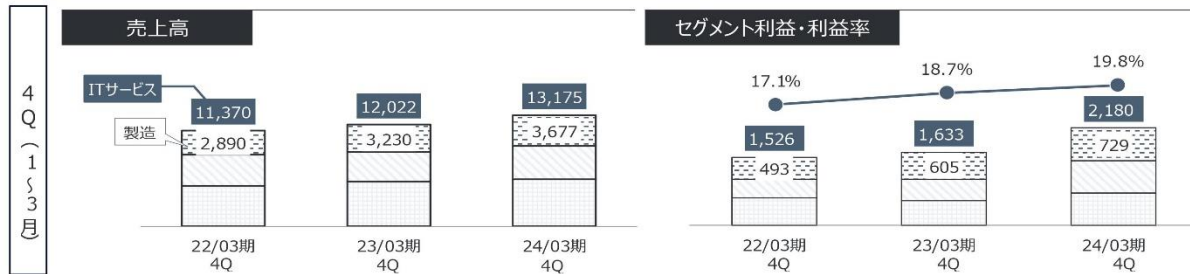
<セグメント別の売上高比率:4Q(1~3月)>



通  
期

- **売上高：138億55百万円**（前年同期比 9.5% ↑）
  - ・「機械・エレクトロニクス」分野で売上高が増加。（自動車の車載関連システム開発等）
- **セグメント利益／利益率：24億54百万円／17.7%**（前年同期比 13.6% ↑）
  - ・売上高の増加と同様の理由。

[単位：百万円未満切捨]



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The next segment is the manufacturing segment.

This segment accounts for 25.9% of net sales, as shown in the pie chart. Sales and profits in this segment have been increasing steadily for a long time. We have been able to keep good customers for a long time without any major problems. In addition, we are getting new customers, and this was the most successful segment in the last fiscal year.

Net sales were up 9.5% to JPY13.855 billion, profit was up 13.6% to JPY2.45 billion, and the profit margin was 17.7%, a very good figure compared to those mentioned on the two previous pages. You can sense the gradual growth by watching the graph at the bottom.

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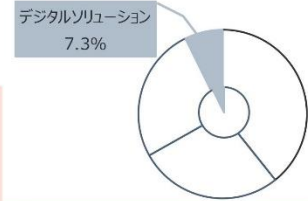
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1 決算のポイント **1.7. セグメント別売上高・利益 [デジタルソリューション事業]**

セグメント	事業
デジタルソリューション	顧客のDX実現を支援する製品・サービスからなるソリューション群 <主な製品・サービス名> Creage : クラウド関連サービス UIPath : RPA関連サービス アノテーション : AI関連サービス 教育・セミナー : AI、クラウド、RPAなど

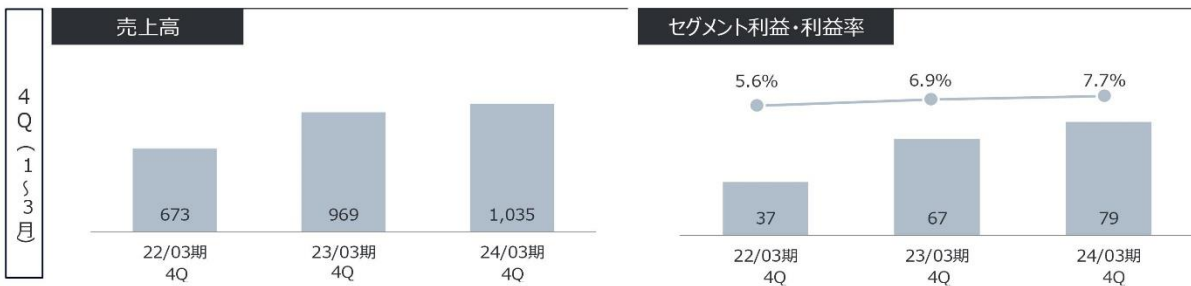
<セグメント別の売上高比率:4Q(1~3月)>



通期

- **売上高 : 38億47百万円 (前年同期比 39.6% ↑)**  
 ・主力クラウドサービスの「Creage」と自動化／業務効率化ソリューションの販売が増加。
- **セグメント利益／利益率 : 2億25百万円 / 5.9% (前年同期比 35.9% ↑)**  
 ・売上高の増加と同様の理由。

[単位 : 百万円未満切捨]



Next is the digital solutions segment.

The CRESCO total sales ratio here is still low at 7.3%, as shown in the upper right pie chart. However, this ratio is gradually increasing. Net sales totaled JPY3.847 billion, a growth rate of just under 40% compared to the same period last year. Sales of cloud based Creage and the automation/business efficiency solutions I mentioned earlier are increasing.

Segment profit is also increasing by slightly more than JPY200 million, or less than 40%, which is the same increase speed as sales. You can see in the graph below where we are growing a little bit each year. In the next medium-term plan, we plan to strengthen this area a little more.

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2 中期経営計画 2023⇒2026  2.1. 中期経営計画2023総括

2024年3月期は、『**中期経営計画2023 (2021~2023年度)**』の最終年度。売上高528億円、営業利益51億円は当初目標達成も、営業利益率9.7%、ROE14.3%は未達。

公表用資料から抜粋

	2021年3月期 実績	中計2023 目標 (2024年3月期)	中計2023 実績 (2024年3月期)	成長率
連結売上高	397億円	500億円	528億円	+32.9%
連結営業利益額	35億円	50億円	51億円	+47.0%
連結営業利益率	8.8%	10%	9.7%	-
ROE	14.8%	15%以上	14.3%	-

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This is the medium-term plan. CRESCO's medium-term plan came to an end in 2023, and the Company has announced a new three-year medium-term plan starting from the current FY2024.

