

July 10, 2025

## Consolidated Financial Results for the Three Months Ended May 31, 2025 (Under Japanese GAAP)

Company name: CREEK & RIVER Co., Ltd.  
 Listing: Tokyo Stock Exchange  
 Securities code: 4763  
 URL: <https://www.cri.co.jp>  
 Representative: Jun Kurosaki, President and Representative Director  
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 Scheduled date to commence dividend payments: -  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated financial results for the three months ended May 31, 2025 (from March 1, 2025 to May 31, 2025)

#### (1) Consolidated operating results (cumulative)

(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	%
Three months ended May 31, 2025	13,839	7.7	1,421	12.7	1,406	10.1	913	6.2
May 31, 2024	12,854	0.8	1,261	(20.2)	1,277	(19.9)	860	(17.7)

Note: Comprehensive income For the three months ended May 31, 2025: ¥878 million [(0.7)%]  
 For the three months ended May 31, 2024: ¥885 million [(13.8)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended May 31, 2025	43.20	43.14
May 31, 2024	39.67	39.45

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of May 31, 2025	47,870	16,067	33.1
February 28, 2025	27,078	16,012	58.6

Reference: Equity  
 As of May 31, 2025: ¥15,850 million  
 As of February 28, 2025: ¥15,876 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 February 28, 2025	-	0.00	-	41.00	41.00
Fiscal year ending February 28, 2026	-				
Fiscal year ending February 28, 2026 (Forecast)		0.00		45.00	45.00

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

### 3. Forecast of consolidated financial results for the fiscal year ending February 28, 2026 (from March 1, 2025 to February 28, 2026)

(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 August 31, 2025	28,000	8.4	2,100	(4.3)	2,100	(7.3)	1,350	(8.2)	63.23
Fiscal year ending February 28, 2026	60,000	19.3	5,000	38.3	5,000	35.3	3,200	42.1	149.88

Note: Revisions to the earnings forecasts most recently announced: None

\* **Notes**

- (1) Significant changes in the scope of consolidation during the period: Yes  
Newly included: 2 companies (T&W Office Co., Ltd. and Thakahashi Shoten Co., Ltd)
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
  - (ii) Changes in accounting policies due to other reasons: None
  - (iii) Changes in accounting estimates: None
  - (iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of May 31, 2025	23,009,000 shares
As of February 28, 2025	23,009,000 shares

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

As of May 31, 2025	1,859,989 shares
As of February 28, 2025	1,859,989 shares

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

Three months ended May 31, 2025	21,149,011 shares
Three months ended May 31, 2024	21,682,570 shares

- \* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: nothing

\* Proper use of earnings forecasts, and other special matters

Forward-looking statements, such as earnings forecasts, contained in this material are based on information available to the Group and certain assumptions that the Group deems reasonable, and actual results may differ due to various factors. For details on the conditions on which earnings forecasts are based and precautions for using earnings forecasts, please refer to the "Explanation of Forward-Looking Information on Consolidated Earnings Forecasts and Other Forward-Looking Information" on page 3 of the Appendix.

## Quarterly consolidated balance sheet

(Thousands of yen)

	As of February 28, 2025	As of May 31, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	12,807,120	26,063,914
Notes and accounts receivable - trade, and contract assets	6,701,971	9,650,224
Merchandise	10,664	8,498
Finished goods	89,482	524,720
Work in process	282,348	231,244
Supplies	3,856	51,333
Other	948,244	1,179,587
Allowance for doubtful accounts	(44,753)	(44,328)
Total current assets	20,798,934	37,665,194
Non-current assets		
Property, plant and equipment	1,259,588	2,540,413
Intangible assets		
Goodwill	293,741	868,686
Software	987,585	945,341
Other	19,886	53,480
Total intangible assets	1,301,213	1,867,508
Investments and other assets		
Investment securities	1,257,173	1,404,163
Investments in capital	335,560	335,995
Leasehold and guarantee deposits	891,301	994,383
Deferred tax assets	463,427	1,680,043
Other	875,097	1,490,536
Allowance for doubtful accounts	(103,670)	(108,224)
Total investments and other assets	3,718,889	5,796,897
Total non-current assets	6,279,691	10,204,818
Total assets	27,078,626	47,870,013

	As of February 28, 2025	As of May 31, 2025
<b>Liabilities</b>		
Current liabilities		
Trade notes and accounts payable	3,167,630	4,560,823
Short-term borrowings	3,773,106	18,073,106
Current portion of long-term borrowings	22,090	41,815
Income taxes payable	579,050	1,239,194
Accrued consumption taxes	495,523	915,363
Accrued expenses	783,614	1,103,293
Provision for bonuses	404,931	393,422
refund liability	18,151	2,460,984
Other	1,039,977	1,975,343
Total current liabilities	10,284,075	30,763,347
Non-current liabilities		
Long-term borrowings	372,170	349,760
Retirement benefit liability	83,507	164,269
Provision for share awards	299,062	316,711
Deferred tax liabilities	922	95,967
Other	26,218	112,345
Total non-current liabilities	781,880	1,039,053
Total liabilities	11,065,956	31,802,400
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,177,194	1,177,194
Capital surplus	2,465,862	2,465,862
Retained earnings	14,739,024	14,759,719
Treasury shares	(2,697,156)	(2,697,156)
Total shareholders' equity	15,684,925	15,705,619
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	77,024	70,291
Foreign currency translation adjustment	114,628	74,089
Total accumulated other comprehensive income	191,652	144,380
Share acquisition rights	1,750	1,750
Non-controlling interests	134,341	215,861
Total net assets	16,012,669	16,067,612
Total liabilities and net assets	27,078,626	47,870,013

# Quarterly consolidated statement of income

(Thousands of yen)

