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Summary of Non-consolidated Financial Results for the Year Ended March 31, 2018

May 14, 2018

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 of ordinary general meeting of shareholders: June 20, 2018
 Scheduled date to file Securities Report: June 21, 2018
 Scheduled date to commence dividend payments: June 21, 2018
 Preparation of supplementary material on financial results: Yes (in Japanese)
 Holding of financial results meeting: Yes (for Analyst)

(Amounts less than one million yen are rounded down)

1. Non-consolidated financial results for the year ended March of FY2017 (April 1, 2017 – March 31, 2018)

(1) Non-consolidated operating results Percentages indicate year-on-year changes

| | Net sales | | Operating profit | | Ordinary profit | | Net profit | |
|--------|-----------------|-----|------------------|--------|-----------------|--------|-----------------|--------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| FY2017 | 8,724 | 8.3 | 76 | Δ 79.1 | 107 | Δ 73.0 | 76 | Δ 66.9 |
| FY2016 | 8,053 | 1.5 | 367 | 7.9 | 399 | 8.1 | 231 | 1.2 |

| | Earnings per share | | Earnings per share (Diluted) | | Return on Equity | Return on Assets | Ratio of operating profit to net sales |
|--------|--------------------|-----|------------------------------|-----|------------------|------------------|--|
| | Yen | Yen | Yen | Yen | % | % | % |
| FY2017 | 14.81 | - | - | - | 1.9 | 2.0 | 0.9 |
| FY2016 | 44.79 | - | - | - | 5.7 | 7.6 | 4.6 |

(2) Non-consolidated financial position

| | Total assets | | Net assets | | Equity ratio | Book value per share |
|--------|-----------------|-----------------|-----------------|-----------------|--------------|----------------------|
| | Millions of yen | Millions of yen | Millions of yen | Millions of yen | % | Yen |
| FY2017 | 5,486 | 4,064 | 4,064 | 4,064 | 74.1 | 786.39 |
| FY2016 | 5,457 | 4,181 | 4,181 | 4,181 | 76.6 | 809.06 |

(Reference) Shareholder's equity: FY2017: 4,064 Million yen, FY2016: 4,181 Million yen

(3) Non-consolidated cash flows

| | Cash flows from operating activities | | Cash flows from investing activities | | Cash flows from financing activities | | Cash and cash equivalents at end of period |
|--------|--------------------------------------|-----------------|--------------------------------------|-----------------|--------------------------------------|-----------------|--|
| | Millions of yen | Millions of yen | Millions of yen | Millions of yen | Millions of yen | Millions of yen | |
| FY2017 | Δ 17 | 81 | 81 | Δ 155 | Δ 155 | 1,975 | |
| FY2016 | - | - | - | - | - | - | |

- Until FY2017, non-consolidated financial results were not disclosed. Therefore, the amounts of FY2016 are not disclosed.

2. Dividends

| | Annual dividends per share | | | | |
|------------------|----------------------------|------|-----|-------|-------|
| | Q1 | Q2 | Q3 | Q4 | Total |
| | Yen | Yen | Yen | Yen | Yen |
| FY2016 | - | 0.00 | - | 30.00 | 30.00 |
| FY2017 | - | 0.00 | - | 30.00 | 30.00 |
| FY2018(Forecast) | - | 0.00 | - | 30.00 | 30.00 |

(Notes) Changes from the previous forecast of dividends : None

3. Forecast of non-consolidated financial results for the FY2018(April 1, 2018 – March 31, 2019)

| | Net sales | | Operating profit | | Ordinary profit | | Net profit | | Earnings per share |
|-----------|-----------------|-----|------------------|-------|-----------------|-------|-----------------|-------|--------------------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | yen |
| Full year | 9,100 | 4.3 | 456 | 495.7 | 476 | 341.1 | 324 | 323.2 | 62.69 |

4. Notes

(1)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: | None |
| Changes in accounting policies due to other reasons: | None |
| Changes in accounting estimates | None |
| Restatement of period financial statements after error corrections: | None |

(2)Number of issued shares (Common shares)

Total number of issued shares(including treasury shares)

| | | | |
|--------|------------------|--------|------------------|
| FY2017 | 5,487,768 shares | FY2016 | 5,487,768 shares |
|--------|------------------|--------|------------------|

Number of treasury shares

| | | | |
|--------|----------------|--------|----------------|
| FY2017 | 319,428 shares | FY2016 | 319,188 shares |
|--------|----------------|--------|----------------|

Average number of shares

| | | | |
|--------|------------------|--------|------------------|
| FY2017 | 5,168,483 shares | FY2016 | 5,168,594 shares |
|--------|------------------|--------|------------------|

* Preparation of supplementary material on financial results (in Japanese)

- The material to be handed out in the financial results meeting for the analysts, scheduled on May 18, 2018, will be available for download from our web site after the meeting.

