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## Summary of Non-consolidated Financial Results for the Year Ended March 31, 2020

May 14, 2020

Company name: Quest Co., Ltd.  
 Stock exchanges: TSE JASDAQ(Standard)  
 Stock code: 2332 URL <https://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 18, 2020  
 Scheduled date of filing Securities Report: June 19, 2020  
 Scheduled date of commence dividend payments: June 19, 2020  
 Preparation of supplementary material on financial results: Yes (in Japanese)  
 Holding of financial results meeting: None

(Amounts less than one million yen are rounded down)

### 1. Non-consolidated financial results for the year ended March of FY2019 (April 1, 2019 – March 31, 2020)

#### (1) Non-consolidated operating results (Percentage figures are changes from the previous fiscal year)

	Net sales		Operating profit		Ordinary profit		Net profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2019	10,314	8.0	736	19.9	768	19.5	342	△ 23.7
FY2018	9,551	9.5	614	702.6	643	495.9	448	485.8

	Earnings per share	Earnings per share (Diluted)	Return on Equity	Return on Assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
FY2019	66.17	-	7.7	12.2	7.1
FY2018	86.77	-	10.6	11.0	6.4

(Reference)Equity earnings of affiliated company: FY2019: 2 Million yen, FY2018: 5 Million yen

#### (2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Book value per share
	Millions of yen	Millions of yen	%	Yen
FY2019	6,323	4,528	71.6	874.75
FY2018	6,240	4,387	70.3	848.86

(Reference)Shareholder's equity: FY2019: 4,528 Million yen, FY2018: 4,387 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
FY2019	634	△ 22	△ 173	2,693
FY2018	426	8	△ 155	2,254

### 2. Dividends

	Annual dividends per share				
	Q1	Q2	Q3	Q4	Total
	Yen	Yen	Yen	Yen	Yen
FY2018	-	0.00	-	33.00	33.00
FY2019	-	0.00	-	35.00	35.00
FY2020(Forecast)	-	0.00	-	35.00	35.00

3. Forecast of non-consolidated financial results for the FY2020(April 1, 2020 – March 31, 2021)

(Percentage figures are changes from the corresponding period of the previous fiscal year)

	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	10,521	2.0	742	0.7	772	0.4	533	55.7	103.01

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 prior period financial statements after error corrections:	None

(2)Number of issued shares (Common shares)

Total number of issued shares(including treasury shares)

FY2019	5,487,768 shares	FY2018	5,487,768 shares
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Number of treasury shares

FY2019	310,800 shares	FY2018	319,606 shares
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Average number of shares

FY2019	5,174,437 shares	FY2018	5,168,294 shares
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\* This document is not within the scope of the auditing process by the external auditor.

\* Cautionary statement concerning appropriate use of financial forecasts and other explanatory notes

- The financial forecasts contained in this document are based on the information currently available and certain assumptions deemed reasonable. Actual results may vary from these forecasts for various reasons.

Non-consolidated Financial Statements

Non-consolidated Balance Sheets

(Thousand yen)

	As of March 31,2019	As of March 31,2020
<b>Assets</b>		
Current assets		
Cash and deposits	2,254,311	2,693,425
Notes receivable - trade	10,895	6,554
Accounts receivable - trade	2,304,639	2,211,794
Work in process	34,021	29,269
Prepaid expenses	91,707	104,643
Other	4,286	5,533
Total current assets	4,699,862	5,051,221
Non-current assets		
Property, plant and equipment		
Buildings, net	21,302	22,257
Vehicles, net	5,231	3,489
Tools, furniture and fixtures, net	24,258	24,108
Land	376	376
Leased assets, net	-	12,800
Total property, plant and equipment	51,169	63,031
Intangible assets		
Software	14,795	18,147
Other	5,643	5,643
Total intangible assets	20,439	23,791
Investments and other assets		
Investment securities	1,024,754	695,766
Shares of subsidiaries and associates	76,399	76,399
Long-term loans receivable	9,600	7,200
Long-term prepaid expenses	48,642	46,367
Deferred tax assets	183,440	233,766
Other	125,938	125,521
Total investments and other assets	1,468,774	1,185,020
Total non-current assets	1,540,383	1,271,843
Total assets	6,240,246	6,323,065