	Three months ended May 31, 2024	Three months ended May 31, 2025
Net sales	12,854,278	13,839,154
Cost of sales	7,797,861	8,498,172
Gross profit	5,056,416	5,340,981
Selling, general and administrative expenses	3,794,835	3,919,737
Operating profit	1,261,581	1,421,244
Non-operating income		
Interest income	2,493	5,371
Dividend income	-	249
Foreign exchange gains	297	-
Surrender value of insurance policies	8,004	-
Subsidy income	2,809	6,784
Share of profit of entities accounted for using equity method	5,783	-
Miscellaneous income	856	572
Other	548	789
Total non-operating income	20,793	13,766
Non-operating expenses		
Interest expenses	2,987	24,742
Foreign exchange losses	-	2,732
Miscellaneous losses	1,040	105
Share of loss of entities accounted for using equity method	-	1,602
Other	896	(900)
Total non-operating expenses	4,923	28,282
Ordinary profit	1,277,450	1,406,728
Extraordinary income		
Gain on sale of non-current assets	227	-
Compensation for forced relocation	12,848	-
Total extraordinary income	13,076	-
Extraordinary losses		
Loss on retirement of non-current assets	-	0
Loss on sale of non-current assets	-	0
Settlement payments	5,845	1,200
Office transfer expense	3,564	-
Total extraordinary losses	9,409	1,200
Profit before income taxes	1,281,117	1,405,528
Income taxes - current	343,797	444,514
Income taxes - deferred	77,500	35,216
Total income taxes	421,298	479,730
Profit	859,819	925,797
Profit (loss) attributable to non-controlling interests	(291)	12,167
Profit attributable to owners of parent	860,110	913,630

## Quarterly consolidated statement of comprehensive income

(Thousands of yen)

	Three months ended May 31, 2024	Three months ended May 31, 2025
Profit	859,819	925,797
Other comprehensive income		
Valuation difference on available-for-sale securities	14,387	(6,733)
Foreign currency translation adjustment	10,888	(40,538)
Total other comprehensive income	25,275	(47,271)
Comprehensive income	885,094	878,525
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	885,385	866,358
Comprehensive income attributable to non-controlling interests	(291)	12,167

(Notes on segment information, etc.)

Segment Information

I. the three months of the previous fiscal year (March 1, 2024 to May 31, 2024)

1. Information on sales and the amount of profit or loss for each reported segment

(Unit: 1 thousand yen)

	Reportable segments						Other (Note) 1	Total	Adjustment amount (Note) 2	Quarterly Consolidated Statements of Income (Note)3
	Creative field (Japan)	Creative field (Korea)	Medical Field	Accounting And Legal Field	CRES field	Total				
Sales										
Revenues from external customers	8,713,049	792,218	1,747,495	632,091	-	11,884,854	969,424	12,854,278	-	12,854,278
Transactions with other segments	17,193	-	-	2,132	7,500	26,825	65,150	91,976	(91,976)	-
Total	8,730,242	792,218	1,747,495	634,223	7,500	11,911,680	1,034,574	12,946,254	(91,976)	12,854,278
Segment profit (loss)	540,218	(12,823)	708,497	45,405	3,271	1,284,568	(24,348)	1,260,220	1,360	1,261,581

Note: 1 The "Other" category is a business segment that is not included in the reporting segments and includes IT, fashion, and other businesses.

2. The adjustment amount of 1,360 thousand yen for segment profit or loss (loss) is the elimination of inter-segment transactions.

3 Segment profit or loss (loss) is adjusted for operating income in the quarterly consolidated statements of income.

II. the three months of the current fiscal year (March 1, 2025 to May 31, 2025)

1. Information on sales and the amount of profit or loss for each reported segment

(Unit: 1 thousand yen)

	Reportable segments						Other (Note) 1	Total	Adjustment amount (Note) 2	Quarterly Consolidated Statements of Income (Note)3
	Creative field (Japan)	Creative field (Korea)	Medical Field	Accounting And Legal Field	CRES field	Total				
Sales										
Revenues from external customers	9,248,102	763,007	1,937,455	606,183	12,956	12,567,706	1,271,448	13,839,154	-	13,839,154
Transactions with other segments	32,045	-	-	2,952	9,919	44,917	67,656	112,574	(112,574)	-
Total	9,280,148	763,007	1,937,455	609,136	22,875	12,612,623	1,339,104	13,951,728	(112,574)	13,839,154
Segment profit (loss)	664,653	(5,965)	805,676	48,711	(40,646)	1,472,429	(40,437)	1,431,992	(10,748)	1,421,244

Note: 1 The "Other" category is a business segment that is not included in the reporting segments and includes IT, fashion, and other businesses.

2. The adjustment amount of (10,748) thousand yen for segment profit or loss (loss) is the elimination of inter-segment transactions.

3 Segment profit or loss (loss) is adjusted for operating income in the quarterly consolidated statements of income.

2. Changes to Reporting Segments, etc.

Effective March 31, 2025, Creek & River's consolidated subsidiary C&R EVERLASTING STORY acquired the shares of T&W Office and added the "CRES field" to its existing reportable segments. This segment includes business succession, M&A, and other businesses developed by C&R EVERLASTING STORY. In the first quarter of the current fiscal year, only the balance sheet is consolidated.

3. Information on impairment losses or goodwill on fixed assets by reporting segment

(Significant fluctuations in the amount of goodwill)

In the "CRES field" goodwill increased by 651,849 thousand yen due to the acquisition of shares of T&W Office by C&R EVERLASTING STORY, a consolidated subsidiary of Creek & River, on March 31, 2025. The amount of goodwill is provisionally calculated because the allocation of acquisition costs has not been completed in the first quarter of the current fiscal year.