For the 2023 medium-term plan, we first set a target of increasing sales from JPY39.7 billion at the start of 2021 to JPY50 billion in three years. The actual results for the JPY52.8 billion figure we have announced this time surpassed the net sales goal of the medium-term business plan. In terms of profit, the next line shows that we achieved a result of JPY5.1 billion against a target of JPY5 billion, so we were able to clear this target as well.

We had a few issues regarding operating profit and ROE, at 9.7% and 14.3%, respectively, and we missed our targets here. This is due to the impact of the unprofitable projects mentioned earlier.

**Support**

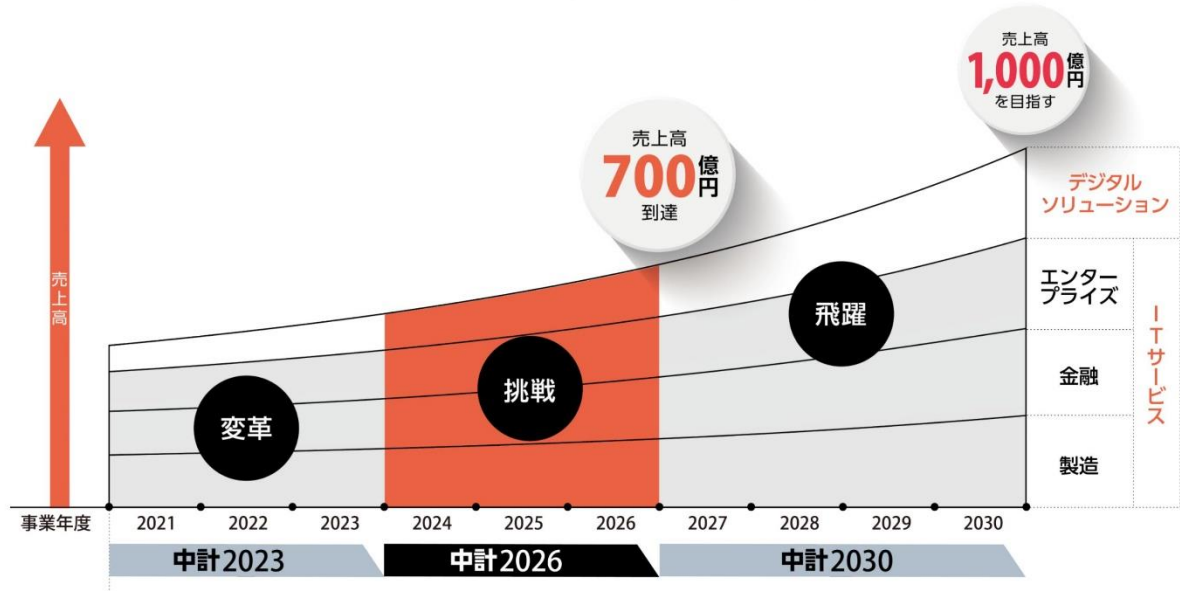
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2 中期経営計画 2023⇒2026 ✨ 2.2. 中期経営計画2026の位置づけ

- 当社グループは引き続き2030年までに売上高1,000億円企業を目指すとともに中期経営計画2026は「挑戦」のテーマのもと売上高700億円到達を目標に設定。



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This is the positioning of the next medium-term plan 2026.

CRESCO has announced its vision as Ambition 2030, which aims to reach JPY100 billion by 2030. The three-year period beginning in 2024 has been designated as a period of challenge. Under this theme of challenge, we will proceed with this three-year medium-term plan with a target value of JPY70 billion to be achieved.

The graph illustrates that the ratio of digital solutions should be much higher than in 2023, as seen on the right side. The message is that we will grow each of our IT services, but we will increase the proportion of digital solutions. We are now moving forward with a plan that will allow us to have each of our segments represent about one-fourth of sales when we finally reach JPY100 billion.

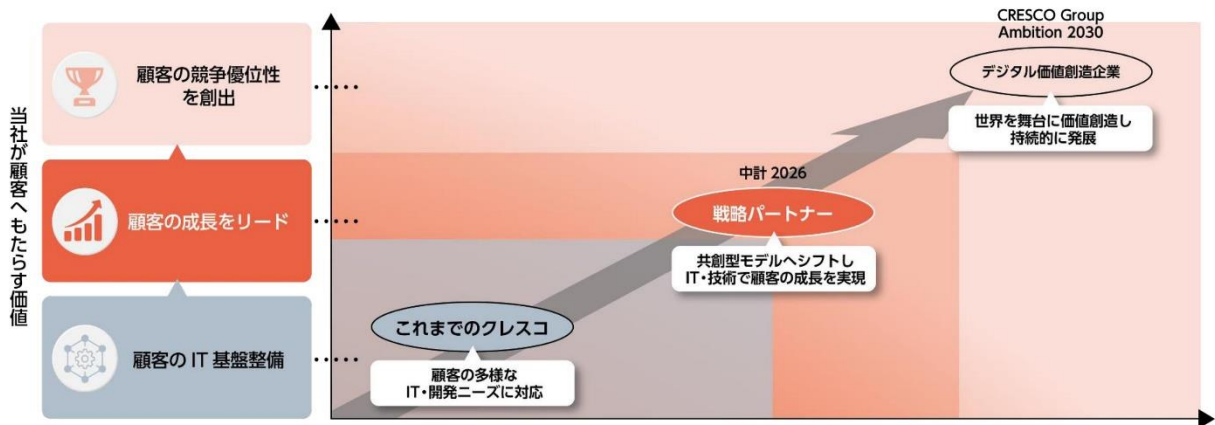
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- IT・技術を通じて顧客の競争優位性を創出する「戦略パートナー」となり、ともに社会を前進させる「デジタル価値創造企業」を目指す。



Here is the roadmap.

