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## Summary of Consolidated Financial Results for the First Quarter of the Fiscal Year 2016 (Consolidated)

July 29, 2016

Company name: Quest Co., Ltd.

Stock exchanges: TSE JASDAQ(Standard)

Stock code: 2332 URL <http://www.quest.co.jp/>

Representative: President and Representative Director Ichiro Seizawa

Inquiries: Managing Director, in charge of information disclosure Haruki Tsukada TEL 03-3453-1181

Scheduled date to first quarterly financial results: August 5, 2016

Scheduled date to commence dividend payments: —

Preparation of supplementary on first quarterly financial results: No

Holding of first quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

### 1. Consolidated Performance for the first quarter of FY 2016 (April 1, 2016 – June 30, 2016)

#### (1) Consolidated operating results

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Results for the first quarter of FY2016	1,951	4.5	23	△ 32.3	34	△ 17.4	34	27.9
Results for the first quarter of FY2015	1,866	8.3	34	1.8	41	1.7	27	△ 7.5

(Note)Comprehensive income: First quarter of FY 2016: 39million yen(15.1%), First quarter FY 2015:34Million yen(△28.1%)

	Net income per share for the first quarter of the fiscal year	Net income per share after adjustment of latent shares for the first quarter of the fiscal year
	Yen	
Results for the first quarter of FY2016	6.76	-
Results for the first quarter of FY2015	5.28	-

#### (2) Consolidated financial position

	Total assets	Shareholder's equity	Ratio of shareholder's equity	Shareholder's equity per share
	Millions of yen	Millions of yen	%	Yen
Results for the first quarter of FY2016	4,772	3,663	76.8	708.84
FY 2015	5,011	3,779	75.4	731.19

(Reference)Shareholder's equity: First quarter of FY 2016: 3,663million yen,FY2015: 3,779million yen

### 2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY2015	-	0.00	-	30.00	30.00
FY2016	-	-	-	-	-
FY2016(Forecast)	-	0.00	-	30.00	30.00

### 3. Forecast of consolidated financial results for the year ending March 31, 2017 (April 1, 2016 – March 31, 2017)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	8,400	3.3	370	5.4	385	2.4	250	5.0	48.37

### 4. Notes

(1) Changes in significant subsidiaries during the first quarter of the fiscal year 2016

(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of period financial statements after error corrections: No

(3) Number of issued shares (Common shares)

Total number of issued shares at the first quarter of the period (including treasury shares)

Results for the first quarter of FY2016	5,487,768 shares	FY2015	5,487,768 shares
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Number of treasury shares at the first quarter of the period

Results for the first quarter of FY2016	319,208 shares	FY2015	319,208 shares
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Average number of shares during the period

Results for the first quarter of FY2016	5,168,560 shares	Results for the first quarter of FY2015	5,168,700 shares
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(In thousands of yen)

Consolidated balance sheets	Previous year(FY2015)	First Quarter(FY2016)
<b>Assets</b>		
Current assets		
Cash and deposits	2,255,665	2,144,525
Notes and accounts receivable - trade	1,162,079	1,145,221
Work in process	40,087	60,176
Deferred tax assets	114,587	103,647
Other	88,532	74,137
Total current assets	3,660,952	3,527,709
Non-current assets		
Property, plant and equipment		
Buildings	135,811	66,291
Accumulated depreciation	△66,818	△49,339
Buildings, net	68,992	16,951
Land	69,864	13,460
Other	110,472	110,472
Accumulated depreciation	△90,485	△91,235
Other, net	19,986	19,236
Total property, plant and equipment	158,844	49,649
Intangible assets	29,624	29,977
Investments and other assets		
Investment securities	924,973	930,111
Deferred tax assets	68,810	68,044
Other	167,919	166,667
Total investments and other assets	1,161,703	1,164,823
Total non-current assets	1,350,171	1,244,450
Total assets	5,011,123	4,772,160

(In thousands of yen)

Consolidated balance sheets	Previous year(FY2015)	First Quarter(FY2016)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	272,220	192,707
Income taxes payable	88,123	7,602
Accrued consumption taxes	78,282	101,740
Provision for bonuses	299,151	158,157
Provision for product warranties	3,600	—
Provision for loss on projects	75	188
Other	215,038	366,431
<b>Total current liabilities</b>	<b>956,491</b>	<b>826,827</b>
<b>Non-current liabilities</b>		
Provision for directors' retirement benefits	3,275	3,275
Net defined benefit liability	272,142	278,352
<b>Total non-current liabilities</b>	<b>275,417</b>	<b>281,627</b>
<b>Total liabilities</b>	<b>1,231,908</b>	<b>1,108,454</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	491,031	491,031
Capital surplus	492,918	492,918
Retained earnings	3,055,632	2,935,514
Treasury shares	△222,893	△222,893
<b>Total shareholders' equity</b>	<b>3,816,688</b>	<b>3,696,570</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	37,537	39,957
Foreign currency translation adjustment	2,956	—
Remeasurements of defined benefit plans	△77,967	△72,822
<b>Total accumulated other comprehensive income</b>	<b>△37,472</b>	<b>△32,864</b>
<b>Total net assets</b>	<b>3,779,215</b>	<b>3,663,705</b>
<b>Total liabilities and net assets</b>	<b>5,011,123</b>	<b>4,772,160</b>

(In thousands of yen)

Consolidated statements of (comprehensive) income	First Quarter(FY2015)	First Quarter(FY2016)
Net sales	1,866,823	1,951,287
Cost of sales	1,621,447	1,703,933
Gross profit	245,375	247,353
Selling, general and administrative expenses		
Salaries, allowances and bonuses	72,276	75,081
Directors' compensations	27,680	26,930
Provision for bonuses	13,228	14,530
Retirement benefit expenses	1,709	3,308
Other	96,192	104,285
Total selling, general and administrative expenses	211,087	224,137
Operating income	34,288	23,216
Non-operating income		
Interest income	521	373
Dividend income	6,360	7,593
Share of profit of entities accounted for using equity method	—	1,650
Other	447	1,448
Total non-operating income	7,328	11,064
Non-operating expenses		
Foreign exchange losses	100	—
Other	0	0
Total non-operating expenses	101	0
Ordinary income	41,515	34,281
Extraordinary income		
Gain on sales of non-current assets	—	24,752
Total extraordinary income	—	24,752
Extraordinary losses		
Loss on transfer of investments in capital of subsidiaries and associates	—	15,210
Total extraordinary losses	—	15,210
Profit before income taxes	41,515	43,823
Income taxes - current	556	516
Income taxes - deferred	13,644	8,367
Total income taxes	14,200	8,883
Profit	27,314	34,939
Profit attributable to owners of parent	27,314	34,939

(In thousands of yen)

Consolidated statements of comprehensive income	First Quarter(FY2015)	First Quarter(FY2016)
Profit	27,314	34,939
Other comprehensive income		
Valuation difference on available-for-sale securities	4,274	2,419
Foreign currency translation adjustment	322	Δ2,956
Remeasurements of defined benefit plans, net of tax	2,450	5,144
Total other comprehensive income	7,046	4,607
Comprehensive income	34,361	39,547
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	34,361	39,547