

**Summary of Consolidated Financial Results for the Third Quarter
of the Fiscal Year Ending March 31, 2020
(Nine Months Ended December 31, 2019)**

[Japanese GAAP]

January 31, 2020

Company name: QUICK CO., LTD.

Listing: First Section, Tokyo Stock Exchange

Stock code: 4318

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

Representative: Tsutomu Wano, Chairman

Contact: Yasuhiko Hirata, Director, Executive Officer,
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Scheduled date of filing of Quarterly Report:

February 13, 2020

Scheduled date of payment of dividend:

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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 Third Quarter of the Fiscal Year Ending March 31, 2020
(April 1, 2019 – December 31, 2019)**

(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	%
Nine months ended Dec. 31, 2019	15,620	9.6	2,572	12.8	2,600	12.8	1,724	11.2
Nine months ended Dec. 31, 2018	14,252	16.6	2,279	19.4	2,305	16.2	1,550	11.5

Note: Comprehensive income (millions of yen) Nine months ended Dec. 31, 2019: 1,870 (up 23.5%)

Nine months ended Dec. 31, 2018: 1,513 (down 5.6%)

	Net income per share	Diluted net income per share
	Yen	Yen
Nine months ended Dec. 31, 2019	91.46	-
Nine months ended Dec. 31, 2018	82.38	-

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of Dec. 31, 2019	12,618	9,379	74.3	497.81
As of Mar. 31, 2019	12,592	8,358	66.4	443.19

Reference: Shareholders' equity (millions of yen) As of Dec. 31, 2019: 9,377 As of Mar. 31, 2019: 8,357

2. Dividends

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Mar. 31, 2019	-	19.00	-	23.00	42.00
Fiscal year ending Mar. 31, 2020	-	22.00	-		
Fiscal year ending Mar. 31, 2020 (forecast)				22.00	44.00

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

3. Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2020 (April 1, 2019 – March 31, 2020)

(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
Full year	20,940	9.2	2,920	13.1	2,950	4.7	1,995	1.5	105.84

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): Yes

Newly added: 1 (Kronos Co., Ltd.)

Excluded: -

(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 Dec. 31, 2019:	19,098,576 shares	As of Mar. 31, 2019:	19,098,576 shares
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2) Number of treasury shares at the end of the period

As of Dec. 31, 2019:	261,173 shares	As of Mar. 31, 2019:	241,173 shares
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3) Average number of shares outstanding during the period

Nine months ended Dec. 31, 2019:	18,850,712 shares	Nine months ended Dec. 31, 2018:	18,826,872 shares
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* 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 nine months of the fiscal year ending March 31, 2020, the Japanese economy continued to show a moderate recovery backed by improvements in the employment and income environment, although corporate earnings showed a sign of a decline particularly in the manufacturing industries. However, the outlook of domestic economy is becoming uncertain in view of a number of factors such as concerns over the slowdown in the world economy fueled by the trade friction between the U.S. and China, the slowdown in the Chinese economy, and the Brexit from the European Union, and the situation in the Middle East as well as the prospect of the manufacturing industries and the impact of the consumption tax hike on the domestic consumption.

In Japan's labor market, a shortage of workers is becoming even more severe in a wide range of sectors because of structural factors such as declines in the labor force and the working-age population caused by the declining birthrate and aging population. All the employment-related indicators in November 2019, continued to reflect Japan's labor shortage. Among others, the seasonally adjusted job openings-to-applicants ratio was 1.57 and the seasonally adjusted unemployment rate was 2.2%.

Given this business environment, the QUICK Group expanded operations in new strategic market sectors, developed new services and strengthened coordination between the group companies as well as continued reinforcing the existing services. All of these 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. Furthermore, the QUICK Group has been building a stronger foundation for business operations by aggressively recruiting people with outstanding skills and making other investments in human resources.

Since the beginning of the third quarter of the current fiscal year, Kronos Co., Ltd., has been included in the scope of consolidation due to the acquisition of its shares. As a result, the Internet-Related Business included in "Other" in the segment information has been renamed to the IT and Internet-Related Business, and the company has been included in this business category. We also newly established Shanghai Quick Human Resources CO., LTD. during the third quarter, which is now included in the scope of consolidation as part of the Overseas Business.