Non-consolidated Financial Statements

Non-consolidated Balance Sheets

(Thousand yen)

| | As of March 31,2017 | As of March 31,2018 |
|---------------------------------------|---------------------|---------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 2,046,734 | 1,975,051 |
| Notes receivable - trade | 2,678 | 1,299 |
| Accounts receivable - trade | 1,643,005 | 1,884,323 |
| Work in process | 33,661 | 50,265 |
| Prepaid expenses | 71,329 | 102,494 |
| Deferred tax assets | 128,345 | 153,464 |
| Other | 7,771 | 4,705 |
| Total current assets | 3,933,527 | 4,171,605 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings, net | 17,332 | 18,840 |
| Vehicles, net | 11,758 | 7,843 |
| Tools, furniture and fixtures, net | 16,814 | 16,709 |
| Land | 13,084 | 13,460 |
| Total property, plant and equipment | 58,990 | 56,854 |
| Intangible assets | | |
| Software | 20,824 | 18,598 |
| Other | 5,643 | 5,643 |
| Total intangible assets | 26,468 | 24,242 |
| Investments and other assets | | |
| Investment securities | 1,137,854 | 982,167 |
| Shares of subsidiaries and associates | 141,332 | 76,399 |
| Long-term loans receivable | 14,000 | 12,000 |
| Other | 144,910 | 163,604 |
| Total investments and other assets | 1,438,096 | 1,234,171 |
| Total non-current assets | 1,523,556 | 1,315,267 |
| Total assets | 5,457,083 | 5,486,873 |

(Thousand yen)

| | As of March 31,2017 | As of March 31,2018 |
|---|---------------------|---------------------|
| Liabilities | | |
| Current liabilities | | |
| Accounts payable - trade | 250,707 | 325,614 |
| Short-term loans payable | 50,000 | - |
| Accounts payable - other | 65,450 | 118,973 |
| Accrued expenses | 123,932 | 122,243 |
| Income taxes payable | 109,544 | 17,013 |
| Accrued consumption taxes | 76,403 | 72,191 |
| Advances received | 13,594 | 20,779 |
| Deposits received | 23,519 | 61,952 |
| Provision for bonuses | 315,857 | 329,843 |
| Provision for loss on projects | 6,160 | 96,687 |
| Total current liabilities | 1,035,172 | 1,165,299 |
| Non-current liabilities | | |
| Deferred tax liabilities | 43,172 | 11,150 |
| Provision for retirement benefits | 193,768 | 242,827 |
| Provision for directors' retirement benefits | 3,275 | 3,275 |
| Total non-current liabilities | 240,216 | 257,252 |
| Total liabilities | 1,275,388 | 1,422,552 |
| Net assets | | |
| Shareholders' equity | | |
| Capital stock | 491,031 | 491,031 |
| Capital surplus | | |
| Legal capital surplus | 492,898 | 492,898 |
| Other capital surplus | 27 | 27 |
| Total capital surpluses | 492,926 | 492,926 |
| Retained earnings | | |
| Legal retained earnings | 29,890 | 29,890 |
| Other retained earnings | | |
| General reserve | 830,000 | 830,000 |
| Retained earnings brought forward | 2,324,019 | 2,245,513 |
| Total retained earnings | 3,183,909 | 3,105,403 |
| Treasury shares | (222,890) | (223,122) |
| Total shareholders' equity | 3,944,976 | 3,866,238 |
| Valuation and translation adjustments | | |
| Valuation difference on available-for-sale securities | 236,717 | 198,082 |
| Total valuation and translation adjustments | 236,717 | 198,082 |
| Total net assets | 4,181,694 | 4,064,320 |
| Total liabilities and net assets | 5,457,083 | 5,486,873 |