This year's medium-term plan 2026 has the term "strategic partner" attached to it. As we wrote on the left, I believe that until now CRESCO has been very good at developing a solid IT infrastructure for its clients. Going forward, CRESCO will still firmly lead the growth of its customers. Ultimately, our goal is to create a competitive advantage for our customers through the power of CRESCO's IT by 2030. We have defined this as our roadmap, and during the three years of the medium-term plan, we will continue to increase our number of customers and become their strategic partner, ultimately aiming to become a digital value creation company.

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- 「顧客とともに持続的に成長し、社会を前進させる」ことを目指し、「新たな挑戦」と「さらなる変革」の実現に向けて、7つの成長戦略を推進。



I won't outline many of the strategies in the medium-term business plan, but on the left side “a new challenge” is mentioned, in order to grow sustainably with our customers and advance society. On the right side, we have “further transformation,” and we will implement each of the seven strategies below while continuing to transform, challenge ourselves and realize change. We have assigned directors in charge of all seven strategies. Each strategy will be promoted by its director, and the strategies will be promoted in close cooperation horizontally as well.

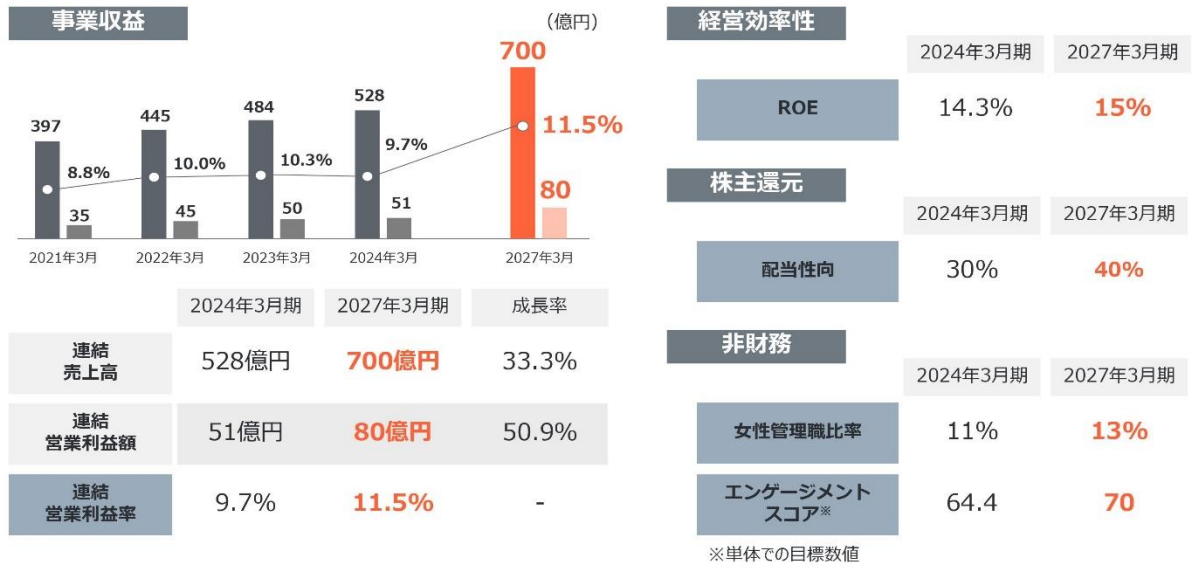
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2 中期経営計画 2023⇒2026  2.5. 2026年度の目標

- 2026年度には、連結での売上高700億、営業利益率11.5%、ROE15%を達成し、高収益成長を実現。
- また、株主還元強化を行い、2024年度を目標に配当性向40%への引き上げを図る。



These are our numerical targets for 2026.

I explained earlier that the sales target for the three years of the medium-term plan 2026 is JPY70 billion. The message is still very much about increasing the operating profit margin. We aim to increase it to 11.5%. The rate is now just under 10%, so we will steadily raise it by 0.5 points each year over three years. A ROE of 15% will also be achieved to create high profitable growth.

We will also strengthen shareholder returns and increase the dividend payout ratio to 40% by FY2026. I just talked about the ROE in the management efficiency section and the payout ratio below on the right, but what I have not explained is the non-financial section at the bottom right. The ratio of female managers is currently 11%, but we will raise this to 13%. We have also quantitatively measured internal engagement, and the score is 64.4, which is slightly higher than the general level of engagement. We have set a non-financial target of 70 externally in order to further increase employee satisfaction and increase employees' value as engineers.

**Support**

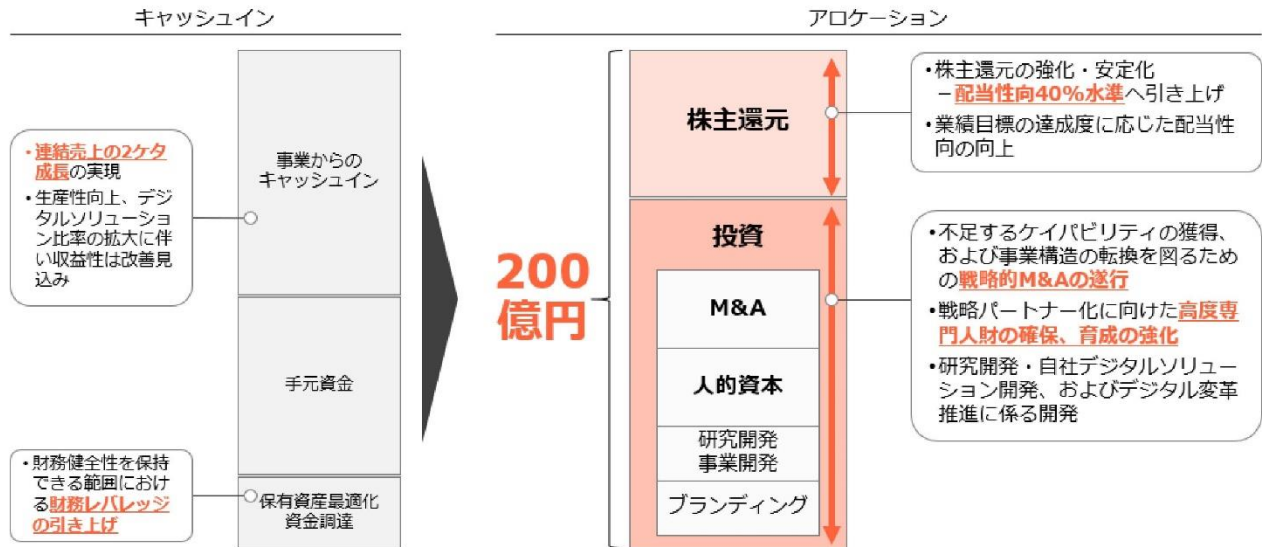
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- 3年間で、M&A・人的資本開発を中心に企業価値向上に向けた積極的な投資を進め、ケイパビリティを拡充する。また、事業成長で得られるキャッシュを軸に株主還元強化も推進する。



