

**Summary of Consolidated Financial Results for the First Quarter  
of the Fiscal Year Ending March 31, 2019  
(Three Months Ended June 30, 2018)**

**[Japanese GAAP]**

July 31, 2018

Company name: QUICK CO., LTD.

Stock code: 4318

Representative: Tsutomu Wano, President

Contact: Yasuhiko Hirata, Director, Executive Officer,  
General Manager of Administration and Accounting Division  
Tel: +81-6-6366-0919

Listing: First Section, Tokyo Stock Exchange

URL: <https://919.jp/>

Scheduled date of filing of Quarterly Report:

August 10, 2018

Scheduled date of payment of dividend:

-

Preparation of supplementary materials for quarterly financial results: None

Holding of quarterly financial results meeting:

None

*(All amounts are rounded down to the nearest million yen.)*

**1. Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2019  
(April 1, 2018 – June 30, 2018)**

**(1) Consolidated results of operations**

*(Percentages represent year-on-year changes.)*

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended Jun. 30, 2018	5,733	18.9	1,790	25.0	1,799	22.3	1,225	16.9
Three months ended Jun. 30, 2017	4,823	15.6	1,432	10.8	1,471	11.8	1,047	17.2

Note: Comprehensive income (millions of yen) Three months ended Jun. 30, 2018: 1,310 (up 23.7%)

Three months ended Jun. 30, 2017: 1,059 (up 16.7%)

	Net income per share	Diluted net income per share
	Yen	Yen
Three months ended Jun. 30, 2018	65.21	-
Three months ended Jun. 30, 2017	55.77	-

**(2) Consolidated financial position**

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of Jun. 30, 2018	11,231	7,924	70.5	421.20
As of Mar. 31, 2018	10,451	6,977	66.6	370.72

Reference: Shareholders' equity (millions of yen) As of Jun. 30, 2018: 7,913 As of Mar. 31, 2018: 6,964

**2. Dividends**

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Mar. 31, 2018	-	17.00	-	18.00	35.00
Fiscal year ending Mar. 31, 2019	-				
Fiscal year ending Mar. 31, 2019 (forecast)		19.00	-	19.00	38.00

Note: Revisions to the most recently announced dividend forecast: None

**3. Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2019 (April 1, 2018 – March 31, 2019)**

*(Percentages represent year-on-year changes.)*

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	9,695	15.4	1,929	13.9	1,951	11.8	1,351	10.0	71.95
Full year	18,500	10.3	2,300	4.6	2,530	10.0	1,753	7.8	93.34

Note: Revisions to the most recently announced consolidated earnings forecast: None

**\* Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in changes in scope of consolidation): None

(2) Application of special accounting methods for presenting quarterly consolidated financial statements: None

(3) Changes in accounting policies and accounting-based estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, others: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting-based estimates: None

4) Restatements: None

(4) Number of shares outstanding (common shares)

1) Number of shares outstanding at the end of the period (including treasury shares)

As of Jun. 30, 2018:	19,098,576 shares	As of Mar. 31, 2018:	19,098,576 shares
----------------------	-------------------	----------------------	-------------------

2) Number of treasury shares at the end of the period

As of Jun. 30, 2018:	311,171 shares	As of Mar. 31, 2018:	311,127 shares
----------------------	----------------	----------------------	----------------

3) Average number of shares outstanding during the period

Three months ended Jun. 30, 2018:	18,787,444 shares	Three months ended Jun. 30, 2017:	18,787,541 shares
-----------------------------------	-------------------	-----------------------------------	-------------------

\* The current quarterly financial report is not subject to quarterly review by certified public accountants or accounting firms.

\* Explanation of appropriate use of earnings forecasts, and other special items

Cautionary statement with respect to forward-looking statements

Forecasts and forward-looking statements in these materials are based on assumptions judged to be valid and information available to the Company's management at the time the materials were prepared. These materials are not promises by the Company regarding future performance. Actual results may differ significantly from these forecasts for a number of reasons. For discussion of the assumptions and other factors considered by the Company in preparing the above projections, please refer to page 3 of the attachments "1. Qualitative Information on Quarterly Consolidated Financial Performance, (3) Explanation of Consolidated Forecast and Other Forward-looking Statements."