Non-consolidated Statements of Income

(Thousand yen)

| | For the fiscal year ended March 31,2017 | For the fiscal year ended March 31,2018 |
|--|--|--|
| Net sales | 8,053,528 | 8,724,917 |
| Cost of sales | 6,888,472 | 7,851,447 |
| Gross profit | 1,165,056 | 873,470 |
| Selling, general and administrative expenses | | |
| Salaries and bonuses | 281,387 | 291,823 |
| Directors' compensations | 90,717 | 77,241 |
| Provision for bonuses | 24,247 | 21,994 |
| Retirement benefit expenses | 12,199 | 13,046 |
| Depreciation | 15,596 | 17,635 |
| Rent expenses | 84,538 | 79,310 |
| Other | 289,323 | 295,875 |
| Total selling, general and administrative expenses | 798,009 | 796,927 |
| Operating profit | 367,046 | 76,543 |
| Non-operating income | | |
| Interest income | 24 | 19 |
| Interest on securities | 1,426 | 842 |
| Dividend income | 23,690 | 24,394 |
| Business advisory fee | 3,600 | 1,800 |
| Other | 4,383 | 4,678 |
| Total non-operating income | 33,124 | 31,734 |
| Non-operating expenses | | |
| Interest expenses | 709 | 355 |
| Other | 1 | 3 |
| Total non-operating expenses | 710 | 359 |
| Ordinary profit | 399,460 | 107,919 |
| Extraordinary income | | |
| Gain on sales of non-current assets | 24,752 | - |
| Total extraordinary income | 24,752 | - |
| Extraordinary losses | | |
| Loss on valuation of shares of subsidiaries and associates | 59,767 | - |
| Loss on extinguishment of tie-in shares | - | 1,341 |
| Total extraordinary losses | 59,767 | 1,341 |
| Profit before income taxes | 364,446 | 106,577 |
| Income taxes - current | 148,514 | 70,117 |
| Income taxes - deferred | (15,568) | (40,090) |
| Total income taxes | 132,946 | 30,026 |
| Net profit | 231,499 | 76,550 |

Non-consolidated Statements of Changes in Net Assets

For the fiscal year ended March 31,2017

(Thousand yen)

| | Shareholders' equity | | | | | | | |
|--|----------------------|-----------------------|-----------------------|-----------------------|-------------------------|-------------------|-----------------------------------|-------------------------|
| | Capital stock | Capital surplus | | | Legal retained earnings | Retained earnings | | Total retained earnings |
| | | Legal capital surplus | Other capital surplus | Total capital surplus | | General reserve | Retained earnings brought forward | |
| Balance at beginning of current period | 491,031 | 492,898 | 19 | 492,918 | 29,890 | 830,000 | 2,247,576 | 3,107,466 |
| Changes of items during period | | | | | | | | |
| Dividends of surplus | | | | | | | (155,056) | (155,056) |
| Net profit | | | | | | | 231,499 | 231,499 |
| Purchase of treasury shares | | | | | | | | |
| Disposal of treasury shares | | | 7 | 7 | | | | |
| Net changes of items other than shareholders' equity | | | | | | | | |
| Total changes of items during period | - | - | 7 | 7 | - | - | 76,442 | 76,442 |
| Balance at end of current period | 491,031 | 492,898 | 27 | 492,926 | 29,890 | 830,000 | 2,324,019 | 3,183,909 |

| | Shareholders' equity | | Valuation and translation adjustments | | Total net assets |
|--|----------------------|----------------------------|---|---|------------------|
| | Treasury shares | Total shareholders' equity | Valuation difference on available-for-sale securities | Total valuation and translation adjustments | |
| Balance at beginning of current period | (222,893) | 3,868,522 | 37,537 | 37,537 | 3,906,060 |
| Changes of items during period | | | | | |
| Dividends of surplus | | (155,056) | | | (155,056) |
| Net profit | | 231,499 | | | 231,499 |
| Purchase of treasury shares | (52) | (52) | | | (52) |
| Disposal of treasury shares | 55 | 62 | | | 62 |
| Net changes of items other than shareholders' equity | | | 199,180 | 199,180 | 199,180 |
| Total changes of items during period | 3 | 76,453 | 199,180 | 199,180 | 275,633 |
| Balance at end of current period | (222,890) | 3,944,976 | 236,717 | 236,717 | 4,181,694 |