The cash allocation policy was also derived from this medium-term plan. Over the next three years, we will aggressively invest in M&A and human capital development to increase corporate value. We will use the JPY20 billion cash-in on the left side of the screen well over the next three years as we expand our capability. The top allocation for this JPY20 billion is for shareholder returns, raising the dividend payout ratio to the 40% level that I have already explained.

Regarding investments, we plan and manage investments in four main categories: M&A, human capital, R&D business development, and branding. We will promote each of them firmly. In particular, we intend to spend a considerable amount of money on human capital to secure highly specialized human resources and to strengthen training.

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- ロシア・ウクライナ紛争に加え中東情勢の緊迫化など政治経済への悪影響が懸念されるほか、人手不足に伴う採用コストや教育コストの増加、円安・物価高騰による諸経費の増加など業績の下振れ要因が多数認められるものの、生産性向上を目的とした企業におけるDX推進が更なる高まりを見せるものと考えられることから、IT投資は伸長し、**当社グループの受注は増加していくものと見込む。**
- 2024年4月より「**中期経営計画2026**」をスタート。初年度に当たる2024年度は、策定した成長戦略を着実に実行し、売上高の増加と収益性の向上を目指す。
- 今後の状況や事業動向等を踏まえ、業績予想の修正が必要となった場合には、速やかに開示。

[単位：百万円未満切捨]

2 Q 累 計	24/03期					25/03期	
	23/5/10 予想	前年 同期比	実績	前年 同期比	達成率	24/5/10 予想	前年 同期比
	売上高	24,900	106.8%	25,631	110.0%	102.9%	<b>27,800</b>
売上総利益			4,677 (18.3%)	103.2%			
営業利益	2,080 (8.4%)	92.6%	1,978 (7.7%)	88.1%	95.1%	<b>2,440 (8.8%)</b>	<b>123.3%</b>
経常利益	2,170 (8.7%)	102.5%	2,440 (9.5%)	115.3%	112.4%	<b>2,475 (8.9%)</b>	<b>101.4%</b>
純利益	1,418 (5.7%)	96.6%	1,665 (6.5%)	113.5%	117.5%	<b>1,610 (5.8%)</b>	<b>96.7%</b>
EPS 円/株	68.29		80.06			<b>39.08</b>	

通 期	24/03期					25/03期	
	23/5/10 予想	前年 同期比	実績	前年 同期比	達成率	24/5/10 予想	前年 同期比
	売上高	52,500	108.5%	52,755	109.1%	100.5%	<b>58,500</b>
売上総利益			10,337 (19.6%)	107.2%			
営業利益	5,250 (10.0%)	105.0%	5,121 (9.7%)	102.5%	97.6%	<b>5,900 (10.1%)</b>	<b>115.2%</b>
経常利益	5,370 (10.2%)	104.6%	5,658 (10.7%)	110.2%	105.4%	<b>6,000 (10.3%)</b>	<b>106.0%</b>
純利益	3,582 (6.8%)	107.6%	3,728 (7.1%)	112.0%	104.1%	<b>4,000 (6.8%)</b>	<b>107.3%</b>
EPS 円/株	173.89		180.12			<b>97.09</b>	

[注] ( ) 内の数字は各々の利益率を表します。「純利益」は「親会社に帰属する当期純利益」です。

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I will explain our outlook.

When it comes to the outlook for the current fiscal year, the situation in the Middle East is becoming increasingly tense in addition to the conflict in Russia and Ukraine, so there are political and economic concerns regarding a negative impact. In addition, there is a labor shortage, and as in any industry, recruitment and training costs are increasing. Japan is experiencing a weak yen, rising prices, and expanding overhead costs. To be honest, there are many downside factors in investment, including with our customers, but in the IT industry, customers are increasingly promoting DX for the purpose of improving productivity. Since various companies have begun to use AI, we expect that the number of orders received by our group will increase as companies are very eager to invest in IT related to AI. As I mentioned earlier about the order backlog, I have the impression that there are quite a few projects.

In addition, we have started the medium-term plan 2026. At the bottom, the forecast shows the current annual sales of JPY52.8 billion, which we aim to raise to JPY58.5 billion.

The growth rates are shown on the right-hand side of the chart. We will proceed this fiscal year with the goals of a 15% increase in operating profit, a 6% increase in ordinary profit, and a 7% increase in net profit.

