

**Brief Announcement on the Financial Results
for the Third Quarter of the Fiscal Year 2014 (Consolidated)**

Company: Quest Co., Ltd.

Stock Exchanges: TSE 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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1. Consolidated Performance for the third quarter of FY 2014 (April 1, 2014 – December 31, 2014)

(1) Consolidated operating results

(In millions of yen)

	Net sales	Operating income	Ordinary income	Net income for the third quarter of the Fiscal year
Results for the third quarter of FY2014	5,380 (4.7%)	177 (14.1%)	193 (12.0%)	123 (18.6%)
Results for the third quarter of FY2013	5,139 (2.3%)	155 (△3.2%)	172 (△1.6%)	104 (△14.2%)

(Note) Comprehensive Income: Third quarter of FY 2014: 188 million yen (12.5%), Third quarter FY 2013: 167 million yen (29.4%)

	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 FY2014	23.94 yen	—
Results for the third quarter of FY2013	20.18 yen	—

(2) Consolidated financial position

(in millions of yen)

	Total assets	Shareholder's equity	Ratio of shareholder's equity	Shareholder's equity per share
December 31, 2014	4,764	3,748	78.7%	725.19 yen
FY 2013	4,831	3,621	75.0%	700.56 yen

(Reference) Shareholder's equity: Third quarter of FY 2014: 3,748 million yen, FY 2013: 3,621 million yen

2. Dividend position

	End of first quarter	End of second quarter	End of third quarter	End of FY	Annual Total
FY 2013	—	0.00 yen	—	30.00 yen	30.00 yen
FY 2014	—	0.00 yen	—		
FY2014(Forecast)				35.00 yen	35.00 yen

3. Forecast Consolidated Performance for FY 2014 (April 1, 2014 - March 31, 2015)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
FY 2014	7,500 (5.8%)	350 (29.4%)	360 (24.2%)	210 (26.5)	40.62 yen

(In thousands of yen)

Consolidated balance sheets	Previous year(FY2013)	Third Quarter(FY2014)
Assets		
Current assets		
Cash and deposits	2,042,569	2,223,239
Accounts receivable - trade	1,095,373	928,780
Securities	301,212	502,990
Work in process	10,612	87,417
Other	231,542	180,115
Total current assets	3,681,311	3,922,543
Non-current assets		
Property, plant and equipment		
Buildings	133,595	133,595
Accumulated depreciation	△62,010	△64,553
Buildings, net	71,584	69,041
Land	69,864	69,864
Other	113,127	110,905
Accumulated depreciation	△93,436	△89,405
Other, net	19,691	21,499
Total property, plant and equipment	161,141	160,406
Intangible assets	41,856	33,526
Investments and other assets		
Investment securities	715,442	490,646
Other	231,981	157,824
Total investments and other assets	947,423	648,470
Total non-current assets	1,150,421	842,403
Total assets	4,831,732	4,764,946

(In thousands of yen)

Consolidated balance sheets	Previous year(FY2013)	Third Quarter(FY2014)
Liabilities		
Current liabilities		
Accounts payable - trade	183,985	182,619
Income taxes payable	120,520	333
Provision for bonuses	247,729	137,007
Provision for loss on projects	2,113	1,564
Other	259,481	428,964
Total current liabilities	813,829	750,489
Non-current liabilities		
Net defined benefit liability	376,632	244,484
Provision for directors' retirement benefits	19,875	21,475
Total non-current liabilities	396,507	265,959
Total liabilities	1,210,337	1,016,448
Net assets		
Shareholders' equity		
Capital stock	491,031	491,031
Capital surplus	492,898	492,901
Retained earnings	2,863,008	2,926,077
Treasury shares	△222,236	△222,473
Total shareholders' equity	3,624,702	3,687,535
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	89,245	142,095
Foreign currency translation adjustment	2,364	5,034
Remeasurements of defined benefit plans	△94,917	△86,168
Total accumulated other comprehensive income	△3,307	60,962
Total net assets	3,621,394	3,748,497
Total liabilities and net assets	4,831,732	4,764,946

(In thousands of yen)

Consolidated statements of (comprehensive) income	Third Quarter(FY2013)	Third Quarter(FY2014)
Net sales	5,139,541	5,380,743
Cost of sales	4,417,572	4,648,019
Gross profit	721,968	732,724
Selling, general and administrative expenses		
Salaries, allowances and bonuses	197,901	196,490
Directors' compensations	90,905	87,271
Provision for bonuses	11,157	10,352
Retirement benefit expenses	12,365	12,311
Provision for directors' retirement benefits	2,400	3,600
Other	251,882	245,431
Total selling, general and administrative expenses	566,612	555,455
Operating income	155,355	177,268
Non-operating income		
Interest income	5,617	4,593
Dividend income	8,928	9,241
Other	3,407	2,820
Total non-operating income	17,953	16,656
Non-operating expenses		
Foreign exchange losses	673	542
Other	32	14
Total non-operating expenses	705	556
Ordinary income	172,602	193,367
Income before income taxes and minority interests	172,602	193,367
Income taxes - current	30,234	23,510
Income taxes - deferred	38,023	46,100
Total income taxes	68,257	69,610
Income before minority interests	104,345	123,756
Net income	104,345	123,756

(In thousands of yen)

Consolidated statements of comprehensive income	Third Quarter(FY2013)	Third Quarter(FY2014)
Income before minority interests	104,345	123,756
Other comprehensive income		
Valuation difference on available-for-sale securities	60,628	52,849
Foreign currency translation adjustment	2,174	2,670
Remeasurements of defined benefit plans, net of tax	—	8,748
Total other comprehensive income	62,802	64,269
Comprehensive income	167,147	188,026
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	167,147	188,026