For the fiscal year ended March 31,2018

(Thousand yen)

| | Shareholders' equity | | | | | | | |
|--|----------------------|-----------------------|-----------------------|-----------------------|-------------------------|-------------------|-----------------------------------|-------------------------|
| | Capital stock | Capital surplus | | | Legal retained earnings | Retained earnings | | Total retained earnings |
| | | Legal capital surplus | Other capital surplus | Total capital surplus | | General reserve | Retained earnings brought forward | |
| Balance at beginning of current period | 491,031 | 492,898 | 27 | 492,926 | 29,890 | 830,000 | 2,324,019 | 3,183,909 |
| Changes of items during period | | | | | | | | |
| Dividends of surplus | | | | | | | (155,057) | (155,057) |
| Net profit | | | | | | | 76,550 | 76,550 |
| Purchase of treasury shares | | | | | | | | |
| Disposal of treasury shares | | | | | | | | |
| Net changes of items other than shareholders' equity | | | | | | | | |
| Total changes of items during period | - | - | - | - | - | - | (78,506) | (78,506) |
| Balance at end of current period | 491,031 | 492,898 | 27 | 492,926 | 29,890 | 830,000 | 2,245,513 | 3,105,403 |

| | Shareholders' equity | | Valuation and translation adjustments | | Total net assets |
|--|----------------------|----------------------------|---|---|------------------|
| | Treasury shares | Total shareholders' equity | Valuation difference on available-for-sale securities | Total valuation and translation adjustments | |
| Balance at beginning of current period | (222,890) | 3,944,976 | 236,717 | 236,717 | 4,181,694 |
| Changes of items during period | | | | | |
| Dividends of surplus | | (155,057) | | | (155,057) |
| Net profit | | 76,550 | | | 76,550 |
| Purchase of treasury shares | (231) | (231) | | | (231) |
| Disposal of treasury shares | | | | | - |
| Net changes of items other than shareholders' equity | | | (38,635) | (38,635) | (38,635) |
| Total changes of items during period | (231) | (78,738) | (38,635) | (38,635) | (117,373) |
| Balance at end of current period | (223,122) | 3,866,238 | 198,082 | 198,082 | 4,064,320 |

Non-consolidated Statements of Cash Flows

(Thousand yen)

| | For the fiscal year ended March 31, 2018 |
|--|---|
| Cash flows from operating activities | |
| Net profit before income taxes | 106,577 |
| Depreciation | 23,015 |
| Increase (decrease) in provision for bonuses | 13,985 |
| Increase (decrease) in provision for loss on project contracts | 90,526 |
| Increase (decrease) in provision for retirement benefits | 49,058 |
| Interest and dividend income | (25,256) |
| Decrease (increase) in notes and accounts receivable - trade | (236,539) |
| Decrease (increase) in inventories | (16,604) |
| Increase (decrease) in notes and accounts payable - trade | 74,906 |
| Loss (gain) on extinguishment of tie-in shares | 1,341 |
| Increase (decrease) in accrued consumption taxes | (4,321) |
| Other, net | 33,967 |
| Subtotal | 110,657 |
| Interest and dividend income received | 25,843 |
| Income taxes paid | (153,595) |
| Net cash provided by (used in) operating activities | (17,094) |
| Cash flows from investing activities | |
| Collection of short-term loans receivable | 2,200 |
| Proceeds from redemption of securities | 100,000 |
| Purchase of property, plant and equipment | (9,311) |
| Purchase of intangible assets | (6,182) |
| Proceeds from maturity of insurance funds | 13,999 |
| Payments for lease and guarantee deposits | (19,942) |
| Proceeds from collection of lease and guarantee deposits | 414 |
| Net cash provided by (used in) investing activities | 81,177 |
| Cash flows from financing activities | |
| Purchase of treasury shares | (234) |
| Cash dividends paid | (155,113) |
| Net cash provided by (used in) financing activities | (155,347) |
| Net increase (decrease) in cash and cash equivalents | (91,265) |
| Cash and cash equivalents at beginning of period | 2,046,734 |
| Increase (decrease) in cash and cash equivalents resulting from merger of subsidiaries | 19,582 |
| Cash and cash equivalents at end of period | 1,975,051 |