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- 株主還元方針に則った配当を継続。
- 期初予想比2円増配の普通配当52円 [中間25円、期末27円]。(ご参考：前年度50円 [普通配当46円、記念配当4円])

	実績			25/03期		(株式分割前換算)	
	22/03期	23/03期	24/03期	24/5/10 予想	増減	24/5/10 予想	増減
中間	20円	23円	25円	19円	-6円	38円	+13円
期末	24円	27円	27円	19円	-8円	38円	+11円
年間	44円	50円	52円	38円	-14円	76円	+24円
配当性向	28.6%	31.6%	28.9%	39.1%	10.2%		
配当利回り	2.2%	2.9%	2.4%				
DOE	4.4%	4.5%	4.2%				
配当金の総額	925百万円	1053百万円	1070百万円				

[配当金の総額：百万円未満切捨]

株主還元方針

- ▶ 当社は株主のみならずに対する利益還元を経営の重要課題と位置づけ、株主資本の充実と長期的な安定収益力を維持するとともに、業績に裏付けられた適正な利益配分を維持することを基本方針としております。
- ▶ 特段の株主優待は行っていません。
- ▶ 配当に関しましては、原則、連結経常利益をもとに、特別損益を零とした場合に算出される親会社に帰属する当期純利益の30%相当を旨途に継続的に実現することを目指してまいります。

▶ 同左

▶ 同左

- ▶ 配当に関しましては、原則、親会社に帰属する当期純利益の40%を旨途に継続的に実現することを目指してまいります。

■ 期末配当金

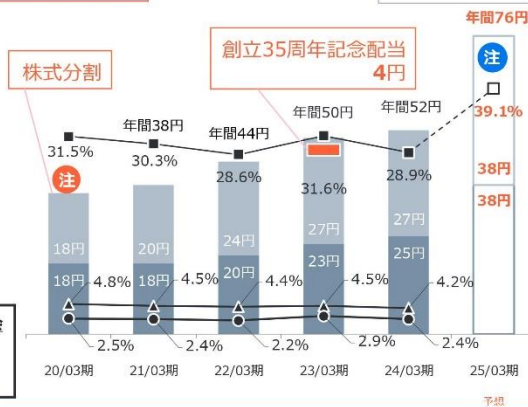
■ 中間配当金

■ 年間

■ 配当性向 (期末)

■ DOE (期末)

■ 配当利回り



注 2020年2月1日を効力発生日として、普通株式1株につき2株の割合で株式分割を行っております。

- ・ 20/3期中間は当分割後 (24年3月末時点と同じ) ベースに換算した配当額を記載しております。

注 さらなる投資家層拡大・市場流動性向上を目的として、2024年7月1日を効力発生日として、普通株式1株につき2株の割合で株式分割を行います。

- ・ 25/3期は、24年3月末時点 (今回の分割前) ベースに換算した配当予想額を記載しております。

I will explain the dividend forecast.

As you can see in the blue annotations below, we have recently announced a common stock split at a ratio of one-to-two, effective July 1. Based on this premise, the actual dividend for the fiscal year ended March 2024 is JPY52 (JPY25 and JPY27), but the dividend for the current fiscal year will be JPY19 (with a ratio of 1:2, so slightly more than half YoY), and the numerical target for the dividend payout ratio is just under 40%. We have considered the policy of paying out a fairly large number of dividends this fiscal year.

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ご参考 ✨ 1) 連結子会社の変遷

	2020年3月期				2021年3月期				2022年3月期				2023年3月期				2024年3月期			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
クレスコ・イー・ソリューション	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
クレスコワイヤレス	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
アイオス	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
クレスコ北陸	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
シーズリー	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
クレスコ・デジタルテクノロジーズ	【※3】	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
メクセス	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
エヌシステム	【※4】	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
ネクサス	【※4】	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
アルス	【※4】	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
クレスコ・ジェイキューブ	【※4】	○	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
クレスコベトナム		○	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
エニシアス	【※1】	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
クレスコ・ネクシオ	【※2】【※6】	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
日本ソフトウェアデザイン	【※5】	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
子会社総数	10	11	11	11	12	12	12	12	12	13	13	13	13	11	11	12	12	12	12	12

【※1】 2020年4月1日付で「(株)エニシアス」を子会社化  
 【※2】 2021年7月1日付で「(株)OEC」を子会社化  
 【※3】 2022年5月1日付で「クワイアティブジャパン」は「クレスコ・デジタルテクノロジーズ」に商号変更  
 【※4】 2022年7月1日付で「アルス」は「エヌシステム」「ネクサス」を統合  
 【※5】 2023年2月1日付で「日本ソフトウェアデザイン (株)」を子会社化  
 【※6】 2023年10月1日付で「OEC」は「クレスコ・ネクシオ」に商号変更

A few additional pages are included at the end.

The CRESCO Group has 12 companies as of the end of March. Jet Technologies, which I mentioned earlier, is not yet on this table, so one company will be added. However, as I explained earlier, Japan Software Design will be integrated, so one company will be eliminated.

Also, Cresco Wireless is a small company whose management bought back in an MBO, so it will be out of the table as well. Therefore, we will start with one company added and two companies eliminated from this table.

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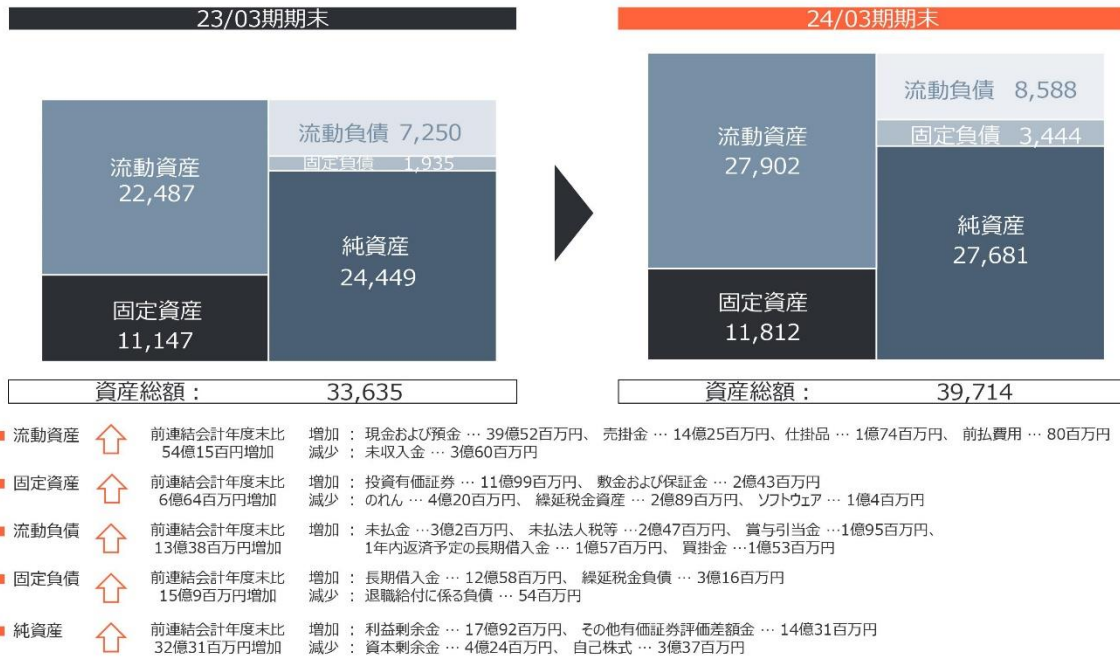
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ご参考 ✨ 2) 資産・負債の状況

