

Brief Announcement on the Financial Results
for the Third Quarter of the Fiscal Year 2011 (Consolidated)

Company : Quest Co., Ltd.

Stock Exchanges : OSE JASDAQ(Standard)

Stock Code Number : 2332

Location of headquarters : Tokyo Met. Japan

URL: <http://www.quest.co.jp/>

Representative: Name: Kazuro Sato Title: President & Representative Director

Inquiries : Name: Chiaki Yamakoshi Title: Director, in charge of information disclosure

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(In millions of yen)

1. Consolidated Performance for the third quarter of FY 2011 (April 1, 2011 – December 31, 2011)

(1) Consolidated operating results

	Net sales	Operating income	Ordinary income	Net income for the third quarter of the fiscal year
Results for the third quarter of FY 2011	5,022 (8.9%)	181 (32.3%)	206 (29.1%)	109 (36.8%)
Results for the third quarter of FY 2010	4,611 (0.9%)	136 (60.3%)	159 (65.8%)	79 (40.0%)

(Note) Comprehensive Income: Third quarter of FY2011: 106million yen (35.0%), Third quarter of FY2010: 79million yen (___%)

	Net income per share for the third quarter of the fiscal year	Net income per share after adjustment of latent shares for the third quarter of the fiscal year
Results for the third quarter of FY 2011	20.70 yen	----
Results for the third quarter of FY 2010	15.11 yen	----

(2) Consolidated financial position

	Total assets	Shareholder's equity	Ratio of shareholder's equity	Shareholder's equity per share
December 31 2011	4,514	3,605	79.9 %	696.05 yen
FY 2010	4,677	3,718	79.5 %	703.92 yen

(Reference) Shareholder's equity: Third quarter of FY2011: 3,605 million yen, FY2010: 3,718 million yen

2. Dividend position

	End of first quarter	End of second quarter	End of third quarter	End of FY	Annual Total
FY 2010	----	0.00 yen	----	30.00 yen	30.00 yen
FY 2011	----	0.00 yen	----		
FY 2011 (Forecast)				30.00 yen	30.00 yen

3. Forecast Consolidated Performance for FY 2011 (April 1, 2011 – March 31, 2012)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
FY 2011	6,700 (5.8%)	294 (16.5%)	300 (6.4%)	170 (12.3%)	32.19 yen

(In thousands of yen)

Previous Year (FY 2010) Third Quarter (FY 2011)

Consolidated quarterly balance sheets		
Assets		
Current assets		
Cash and deposits	1,426,477	1,406,608
Accounts receivable-trade	968,101	893,318
Short-term investment securities	1,001,015	1,000,555
Work in process	36,150	102,665
Other	229,232	164,083
Allowance for doubtful accounts	-65	—
Total current assets	3,660,912	3,567,231
Noncurrent assets		
Property, plant and equipment		
Buildings	127,977	129,468
Accumulated depreciation	-51,437	-53,945
Buildings, net	76,540	75,523
Land	69,864	69,864
Other	111,256	115,795
Accumulated depreciation	-97,400	-97,546
Other, net	13,855	18,248
Total property, plant and equipment	160,260	163,636
Intangible assets		
Goodwill	33,050	22,950
Other	117,672	113,078
Total intangible assets	150,722	136,028
Investments and other assets		
Investment securities	411,944	408,337
Other	293,344	239,561
Total investments and other assets	705,288	647,898
Total noncurrent assets	1,016,271	947,563
Total assets	4,677,183	4,514,795
Liabilities		
Current liabilities		
Accounts payable-trade	157,759	163,132
Income taxes payable	92,424	513
Provision for bonuses	244,178	130,382
Provision for loss on projects	3,778	208
Other	203,201	334,813
Total current liabilities	701,342	629,050
Noncurrent liabilities		
Provision for retirement benefits	146,686	177,864
Provision for directors' retirement benefits	111,125	102,325
Total noncurrent liabilities	257,812	280,190
Total liabilities	959,154	909,240
Net assets		
Shareholders' equity		
Capital stock	491,031	491,031
Capital surplus	499,676	499,676
Retained earnings	2,878,401	2,829,147
Treasury stock	-149,563	-210,305
Total shareholders' equity	3,719,545	3,609,549
Accumulated other comprehensive income		

Valuation difference on available-for-sale securities	-254	-1,704
Foreign currency translation adjustment	-1,262	-2,290
Total accumulated other comprehensive income	-1,516	-3,994
Total net assets	3,718,029	3,605,554
Total liabilities and net assets	4,677,183	4,514,795

(In thousands of yen)

Third Quarter (FY 2010) Third Quarter (FY 2011)

Consolidated quarterly statements of (comprehensive) income		
Net sales	4,611,420	5,022,180
Cost of sales	3,877,554	4,240,407
Gross profit	733,866	781,773
Selling, general and administrative expenses		
Salaries, allowances and bonuses	178,353	173,975
Directors' compensations	121,953	128,650
Provision for bonuses	10,944	9,810
Retirement benefit expenses	16,050	12,328
Provision for directors' retirement benefits	2,600	2,400
Other	267,007	273,447
Total selling, general and administrative expenses	596,909	600,611
Operating income	136,956	181,162
Non-operating income		
Interest income	21,442	20,055
Other	3,903	5,517
Total non-operating income	25,345	25,572
Non-operating expenses		
Commission for purchase of treasury stock	4	234
Loss on valuation of investment securities	1,298	—
Foreign exchange losses	371	114
Loss on sales of noncurrent assets	650	—
Other	145	63
Total non-operating expenses	2,470	411
Ordinary income	159,831	206,322
Extraordinary income		
Extraordinary loss		
Amortization of Advance payments	7,726	—
Impairment loss	2,666	—
Loss on adjustment for changes of accounting standard for asset retirement obligations	8,362	—
Total extraordinary losses	18,754	—
Income before income taxes and minority interests	141,076	206,322
Income taxes-current	8,247	27,998
Income taxes-deferred	53,031	69,121
Total income taxes	61,279	97,120
Income before minority interests	79,797	109,202
Net income	79,797	109,202

(In thousands of yen)

Third Quarter (FY 2010) Third Quarter (FY 2011)

Consolidated quarterly statements of comprehensive income		
Income before minority interests	79,797	109,202
Other comprehensive income		
Valuation difference on available-for-sale securities	-263	-1,450
Foreign currency translation adjustment	-475	-1,028
Total other comprehensive income	-739	-2,478
Comprehensive income	79,058	106,724
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	79,058	106,724