## 1. Qualitative Information on Quarterly Consolidated Financial Performance

### (1) Explanation of Results of Operations

During the first three months of the fiscal year ending March 31, 2019, the Japanese economy continued to recover at a moderate pace backed by improvements in corporate earnings and the employment situation. However, the economic outlook is uncertain, given the negative factors such as the impact of damages caused by heavy rain mainly in western Japan and concerns over the trade friction between the U.S. and China as well as increases in raw material cost and labor cost due respectively to high crude oil prices and the severe labor shortage in Japan.

In Japan's labor market, a shortage of workers is becoming more severe in various sectors, particularly at small and medium-sized companies. In May 2018, the seasonally adjusted job openings-to-applicants ratio was 1.60, and notably, the seasonally adjusted job openings-to-applicants ratio for full-time employees was record high of 1.10. The seasonally adjusted unemployment rate also stood at as low as 2.2%, indicating that Japan remains almost a full employment economy where all people who wish to work can work.

During the first quarter, the QUICK Group reinforced existing services, expanded operations in new strategic market sectors and developed new services. All activities are aimed at differentiating the QUICK Group from competitors and increasing customer satisfaction by helping solve recruiting and other labor-related problems at client companies. Meanwhile, the Group has used numerous measures to build a stronger foundation for business operations by aggressively recruiting people with outstanding skills and making other investments in human resources.

In the personnel placement category of the Human Resources Services Business, recruiting needs remained high primarily in the construction, civil engineering, and manufacturing sectors. As a result, the placements of professionals and technical staff to companies in these sectors expanded significantly. In addition, the business performance remained solid in the placements of nurses to hospitals and nursing care facilities with the peak of employment accession in April, amid the increasing competition with other companies to register people for job placements against a backdrop of strong recruiting needs. This is attributable to our efforts, including providing an extensive support to registrants for job placements, and further strengthening promotions.

Under such circumstances, QUICK took steps aimed at differentiating services from competitors and improving customer satisfaction by expanding services including renewing the website it operates.

In the temporary staffing, temporary-to-permanent staffing and business contracting categories, the temporary placement of workers in the medical and welfare sectors and of childcare workers remained steady. Demand also remained strong for the provision of temporary part-time workers for specialized jobs in the IT and internet-related sectors and for sales assistants and others since the use of part-time staff placement has become more recognized by and acceptable to client companies, reflecting the difficulty of recruiting full-time employees or securing full-time contractors due to the labor shortage associated with a declining unemployment rate in Japan.

Overall, the segment sales increased 20.0% year-on-year to 3,926 million yen and operating profit increased 27.8% year-on-year to 1,730 million yen.

In the Recruiting Business, the volume of recruiting advertisements for full-time employees in the mid-year hiring category increased against the backdrop of the increasing severity of the labor shortage in Japan mainly at small and medium-sized companies. The volume of recruiting advertisements for hiring part-time workers also remained firm.

Under these circumstances, we worked to strengthen consulting operations to improve the effect of recruiting advertisements, thereby raising customer satisfaction. In the new college graduate category, with the background of the student-dominant seller's market, the volume of business remained steady for advertisements on a website newly launched in June targeting students planning to graduate in March 2020 and searching for an intern position in addition to recruiting advertisements that target students expected to graduate in March 2019 and for services involving joint information meetings, exhibits and other recruiting events.

Overall, the segment sales increased 10.7% year-on-year to 901 million yen and operating profit increased 23.5% year-on-year to 197 million yen.

In the Information Publishing Business, we achieved solid performance in the posting service using flyers inserted in newspapers and other publications on top of the bookstore sale media such as “Iezukuri Navi,” a housing information magazine and “Kekkon Sanka,” a bridal information magazine for readers in Hokuriku. Moreover, the concierge services we operate under the “Cococolor” brand performed strong across all service lines of career change, house building, and wedding.

In June this year, we first published a free life-style magazine “Takaoka Joho” for distribution in Takaoka City, Toyama Prefecture, and started posting it in the area. As such, we developed a new market by leveraging our know-how of the existing services.

Overall, the segment sales increased 3.6% year-on-year to 451 million yen and operating profit increased 820.4% year-on-year to 27 million yen.