[単位：百万円未満切捨]

- 資産総額は、前連結会計年度末に比べて**60億79百万円増加**し、397億14百万円。



As for the status of assets and liabilities, total assets here increased by a little more than JPY6 billion to JPY39.7 billion. As you can see from the figures, there has been such an increase.

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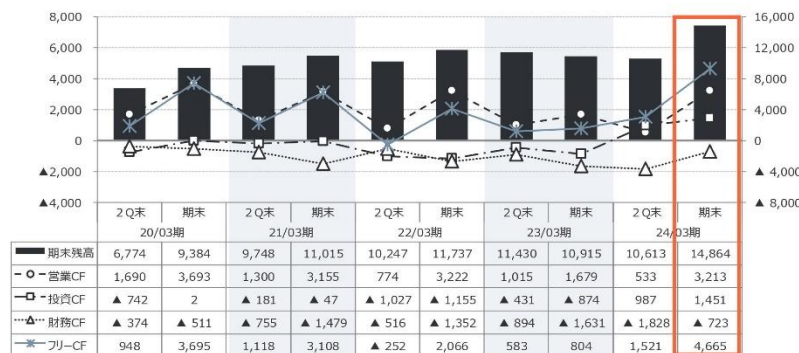
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ご参考 **3) キャッシュフローの状況**

[単位：百万円未満切捨]

- 現金および現金同等物の期末残高は、前連結会計年度末に比べて**39億49百万円増加**し、148億64百万円。

		22/03期		23/03期		24/03期	
		2Q末	期末	2Q末	期末	2Q末	期末
キャッシュ・フロー	営業活動	774	3,222	1,015	1,679	533	3,213
	投資活動	▲ 1,027	▲ 1,155	▲ 431	▲ 874	987	1,451
	財務活動	▲ 516	▲ 1,352	▲ 894	▲ 1,631	▲ 1,828	▲ 723
フリー・キャッシュ・フロー		▲ 252	2,066	583	804	1,521	4,665
キャッシュ・フロー増減		▲ 768	722	▲ 307	▲ 822	▲ 302	3,949
現金および現金同等物の期末残高		10,247	11,737	11,430	10,915	10,613	14,864



■ 営業CF 32億13百万円の収入

法人税等の支払額 …	18億円
売上債権の増加額 …	13億65百万円
税金等調整前当期純利益 …	57億円
減価償却費	3億11百万円
減損損失	2億96百万円
のれん償却費	2億10百万円

■ 投資CF 14億51百万円の収入

投資有価証券の取得による支出 …	7億49百万円
敷金および保証金の支払額 …	2億76百万円
有形固定資産の取得による支出 …	1億84百万円
有価証券の取得による支出 …	1億67百万円
投資有価証券の償還による収入 …	21億86百万円
投資有価証券の売却による収入 …	5億11百万円
有価証券の売却による収入 …	1億75百万円

■ 財務CF 7億23百万円の支出

長期借入れによる収入 …	19億40百万円
配当の支払額 …	10億83百万円
自己株式の取得による支出 …	9億98百万円
長期借入金の返済による支出 …	5億24百万円

Cash flow also increased by JPY3.9 billion from the previous fiscal year to JPY14.8 billion. Cash and cash equivalents amounted to JPY14.8 billion.

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ご参考 ✨ 4) 経営ビジョンと中期経営計画の詳細URL



【注】コーポレートロゴ変更に伴い、イメージ画像を変更しました。内容に変更はありません。



「経営ビジョン」の詳細  
<https://www.cresco.co.jp/ja/corpinfo/vision.html>



「中期経営計画2026」の詳細  
<https://www.cresco.co.jp/ja/ir/operation/plan.html>



Next, this is about the management vision and the medium-term plan, and we have put the URL here, so I hope you will take a look at it.

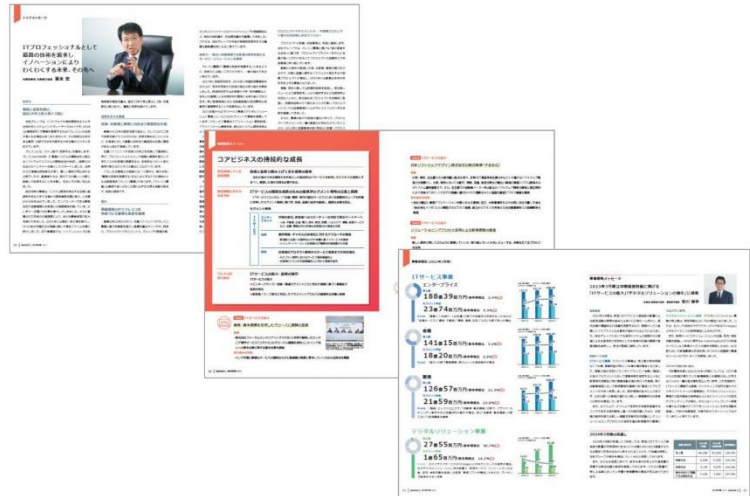
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ご参考 ✨ 5) 統合報告書の創刊

財務情報と非財務情報（経営理念、事業内容、価値創造プロセス、サステナビリティ/ESGの取り組みなど）を整理し、詳述した「統合報告書」を創刊しました。



「統合報告書」は、当社Webサイトよりご覧いただけます。  
[https://www.cresco.co.jp/ja/ir/library/annual\\_report.html](https://www.cresco.co.jp/ja/ir/library/annual_report.html)



We have done the same for integrated reports. The URL is provided.