(Thousand yen)

	As of March 31,2019	As of March 31,2020
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	301,450	309,306
Lease obligations	-	3,333
Accounts payable - other	140,650	78,267
Accrued expenses	150,243	162,530
Income taxes payable	256,073	86,198
Accrued consumption taxes	121,832	186,259
Advances received	36,725	35,926
Deposits received	64,867	31,471
Provision for bonuses	495,383	591,749
Provision for loss on projects	150	240
Total current liabilities	1,567,376	1,485,283
Non-current liabilities		
Lease obligations	-	10,913
Provision for retirement benefits	282,528	295,055
Provision for retirement benefits for directors (and other officers)	3,275	3,275
Total non-current liabilities	285,803	309,244
<b>Total liabilities</b>	<b>1,853,180</b>	<b>1,794,527</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	491,031	491,031
Capital surplus		
Legal capital surplus	492,898	492,898
Other capital surplus	27	1,985
Total capital surpluses	492,926	494,884
Retained earnings		
Legal retained earnings	29,890	29,890
Other retained earnings		
General reserve	830,000	830,000
Retained earnings brought forward	2,538,912	2,710,750
Total retained earnings	3,398,802	3,570,640
Treasury shares	(223,322)	(217,218)
Total shareholders' equity	4,159,437	4,339,336
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	227,629	189,200
Total valuation and translation adjustments	227,629	189,200
<b>Total net assets</b>	<b>4,387,066</b>	<b>4,528,537</b>
<b>Total liabilities and net assets</b>	<b>6,240,246</b>	<b>6,323,065</b>

## Non-consolidated Statements of Income

(Thousand yen)

	For the fiscal year ended March 31,2019	For the fiscal year ended March 31,2020
Net sales	9,551,514	10,314,527
Cost of sales	8,097,298	8,670,369
Gross profit	1,454,216	1,644,157
Selling, general and administrative expenses		
Salaries and bonuses	302,176	340,786
Remuneration for directors (and other officers)	69,418	73,967
Provision for bonuses	33,484	41,324
Retirement benefit expenses	11,389	10,651
Depreciation	15,406	16,489
Rent expenses	81,130	85,874
Other	326,839	338,305
Total selling, general and administrative expenses	839,844	907,398
Operating profit	614,371	736,758
Non-operating income		
Interest income	19	22
Dividend income	27,290	31,668
Other	1,404	802
Total non-operating income	28,714	32,493
Non-operating expenses		
Interest expenses	-	695
Commission for purchase of treasury shares	1	1
Other	0	0
Total non-operating expenses	1	696
Ordinary profit	643,084	768,555
Extraordinary income		
Gain on sales of non-current assets	12,682	-
Total extraordinary income	12,682	-
Extraordinary losses		
Loss on valuation of investment securities	-	273,600
Loss on valuation of golf club membership	5,100	-
Total extraordinary losses	5,100	273,600
Profit before income taxes	650,667	494,955
Income taxes - current	256,383	185,934
Income taxes - deferred	(54,166)	(33,365)
Total income taxes	202,217	152,568
Profit	448,449	342,386

Non-consolidated Statements of Changes in Net Assets  
For the fiscal year ended March 31,2019

(Thousand yen)

	Shareholders' equity							
	Share capital	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 period	491,031	492,898	27	492,926	29,890	830,000	2,245,513	3,105,403
Changes during period								
Dividends of surplus							(155,050)	(155,050)
Profit							448,449	448,449
Purchase of treasury shares								
Disposal of treasury shares								
Net changes in items other than shareholders' equity								
Total changes during period	-	-	-	-	-	-	293,399	293,399
Balance at end of period	491,031	492,898	27	492,926	29,890	830,000	2,538,912	3,398,802