In other businesses, the advertising revenues at “Nihon no Jinjibu” (Japan’s Human Resources Department), an information portal site for human resources and labor relations, steadily expanded in the Internet-Related Business.

In response to the strong demand for this type of information, we published an interview-based magazine titled “Nihon no Jinjibu Leaders” Vol. 6 in April as part of branding reinforcement measures for “Nihon no Jinjibu.” Further in May, we organized human resources events “HR Conference 2018 Spring” in Tokyo and Osaka. Thanks to our lineup of HR technology and many other high-profile programs in the HR field, we had a record-high number of visitors over 12,000 and achieved a new record-high sales, contributing greatly to our earnings growth.

In the Overseas Business, QUICK USA, Inc. expanded business performance in personnel placement and temporary staffing by providing services finely tuned to cater for to both recruitment companies and job seekers and revising prices amid further intensified competition for acquiring job seekers with working qualification within the US due to the tightening of labor visa acquisition for foreigners.

Shanghai QUICK CO. LTD. expanded its business performance of recruitment consulting as a result of strengthening its sales structure in addition to the favorable results of personnel and labor consulting services for education and training and personnel system design.

QUICK GLOBAL MEXICO, S.A. DE C.V. continued enjoying strong demand from locally operated Japanese automakers for interpreters, salespeople and production controllers. In addition, the company successfully seized growing opportunities of recruitment support for local Japanese companies in the sectors other than the automobile sector including financial services and trading. However, the business performance stagnated because of protracted consulting periods in many cases.

Centre People Appointments LTD. steadily expanded the business performance of personnel placement by strengthening the sales structure. QUICK VIETNAM CO., LTD. also had an excellent performance of personnel placement for local Japanese companies entering the Vietnam market. Moreover, QUICK GLOBAL CO., LTD. provided services to support foreign operations including a support for QUICK GLOBAL MEXICO, S.A. DE C.V. to acquire new registrants and market research for establishing new offices.

Overall, sales of other businesses increased 50.9% year-on-year to 454 million yen and operating profit increased 28.6% year-on-year to 91 million yen.

As a result of these factors, sales and earnings set a new first quarter record just as in the first quarter of the previous fiscal year. Net sales increased 18.9% year-on-year to 5,733 million yen, operating profit increased 25.0% year-on-year to 1,790 million yen, ordinary profit increased 22.3% year-on-year to 1,799 million yen, and profit attributable to owners of parent increased 16.9% year-on-year to 1,225 million yen.

**(2) Explanation of Financial Position**

Total assets at the end of the first quarter of the fiscal year under review were 11,231 million yen, which was 780 million yen more than at the end of the previous fiscal year. This was mainly the result of increases in cash and deposits and investment securities despite a decrease in notes and accounts receivable-trade.

Total liabilities were 3,306 million yen, which was 167 million yen less than at the end of the previous fiscal year. This was mainly the result of decreases in accounts payable-trade and provision for bonuses despite increases in income taxes payable and accrued consumption taxes.

Total net assets were 7,924 million yen, which was 947 million yen more than at the end of the previous fiscal year. This was mainly the result of an increase in retained earnings due to the booking of profit attributable to owners of parent. Consequently, the shareholders' equity ratio improved 3.9 percentage points from the end of the previous fiscal year to 70.5%.

**(3) Explanation of Consolidated Forecast and Other Forward-looking Statements**

At this point, there are no revisions to the first-half and the full-year consolidated earnings forecasts for the fiscal year ending March 31, 2019 that was announced in the "Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2018 (Japanese GAAP)" on April 27, 2018.

An announcement will be made promptly if the review of impact on the Group's business performance requires a revision to these forecasts.