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## ご参考 ✨ 6) ジェット・テクノロジーズ(株)子会社化 (2/26公表)

当社は、ジェット・テクノロジーズ(株)の全発行済株式を取得し、子会社化することを、当社取締役会において決議いたしました(2/26)。

企業ロゴ	 A CRESCO COMPANY ✨
主な事業内容	<ul style="list-style-type: none"><li>・システムコンサルティング</li><li>・インフラ設計構築・運用</li><li>・各種 middleware 製品の導入</li><li>・Webアプリケーション技術開発</li><li>・業務アプリケーション設計・開発</li><li>・各種パッケージのカスタマイズ</li><li>・各種プロダクト製品・HW/SWの販売</li></ul>
設立年月日	2005年3月10日
本社	東京都新宿区

詳細は、2024年2月26日付プレスリリース「ジェット・テクノロジーズ株式会社の株式取得（子会社化）に関するお知らせ」をご覧ください。

[https://www.cresco.co.jp/ja/ir/news/auto\\_20240226542181/pdfFile.pdf](https://www.cresco.co.jp/ja/ir/news/auto_20240226542181/pdfFile.pdf)  
(PDF : 191KB)



Let's look at the last page.

A company called Jet Technologies has joined the group. This company is almost in the same industry but very strong in infrastructure. As I mentioned in the financial presentation, it is a key infrastructure partner for Hitachi's financial services, so it does quite a bit of financial work for Hitachi. With just over 120 engineers and sales of just under JPY3 billion, I think it is a pretty good new partner for the CRESCO Group. Our policy is to promote the growth of CRESCO as a whole, while creating synergies with this new company throughout the Group in the future.

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ご参考 ✨ 7) 当社および子会社の組織再編方針（3/25詳細公表）

当社およびその子会社2社（日本ソフトウェアデザイン(株)、(株)メクセス）は、3社間の組織再編に向けた方針につき合意（1/29）。具体的な再編方法につき当社取締役会において決議いたしました（3/25）。

	(株)クレスコ	日本ソフトウェアデザイン(株)	(株)メクセス
企業ロゴ			
主な事業内容	<ul style="list-style-type: none"> <li>・情報システムに関するコンサルティングおよびソリューションサービス業務</li> <li>・設計、開発業務</li> <li>・運用管理、保守業務</li> <li>・調査、分析、評価および技術支援業務</li> </ul>	<ul style="list-style-type: none"> <li>・コンピュータ・ソフトウェアの開発・保守に関する業務</li> <li>・情報通信システムの設計、運用管理に関する業務</li> <li>・労働者派遣事業</li> <li>・前各号に付帯する一切の業務</li> </ul>	<ul style="list-style-type: none"> <li>・業務系・制御系システム開発（Web型・CS型）</li> <li>・Webデザイン制作</li> <li>・モバイルアプリ開発</li> <li>・システム基盤構築</li> <li>・ITコンサルティング</li> <li>・RPA</li> <li>・BI 他</li> </ul>
設立年月日	1988年4月1日	1983年5月4日	1995年4月3日
本社	東京都港区	大阪市中央区	大阪市中央区

詳細は、2024年3月25日付プレスリリース「当社および連結子会社間における組織再編（完全子会社間の合併および完全子会社からの事業の譲受）に関するお知らせ」をご覧ください。

[https://www.cresco.co.jp/ja/ir/news/auto\\_20240325558326/pdfFile.pdf](https://www.cresco.co.jp/ja/ir/news/auto_20240325558326/pdfFile.pdf)  
(PDF : 212KB)



Another company I mentioned earlier is Japan Software Design. Here it says Japan Software Design in the middle, but the Nagoya office portion will be transferred to CRESCO, on the left side, and will do business within Cresco.

On March 25, we announced that the Osaka office will work together with Mexess, on the right. The Nagoya and Osaka offices of JSD will work together with the companies on the left and right sides, respectively.

That's all from me. Thank you for your attention.

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## Question & Answer

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**Moderator [M]:** Thank you very much. We will now have the question-and-answer session.

We will read your questions on your behalf and the attendees will respond to them. Now, the first question.

**Participant [Q]:** Could you please explain a little more the status of the one remaining unprofitable project?

**Tominaga [A]:** We are sorry about the unprofitable situation mentioned in the presentation.

One unprofitable project remains in the enterprise segment. This project will be resolved by September in H1. We have completely reviewed our plan for the project in March and incorporated an additional budget until September at the beginning of this fiscal year. Naturally, this budget is negative since we have also incorporated an allowance for order losses. Therefore, no numerical impact occurs in this period.

However, since the project will still drag on for H1, we have judged that the opportunity loss portion will have only a slight impact on the figures, but not as large an impact as last year. That's all.

**Moderator [M]:** Thank you very much. Let's move on to the next question.

**Participant [Q]:** What changes will grow digital solutions? Please explain internal and external factors separately.

**Tominaga [A]:** Regarding the expansion of digital solutions,

I believe that our two main services, Creage and UiPath, which I mentioned earlier, have remained basically remained the two pillars since I became president. I think one of the major measures is to increase the number of new pillars here.