Under the situation mentioned above, the personnel placement category of the Human Resources Services Business enjoyed strong recruiting needs in the construction and civil engineering sector as well as in the semiconductor industry that is related to the spread of the fifth-generation (5G) mobile communication systems. On the other hand, some companies showed cautious attitude towards recruiting in view of the U.S.-China trade friction. In such circumstance, our efforts including focusing on selected clients and strengthening our sales activities resulted in steady expansion in the placements of professionals and technical staff to companies. The personnel placement business for nurses at hospitals, nursing care facilities and other health care facilities also maintained a solid performance, supported by vigorous recruiting needs, as we provided meticulous support for the registrants and conducted effective promotions amid intensifying competition brought by competitors that continued to enhance promotions and investments in human resources.

In the temporary staffing, temporary-to-permanent staffing and business contracting categories, the temporary staffing of nurses and childcare workers continued to show a favorable performance thanks to effective promotions to attract registrants in the medical and welfare sectors. Amid the ongoing situation where hiring regular employees and securing full-time temporary staff are difficult as a result of the improving employment situation in Japan, the business remained strong, also in the temporary staffing for highly specialized IT and internet-related jobs as well as clerical jobs, backed by increasing awareness among companies of benefits of using a part-time staffing service with fewer working days and working hours.

Overall, the segment sales increased 13.8% year-on-year to 10,020 million yen and operating profit increased 15.2% year-on-year to 2,186 million yen.

In the Recruiting Business, under the continuing student-dominant seller's market in the new college graduate category, the volume of business went well, particularly in the field of advertisements posted on our internship website and recruiting events, targeting students who will graduate in March 2021. Furthermore, in the mid-career

hiring domain, we enjoyed a significant growth of the job placement service under the “Indeed” brand, which started handling at full scale in the previous fiscal year. The business of recruiting advertisements to hire regular employees and part-time workers also remained resilient against the backdrop of the increasing severity of the labor shortage in Japan.

For some of our media for recruiting registration of temporary staff, the amount of sales decreased year-on-year. This is because, from December 2018, the form of contract was changed from the sales agency contract to the sales outsourcing contract, resulting in the recognition of sales reflecting handling commissions only. However, we saw a steady increase in gross profit, which is net sales less advertising expenses as cost of services purchase.

Overall, the segment sales decreased 3.0% year-on-year to 2,569 million yen but operating profit increased 5.1% year-on-year to 631 million yen.

In the Information Publishing Business, sales promotion sentiment of our client companies tended to decline due to lower personal consumption and housing acquisition demand due to the consumption tax hike. As a result, the performance of lifestyle information magazines and “Iezukuri Navi,” a housing information magazine, remained almost flat year-on-year. On the other hand, the volume of business of “Indeed,” which started in the second half of the previous fiscal year, expanded considerably thanks to the vigorous recruiting needs caused by personnel shortages.

Meanwhile, in the services other than media, sales from posting services including flyers inserted in newspapers remained solid. Moreover, the concierge services we operate under the “cococolor” brand also continued to perform well in all of the service lines of job change, house designing and wedding.

Overall, the segment sales increased 6.6% year-on-year to 1,542 million yen and operating profit increased 49.0% year-on-year to 145 million yen.

As for the Other businesses segment, in the IT and Internet-Related Business category, advertising revenue from “Nihon no Jinjibu” (Japan’s Human Resources Department), an information portal site for human resources and labor relations remained favorable, thanks to continuous strong interest in HR solution businesses that support corporate clients’ personnel strategies including recruiting, human resources development and establishment of human resources systems. In particular, a HR related event, “HR Conference: Fall 2019” held for seven days in November 2019 hit a record high in the number of visitors and revenue, which contributed to the business expansion of “Nihon no Jinjibu.”

Kronos Co., Ltd., which has become a consolidated subsidiary since October 2019, received new contracts for outsourced system development services, AI-related training and other services. Nevertheless, the profit increase was sluggish because the company already made an investment in human resources and incurred other expenses including those for preparing training textbooks in anticipation of winning contracts in April onward when employee trainings will be broadly held by companies in Japan.