**2. Quarterly Consolidated Financial Statements and Notes****(1) Quarterly Consolidated Balance Sheet**

	(Thousands of yen)	
	FY3/18 (As of Mar. 31, 2018)	First quarter of FY3/19 (As of Jun. 30, 2018)
Assets		
Current assets		
Cash and deposits	5,044,883	6,176,365
Notes and accounts receivable-trade	1,997,915	1,630,738
Other	380,119	290,954
Allowance for doubtful accounts	(1,443)	(1,471)
Total current assets	7,421,474	8,096,587
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	531,709	521,495
Vehicles, net	6,838	6,307
Tools, furniture and fixtures, net	90,012	85,290
Land	276,869	276,869
Leased assets, net	8,022	13,536
Construction in progress	70,811	156,320
Total property, plant and equipment	984,264	1,059,818
Intangible assets		
Goodwill	143,708	137,062
Leased assets	6,224	4,408
Other	192,428	192,394
Total intangible assets	342,361	333,865
Investments and other assets		
Investment securities	1,100,759	1,176,968
Lease deposits	510,491	510,228
Deferred tax assets	40,670	20,460
Other	62,250	38,929
Allowance for doubtful accounts	(11,105)	(5,280)
Total investments and other assets	1,703,065	1,741,305
Total non-current assets	3,029,691	3,134,989
Total assets	10,451,165	11,231,577

	(Thousands of yen)	
	FY3/18 (As of Mar. 31, 2018)	First quarter of FY3/19 (As of Jun. 30, 2018)
Liabilities		
Current liabilities		
Accounts payable-trade	655,473	286,754
Short-term loans payable	188,300	239,000
Accounts payable-other	889,392	810,686
Accrued expenses	442,178	475,795
Income taxes payable	342,450	531,096
Accrued consumption taxes	235,419	336,054
Provision for bonuses	359,642	154,877
Provision for repayment	17,100	17,900
Other	190,049	204,748
Total current liabilities	3,320,007	3,056,912
Non-current liabilities		
Deferred tax liabilities	90,871	181,228
Asset retirement obligations	55,310	55,471
Other	7,886	13,006
Total non-current liabilities	154,068	249,706
Total liabilities	3,474,075	3,306,619
Net assets		
Shareholders' equity		
Capital stock	351,317	351,317
Capital surplus	307,998	307,998
Retained earnings	5,723,382	6,585,979
Treasury shares	(19,223)	(19,304)
Total shareholders' equity	6,363,475	7,225,990
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	586,784	680,384
Foreign currency translation adjustment	14,629	6,840
Total accumulated other comprehensive income	601,413	687,225
Non-controlling interests	12,201	11,742
Total net assets	6,977,090	7,924,958
Total liabilities and net assets	10,451,165	11,231,577

**(2) Quarterly Consolidated Statements of Income and Comprehensive Income****Quarterly Consolidated Statement of Income****(For the Three-month Period)**

	(Thousands of yen)	
	First three months of FY3/18 (Apr. 1, 2017 – Jun. 30, 2017)	First three months of FY3/19 (Apr. 1, 2018 – Jun. 30, 2018)
Net sales	4,823,465	5,733,747
Cost of sales	1,602,041	1,740,218
Gross profit	3,221,424	3,993,528
Selling, general and administrative expenses	1,788,594	2,203,143
Operating profit	1,432,829	1,790,385
Non-operating income		
Interest income	14	105
Dividend income	8,394	5,654
Book sales commission	5,258	-
Subsidy income	20,250	-
Other	6,609	5,905
Total non-operating income	40,525	11,665
Non-operating expenses		
Interest expenses	623	434
Foreign exchange losses	1,658	1,864
Other	50	44
Total non-operating expenses	2,331	2,343
Ordinary profit	1,471,023	1,799,706
Extraordinary losses		
Loss on retirement of non-current assets	-	1,746
Total extraordinary losses	-	1,746
Profit before income taxes	1,471,023	1,797,960
Income taxes-current	295,079	505,299
Income taxes-deferred	127,471	67,759
Total income taxes	422,551	573,058
Profit	1,048,471	1,224,902
Profit (loss) attributable to non-controlling interests	690	(308)
Profit attributable to owners of parent	1,047,781	1,225,210



**Quarterly Consolidated Statement of Comprehensive Income**  
**(For the Three-month Period)**

	(Thousands of yen)	
	First three months of FY3/18 (Apr. 1, 2017 – Jun. 30, 2017)	First three months of FY3/19 (Apr. 1, 2018 – Jun. 30, 2018)
Profit	1,048,471	1,224,902
Other comprehensive income		
Valuation difference on available-for-sale securities	14,252	93,600
Foreign currency translation adjustment	(3,038)	(7,939)
Total other comprehensive income	11,214	85,661
Comprehensive income	1,059,686	1,310,563
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,059,075	1,311,022
Comprehensive income attributable to non-controlling interests	610	(459)

**(3) Notes to Quarterly Consolidated Financial Statements****Going-concern Assumption**

Not applicable.

