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Summary of Non-consolidated Financial Results for the First Quarter of the Fiscal Year 2018

July 31, 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 filing of Quarterly Business Report: August 7, 2018
 Preparation of supplementary on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Non-consolidated financial results for the Q1 of FY2018 (April 1, 2018 – June 30, 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	%
FY2018 Q1	2,221	-	86	-	93	-	64	-
FY2017 Q1	-	-	-	-	-	-	-	-

	Earnings per share	Earnings per share (Diluted)
	Yen	Yen
FY2018 Q1	12.51	-
FY2017 Q1	-	-

- Until FY2017 Q2, non-consolidated financial results were not disclosed. Therefore, the amounts and percentages of FY2017 Q1 are not disclosed.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Book value per share
	Millions of yen	Millions of yen	%	Yen
FY2018 Q1	5,421	4,111	75.8	795.45
FY2017	5,475	4,064	74.2	786.39

(Reference) Shareholder's equity: FY2018 Q1: 4,111 Million yen, FY2017: 4,064 Million yen

2. Dividends

	Annual dividends per share				
	Q1	Q2	Q3	Q4	Total
	Yen	Yen	Yen	Yen	Yen
FY2017	-	0.00	-	30.00	30.00
FY2018	-	-	-	-	-
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

(Notes) Changes from the previous forecast of financial results : None

4. Notes

(1)Application of special accounting method for preparing quarterly non-consolidated financial statements. None

(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: None

Changes in accounting policies due to other reasons: None

Changes in accounting estimates: None

Restatement of prior period financial statements after error corrections: None

(3)Number of issued shares (Common shares)

Total number of issued shares(including treasury shares)

FY2018 Q1	5,487,768 shares	FY2017	5,487,768 shares
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Number of treasury shares

FY2018 Q1	319,428 shares	FY2017	319,428 shares
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Average number of shares

FY2018 Q1	5,168,340 shares	FY2017 Q1	5,168,580 shares
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Quarterly Non-consolidated Financial Statements

Quarterly Non-consolidated Balance Sheets

(Thousand yen)

	As of March 31,2018	As of June 30,2018
Assets		
Current assets		
Cash and deposits	1,975,051	1,776,780
Notes and accounts receivable - trade	1,885,623	1,899,350
Work in process	50,265	88,585
Prepaid expenses	102,494	80,559
Other	4,705	5,246
Total current assets	4,018,140	3,850,523
Non-current assets		
Property, plant and equipment		
Buildings, net	18,840	26,857
Vehicles, net	7,843	7,190
Tools, furniture and fixtures, net	16,709	17,646
Land	13,460	13,460
Total property, plant and equipment	56,854	65,154
Intangible assets		
Software	18,598	17,495
Other	5,643	5,643
Total intangible assets	24,242	23,139
Investments and other assets		
Investment securities	982,167	1,179,923
Shares of subsidiaries and associates	76,399	76,399
Long-term loans receivable	12,000	11,400
Long-term prepaid expenses	27,084	24,558
Deferred tax assets	142,314	53,935
Other	136,519	136,301
Total investments and other assets	1,376,485	1,482,518
Total non-current assets	1,457,582	1,570,812
Total assets	5,475,722	5,421,336

(Thousand yen)

	As of March 31,2018	As of June 30,2018
Liabilities		
Current liabilities		
Accounts payable - trade	325,614	252,509
Accounts payable - other	118,973	206,832
Accrued expenses	122,243	101,927
Income taxes payable	17,013	4,784
Accrued consumption taxes	72,191	96,615
Advances received	20,779	40,868
Deposits received	61,952	158,341
Provision for bonuses	329,843	193,239
Provision for loss on projects	96,687	850
Total current liabilities	1,165,299	1,055,968
Non-current liabilities		
Provision for retirement benefits	242,827	250,942
Provision for directors' retirement benefits	3,275	3,275
Total non-current liabilities	246,102	254,217
Total liabilities	1,411,402	1,310,186
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	2,245,513	2,155,139
Total retained earnings	3,105,403	3,015,029
Treasury shares	(223,122)	(223,122)
Total shareholders' equity	3,866,238	3,775,864
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	198,082	335,285
Total valuation and translation adjustments	198,082	335,285
Total net assets	4,064,320	4,111,149
Total liabilities and net assets	5,475,722	5,421,336

Quarterly Non-consolidated Statements of Income

Quarterly Non-consolidated Statements of Income (For the three months)

(Thousand yen)

	For the three months ended June 30,2018
Net sales	2,221,759
Cost of sales	1,894,287
Gross profit	327,472
Selling, general and administrative expenses	241,317
Operating profit	86,155
Non-operating income	
Dividend income	6,497
Other	397
Total non-operating income	6,894
Ordinary profit	93,049
Profit before income taxes	93,049
Income taxes - current	547
Income taxes - deferred	27,825
Total income taxes	28,372
Profit	64,676