In the Overseas Business category, the personnel placement business for local Japanese companies in North and Central America (notably in the U.S. and Mexico) achieved solid growth against backdrop of still lasting strong demand for hiring full-time employees, while temporary staffing business had a limited growth because job seekers were more inclined for full-time regular employment. As for Asia (notably in China and Vietnam), businesses remained almost flat in China in the field of advisory services and other personnel and labor consulting services. In Vietnam, the recruiting consulting services for hiring Japanese and Vietnamese by local Japanese companies showed favorable performance, given the vigorous recruiting needs mainly in the construction, apparel and IT industries. Furthermore, in the U.K., the revenue increase of domestic personnel placement services and temporary staffing within the U.K. was rather sluggish on Japanese yen basis, impacted by the foreign exchange rate, while international personnel placement services for the job changes from the U.K. to European companies remained favorable, which led to the profit increase in total. QUICK GLOBAL CO., LTD., one of our subsidiaries providing support to overseas companies, incurred some upfront costs to expand the support system for services including provision of trainings for employees before being assigned abroad and sales support services.

Overall, sales of the Other businesses segment increased 10.1% year-on-year to 1,488 million yen but operating profit decreased 18.7% year-on-year to 193 million yen.

As a result of these factors, sales and earnings set a new first nine-month record just as in the same period of the previous fiscal year. Net sales increased 9.6% year-on-year to 15,620 million yen, operating profit increased 12.8% year-on-year to 2,572 million yen, ordinary profit increased 12.8% year-on-year to 2,600 million yen, and profit attributable to owners of parent increased 11.2% year-on-year to 1,724 million yen.

(2) Explanation of Financial Position

Total assets at the end of the third quarter of the fiscal year under review were 12,618 million yen, which was 25 million yen more than at the end of the previous fiscal year. This was mainly the result of an increase in cash and deposits despite a decrease in notes and accounts receivable-trade.

Total liabilities were 3,238 million yen, which was 995 million yen less than at the end of the previous fiscal year. This was mainly the result of decreases in accounts payable-trade, accounts payable-other and income taxes payable.

Total net assets were 9,379 million yen, which was 1,020 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 7.9 percentage points from the end of the previous fiscal year to 74.3%.

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

At this point, there are no revisions to the full-year consolidated earnings forecast for the fiscal year ending March 31, 2020, which was announced in the "Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2019 (Japanese GAAP)" on April 26, 2019.

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

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

	(Thousands of yen)	
	FY3/19 (As of Mar. 31, 2019)	Third quarter of FY3/20 (As of Dec. 31, 2019)
Assets		
Current assets		
Cash and deposits	6,364,521	6,931,696
Notes and accounts receivable-trade	2,061,682	1,542,871
Other	621,235	303,280
Allowance for doubtful accounts	(2,010)	(1,458)
Total current assets	9,045,428	8,776,390
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	865,528	888,135
Vehicles, net	6,474	4,398
Tools, furniture and fixtures, net	101,584	101,898
Land	276,869	276,869
Leased assets, net	10,862	8,188
Total property, plant and equipment	1,261,318	1,279,490
Intangible assets		
Software	151,609	141,524
Software in progress	80,274	261,858
Goodwill	118,858	73,975
Other	10,646	10,659
Total intangible assets	361,389	488,017
Investments and other assets		
Investment securities	1,154,136	1,331,131
Leasehold deposits	626,310	657,095
Deferred tax assets	62,954	31,660
Other	84,605	57,937
Allowance for doubtful accounts	(3,843)	(3,636)
Total investments and other assets	1,924,162	2,074,188
Total non-current assets	3,546,870	3,841,696
Total assets	12,592,299	12,618,087

	(Thousands of yen)	
	FY3/19 (As of Mar. 31, 2019)	Third quarter of FY3/20 (As of Dec. 31, 2019)
Liabilities		
Current liabilities		
Accounts payable-trade	545,634	214,835
Short-term borrowings	189,902	247,000
Current portion of long-term borrowings	-	6,000
Accounts payable-other	1,115,052	862,105
Accrued expenses	520,136	594,062
Income taxes payable	646,929	333,066
Accrued consumption taxes	292,621	292,785
Provision for bonuses	475,298	229,393
Provision for bonuses for directors (and other officers)	62,450	-
Provision for repayment	18,200	10,600
Asset retirement obligations	679	1,086
Other	203,472	105,206
Total current liabilities	4,070,375	2,896,139
Non-current liabilities		
Long-term borrowings	-	6,500
Deferred tax liabilities	65,288	229,053
Asset retirement obligations	86,830	97,582
Other	10,998	9,098
Total non-current liabilities	163,117	342,234
Total liabilities	4,233,493	3,238,374
Net assets		
Shareholders' equity		
Share capital	351,317	351,317
Capital surplus	391,392	391,392
Retained earnings	6,968,762	7,844,714
Treasury shares	(14,965)	(16,005)
Total shareholders' equity	7,696,505	8,571,418
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	661,606	819,347
Foreign currency translation adjustment	(707)	(13,323)
Total accumulated other comprehensive income	660,899	806,023
Non-controlling interests	1,401	2,270
Total net assets	8,358,806	9,379,712
Total liabilities and net assets	12,592,299	12,618,087