There are both internal and external issues. Internally, CRESCO has always been an IT service provider and has always worked with clients onsite, so we are good at doing what the client asks us to do, but still lack the ability to develop new solutions and make proposals. This is an internal issue.

Externally, we are in conversation with various companies and solution providers to determine what kind of products to offer as part of CRESCO's product lineup. I think it is important to focus on what we should do and to have companies with outside products recognize CRESCO as well. I feel that this is one of the important issues we need to address. That's all.

**Moderator [M]:** Thank you very much. Let's move on to the next question.

**Participant [Q]:** I would like an explanation of the measures taken to increase the number of customers as strategic partners and the timeline regarding the effectiveness impact.

**Tominaga [A]:** We have been promoting measures and setting timelines to increase the number of strategic partners, but I think it is important to first listen carefully to the clients' management teams when discussing their business issues and have thorough conversations about how we can contribute to management and how we can use IT to help them.

We have already done so with several companies. We are working with several companies to implement regular meetings to connect customers' business and IT strategies. First, we will gradually talk with some of

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the companies that have been working on these initiatives to see if we can work together as strategic partners. In fact, some companies working with us tell us, "CRESCO is already a strategic partner," so the reality is that we are moving forward gradually.

We are now working on a time frame that will allow us to have not all but about half of the large companies we are currently working with as strategic partners in three years' time. That's all.

**Moderator [M]:** Thank you very much. Let's move on to the next question.

**Participant [Q]:** Please tell us about your self-evaluation of your performance and internal reforms since you became president, what is going better than expected, what is below expectations, and what are your perceptions of the challenges? I would also like to ask you about your enthusiasm and confidence in achieving the new medium-term management plan.

**Tominaga [A]:** Thank you very much.

It has been a little over two years since I took office as president, and one of the things that has been going better than expected is that our customers have been buying CRESCO's products, and the number of customers with whom we have a good relationship has been increasing. I also have the impression that the number of new clients recognizing CRESCO's technical capabilities is increasing.

Also, internally I try to send out various messages, and I feel that environments are being created to share messages more easily.

On the other hand, the challenge remains the unprofitable projects of last year. I felt that I needed to improve my skills in project management, negotiation skills, and business negotiation, rather than simply quality. That's about all the challenges we have right now.

As for my enthusiasm for the medium-term plan, of course, we are working hard to achieve this goal of JPY70 billion and an operating margin of 1.5%, but the JPY70 billion figure will not just come from organic growth; we have calculated the figure while also taking M&A into consideration. We recognize that this figure can be achieved through future collaborations, including with companies outside the company.

In terms of profit margin, we will continue to improve operational efficiency this fiscal year, so we are also working on improving the efficiency of our administrative and business development divisions in parallel, and we expect the operating profit margin to increase. That's all.

**Moderator [M]:** Thank you very much. Let's move on to the next question.

**Participant [Q]:** Could you please tell me about Jet Technologies' contribution to the financial results of the fiscal year ending March 2025, in terms of net sales, and operating profit after amortization of goodwill?

**Tominaga [A]:** Regarding Jet Technologies' sales for this fiscal year, as I mentioned earlier, we are targeting sales of just under JPY3 billion. As for operating profit after amortization of goodwill, the Company's operating margin is already around 10%, so we reasonably expect it to be able to generate additional hundreds of millions of yen. That's all.

**Moderator [M]:** Thank you very much. Let's move on to the next question.

**Participant [Q]:** I have a question regarding your performance plan for the fiscal year ending March 31, 2025, in terms of net sales by segment and operating profit.

**Tominaga [A]:** Thank you.

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We do not actually set strict targets for sales and operating profit by segment on a fiscal year basis. They are considerably influenced by the trends of each client and, as I mentioned earlier, the fields in which the companies acquired by M&A excel are completely different. For example, Jet Technologies' figures will grow the finance sector, but if we buy a company that is strong in the manufacturing sector, the figures in the manufacturing sector will strongly increase.

However, we have set a target of nearly 50% growth for digital solutions. That's all.

**Moderator [M]:** Thank you very much. Let's move on to the next question.

**Participant [Q]:** I think it is inevitable that the workforce will continue to decline, as a chronic management issue related to staffing shortages. What measures will you take to overcome the challenges in the future?

**Tominaga [A]:** I think this is about a lack of human resources. Regarding engineers, CRESCO will go to areas that are closer to the customer and work upstream, and since we also have an offshore company in Vietnam, we will shift downstream processes overseas as much as possible. We also have near-shore offices in Sapporo and Fukuoka, so one of our policies is to secure human resources there and improve our development capabilities.

Also, the personnel who need to be shifted upstream will be trained and undergo a skill shift as well.

We are also strengthening our recruitment efforts. As a group, more than two hundred new graduates have joined the company this April. The result is a corporate group of more than 3,000 employees. We have sent out a message to the dozen or so companies I mentioned earlier that they should strive to increase the percentage of new graduates to 10% or more. Each company is working to make up for the overall shortage of human resources by hiring new graduates and training young people for this purpose. That's all.

**Moderator [M]:** Thank you very much. Now that the questions have been answered, we will end this question-and-answer session.

Finally, Mr. Tominaga, President of the company, will conclude with a few words. President Tominaga, please begin.

**Tominaga [M]:** Thank you for listening to CRESCO's presentation today until the end.

As I explained earlier, we are only two months away since the start of Medium-term plan 2026. All of us at CRESCO and all of our Group companies are committed to enforcing this plan, so please continue to support CRESCO. Thank you very much for your time today.

**Moderator [M]:** This concludes the briefing.

This is the end of the event. Thank you for watching.

[END]

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### Document Notes

1. Portions of the document where the audio is unclear are marked with [Inaudible].
2. Portions of the document where the audio is obscured by technical difficulty are marked with [TD].
3. Speaker speech is classified based on whether it [Q] asks a question to the Company, [A] provides an answer from the Company, or [M] neither asks nor answers a question.

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