	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 period	(223,122)	3,866,238	198,082	198,082	4,064,320
Changes during period					
Dividends of surplus		(155,050)			(155,050)
Profit		448,449			448,449
Purchase of treasury shares	(200)	(200)			(200)
Disposal of treasury shares					-
Net changes in items other than shareholders' equity			29,546	29,546	29,546
Total changes during period	(200)	293,199	29,546	29,546	322,746
Balance at end of period	(223,322)	4,159,437	227,629	227,629	4,387,066

For the fiscal year ended March 31,2020

(Thousand yen)

	Shareholders' equity							
	Share capital	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 period	491,031	492,898	27	492,926	29,890	830,000	2,538,912	3,398,802
Changes during period								
Dividends of surplus							(170,549)	(170,549)
Profit							342,386	342,386
Purchase of treasury shares								
Disposal of treasury shares			1,957	1,957				
Net changes in items other than shareholders' equity								
Total changes during period	-	-	1,957	1,957	-	-	171,837	171,837
Balance at end of period	491,031	492,898	1,985	494,884	29,890	830,000	2,710,750	3,570,640

	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 period	(223,322)	4,159,437	227,629	227,629	4,387,066
Changes during period					
Dividends of surplus		(170,549)			(170,549)
Profit		342,386			342,386
Purchase of treasury shares	(133)	(133)			(133)
Disposal of treasury shares	6,237	8,195			8,195
Net changes in items other than shareholders' equity			(38,428)	(38,428)	(38,428)
Total changes during period	6,103	179,899	(38,428)	(38,428)	141,470
Balance at end of period	(217,218)	4,339,336	189,200	189,200	4,528,537

## Non-consolidated Statements of Cash Flows

(Thousand yen)

	For the fiscal year ended March 31,2019	For the fiscal year ended March 31,2020
<b>Cash flows from operating activities</b>		
Profit before income taxes	650,667	494,955
Depreciation	22,336	25,489
Increase (decrease) in provision for bonuses	165,539	96,366
Increase (decrease) in provision for loss on project contracts	(96,536)	89
Increase (decrease) in provision for retirement benefits	39,700	12,527
Share-based remuneration expenses	-	6,111
Interest and dividend income	(27,309)	(31,690)
Interest expenses	-	695
Loss (gain) on sales of non-current assets	(12,682)	-
Loss (gain) on valuation of securities	-	273,600
Loss on valuation of golf club memberships	5,100	-
Decrease (increase) in trade receivables	(429,912)	97,185
Decrease (increase) in inventories	16,243	4,752
Decrease (increase) in prepaid expenses	10,786	(10,898)
Increase (decrease) in trade payables	(24,163)	7,855
Increase (decrease) in accounts payable - other	20,520	(62,836)
Increase (decrease) in advances received	15,945	(798)
Increase (decrease) in deposits received	2,915	(33,396)
Increase (decrease) in accrued expenses	26,301	15,772
Increase (decrease) in accrued consumption taxes	49,640	65,867
Other, net	(4,534)	(7,775)
Subtotal	430,558	953,871
Interest and dividends received	27,309	31,690
Interest paid	-	(695)
Income taxes paid	(38,240)	(350,023)
Income taxes refund	7,068	-
Net cash provided by (used in) operating activities	426,695	634,843
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(23,896)	(13,628)
Proceeds from sales of property, plant and equipment	30,296	-
Purchase of intangible assets	(4,539)	(10,821)
Collection of short-term loans receivable	2,400	2,400
Payments of leasehold and guarantee deposits	(148)	(167)
Proceeds from refund of leasehold and guarantee deposits	3,896	130
Net cash provided by (used in) investing activities	8,008	(22,086)
<b>Cash flows from financing activities</b>		
Repayments of lease obligations	-	(3,192)
Purchase of treasury shares	(202)	(135)
Proceeds from disposal of treasury shares	-	47
Dividends paid	(155,242)	(170,361)
Net cash provided by (used in) financing activities	(155,444)	(173,642)
Net increase (decrease) in cash and cash equivalents	279,259	439,114
Cash and cash equivalents at beginning of period	1,975,051	2,254,311
Cash and cash equivalents at end of period	2,254,311	2,693,425