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

	(Thousands of yen)	
	First nine months of FY3/19 (Apr. 1, 2018 – Dec. 31, 2018)	First nine months of FY3/20 (Apr. 1, 2019 – Dec. 31, 2019)
Net sales	14,252,227	15,620,690
Cost of sales	5,348,872	5,767,785
Gross profit	8,903,355	9,852,904
Selling, general and administrative expenses	6,623,595	7,280,377
Operating profit	2,279,759	2,572,526
Non-operating income		
Interest income	109	594
Dividend income	11,465	12,049
Other	17,235	18,668
Total non-operating income	28,809	31,312
Non-operating expenses		
Interest expenses	1,463	1,673
Foreign exchange losses	1,638	1,000
Commission expenses	-	730
Other	188	149
Total non-operating expenses	3,291	3,553
Ordinary profit	2,305,278	2,600,285
Extraordinary income		
Gain on sales of investment securities	-	63,338
Gain on step acquisitions	-	14,025
Total extraordinary income	-	77,363
Extraordinary losses		
Loss on retirement of non-current assets	2,539	4,443
Impairment loss	-	60,114
Total extraordinary losses	2,539	64,558
Profit before income taxes	2,302,739	2,613,090
Income taxes-current	736,193	756,331
Income taxes-deferred	15,870	131,707
Total income taxes	752,063	888,038
Profit	1,550,675	1,725,052
Profit (loss) attributable to non-controlling interests	(250)	956
Profit attributable to owners of parent	1,550,925	1,724,095

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

	(Thousands of yen)	
	First nine months of FY3/19 (Apr. 1, 2018 – Dec. 31, 2018)	First nine months of FY3/20 (Apr. 1, 2019 – Dec. 31, 2019)
Profit	1,550,675	1,725,052
Other comprehensive income		
Valuation difference on available-for-sale securities	(36,326)	157,740
Foreign currency translation adjustment	(625)	(12,703)
Total other comprehensive income	(36,952)	145,037
Comprehensive income	1,513,723	1,870,089
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,514,181	1,869,219
Comprehensive income attributable to non-controlling interests	(458)	869

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

Not applicable.

Significant Changes in Shareholders' Equity

Not applicable.

Segment Information

I. First nine months of FY3/19 (Apr. 1, 2018 – Dec. 31, 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	8,804,106	2,648,662	1,447,298	12,900,067	1,352,160	14,252,227	-	14,252,227
Inter-segment sales and transfers	836	5,152	7,121	13,109	23,279	36,389	(36,389)	-
Total	8,804,942	2,653,815	1,454,419	12,913,177	1,375,439	14,288,617	(36,389)	14,252,227
Segment profit	1,898,210	600,643	97,795	2,596,649	238,201	2,834,851	(555,091)	2,279,759

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 (555,091) thousand yen adjustment to segment profit includes elimination for inter-segment transactions of 106,494 thousand yen, and (661,586) 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 nine months of FY3/20 (Apr. 1, 2019 – Dec. 31, 2019)

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	10,020,642	2,569,083	1,542,619	14,132,344	1,488,345	15,620,690	-	15,620,690
Inter-segment sales and transfers	6,585	8,509	7,472	22,567	8,415	30,983	(30,983)	-
Total	10,027,227	2,577,592	1,550,091	14,154,911	1,496,761	15,651,673	(30,983)	15,620,690
Segment profit	2,186,372	631,414	145,734	2,963,521	193,597	3,157,118	(584,591)	2,572,526

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

2. The (584,591) thousand yen adjustment to segment profit includes elimination for inter-segment transactions of 136,809 thousand yen, and (721,400) 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.