**Significant Changes in Shareholders' Equity**

Not applicable.

**Additional Information**

Application of Partial Amendments to Accounting Standard for Tax Effect Accounting, etc.

Effective from the beginning of the first quarter of the current fiscal year, the Company applied the Partial Amendments to Accounting Standard for Tax Effect Accounting (Accounting Standards Board of Japan (ASBJ) Statement No. 28, February 16, 2018) and other related pronouncements. Accordingly, deferred tax assets and deferred tax liabilities have been presented in the investments and other assets section and the non-current liabilities section of the consolidated balance sheet, respectively.

**Segment Information**

I. First three months of FY3/18 (Apr. 1, 2017 – Jun. 30, 2017)

1. Information pertaining to net sales and profit/loss in reportable segments

(Thousands of yen)

	Reportable Segment				Other (Note 1)	Total	Adjustment (Note 2)	Amount in the quarterly consolidated statement of income (Note 3)
	Human Resources Services Business	Recruiting Business	Information Publishing Business	Subtotal				
Net sales								
Sales to external customers	3,272,827	813,786	435,605	4,522,219	301,246	4,823,465	-	4,823,465
Inter-segment sales and transfers	793	676	1,660	3,129	10,216	13,346	(13,346)	-
Total	3,273,621	814,462	437,265	4,525,349	311,462	4,836,811	(13,346)	4,823,465
Segment profit	1,354,250	160,209	3,036	1,517,496	71,410	1,588,906	(156,076)	1,432,829

Notes: 1. "Other" represents the businesses which are not included in any of the reportable segments and mainly consists of the Internet-Related Business and the Overseas Business.

2. The (156,076) thousand yen adjustment to segment profit includes elimination for inter-segment transactions of 34,021 thousand yen, and (190,098) thousand yen in company-wide costs that cannot be allocated to any specific reportable segments. Company-wide costs consist primarily of expenses related to the administration division which are not attributable to any reportable segments, including general affairs and accounting at the Company.

3. Segment profit is adjusted with operating profit shown on the quarterly consolidated statement of income.

2. Information pertaining to impairment losses of non-current assets, goodwill, etc. in reportable segments

Not applicable.

## II. First three months of FY3/19 (Apr. 1, 2018 – Jun. 30, 2018)

## 1. Information pertaining to net sales and profit/loss in reportable segments

(Thousands of yen)

	Reportable Segment				Other (Note 1)	Total	Adjustment (Note 2)	Amount in the quarterly consolidated statement of income (Note 3)
	Human Resources Services Business	Recruiting Business	Information Publishing Business	Subtotal				
Net sales								
Sales to external customers	3,926,609	901,226	451,322	5,279,158	454,588	5,733,747	-	5,733,747
Inter-segment sales and transfers	176	1,757	2,781	4,715	9,630	14,346	(14,346)	-
Total	3,926,785	902,984	454,104	5,283,874	464,218	5,748,093	(14,346)	5,733,747
Segment profit	1,730,379	197,878	27,946	1,956,204	91,829	2,048,033	(257,647)	1,790,385

Notes: 1. "Other" represents the businesses which are not included in any of the reportable segments and mainly consists of Internet-Related Business and Overseas Business.

2. The (257,647) thousand yen adjustment to segment profit includes elimination for inter-segment transactions of 39,545 thousand yen, and (297,193) thousand yen in company-wide costs that cannot be allocated to any specific reportable segments. Company-wide costs consist primarily of expenses related to the administration division which are not attributable to any reportable segments, including general affairs and accounting at the Company.

3. Segment profit is adjusted with operating profit shown on the quarterly consolidated statement of income.

## 2. Information pertaining to impairment losses of non-current assets, goodwill, etc. in reportable segments

Not applicable.

*This summary report is solely a translation of "Kessan Tanshin" (in Japanese, including attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.*