

**Summary of Consolidated Financial Results for the First Quarter
of the Fiscal Year Ending March 31, 2020
(Three Months Ended June 30, 2019)**

[Japanese GAAP]

July 31, 2019

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: August 9, 2019

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, 2020
(April 1, 2019 – June 30, 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	%
Three months ended Jun. 30, 2019	6,163	7.5	1,907	6.5	1,917	6.6	1,318	7.6
Three months ended Jun. 30, 2018	5,733	18.9	1,790	25.0	1,799	22.3	1,225	16.9

Note: Comprehensive income (millions of yen) Three months ended Jun. 30, 2019: 1,401 (up 6.9%)

Three months ended Jun. 30, 2018: 1,310 (up 23.7%)

	Net income per share	Diluted net income per share
	Yen	Yen
Three months ended Jun. 30, 2019	69.92	-
Three months ended Jun. 30, 2018	65.21	-

(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, 2019	12,783	9,326	72.9	494.50
As of Mar. 31, 2019	12,592	8,358	66.4	443.19

Reference: Shareholders' equity (millions of yen) As of Jun. 30, 2019: 9,325 As of Mar. 31, 2019: 8,357

2. Dividends

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
Fiscal year ended Mar. 31, 2019	Yen -	Yen 19.00	Yen -	Yen 23.00	Yen 42.00
Fiscal year ending Mar. 31, 2020	-				
Fiscal year ending Mar. 31, 2020 (forecast)		22.00	-	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
First half	10,800	8.7	2,221	10.1	2,237	10.0	1,498	8.3	79.48
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): 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, 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 Jun. 30, 2019:	241,173 shares	As of Mar. 31, 2019:	241,173 shares
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3) Average number of shares outstanding during the period

Three months ended Jun. 30, 2019:	18,857,403 shares	Three months ended Jun. 30, 2018:	18,787,444 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 three months of the fiscal year ending March 31, 2020, the Japanese economy recovered at a moderate pace, with corporate earnings remaining resilient as well as employment and personal income continuing to improve. However, the economic outlook was still uncertain, given a number of factors such as an increase in labor cost due to the tightened labor market, the scheduled increase in the consumption tax rate in October, and concerns over uncertainty of the overseas economy fueled by the prolonged trade friction between the U.S. and China, the slowdown in the Chinese economy, and the Brexit from the European Union.

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. In May 2019, all the employment-related indicators continued to reflect Japan's labor shortage. Among others, the seasonally adjusted job openings-to-applicants ratio was 1.62, the seasonally adjusted job openings-to-applicants ratio for full-time employees was 1.15 and the seasonally adjusted unemployment rate was 2.4%.

Given this business environment, the QUICK Group expanded operations in new strategic market sectors, developed new services, and strengthened coordination between the businesses and 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 Group has been building a stronger foundation for business operations by aggressively recruiting people with outstanding skills and making other investments in human resources.

Under the situation mentioned above, the personnel placement category of the Human Resources Services Business continued enjoying strong recruiting demand for construction management engineers in the construction and civil engineering sector as well as engineers in the manufacturing sectors. Such a situation has contributed to a solid 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 through providing meticulous support for the registrants and conducting more effective promotions amid intensifying competition brought by competitors who enhanced promotions and investments in human resources.

In the temporary staffing, temporary-to-permanent staffing and business contracting categories, the temporary staffing of childcare workers showed a favorable performance thanks to effective promotions and strengthening of the sales structure and also that of nurses continued to deliver stable results amid increasingly intensified competition in the medical and welfare sectors. Amid the ongoing situation where hiring regular employees and securing full-time temporary staff are more difficult due to labor shortage as a result of the improving employment situation in Japan, the business remained strong in the temporary staffing for clerical jobs, sales assistants, and workers for highly specialized IT and internet-related jobs.

Overall, the segment sales increased 10.5% year-on-year to 4,340 million yen and operating profit increased 4.0% year-on-year to 1,799 million yen.

In the Recruiting Business, under the continuing student-dominant seller's market in the new college graduate category due to serious personnel shortage, the volume of business remained favorable mainly in the field of recruiting advertisements and services involving joint information meetings and other recruiting events that target students planning to graduate in March 2020. Furthermore, the volume of business also went well in the field of recruiting events and advertisements posted on our internship website launched in June, targeting students who will graduate in March 2021.

In the mid-career hiring domain, the business of recruiting advertisements to hire regular employees and part-time workers also remained resilient. Furthermore, the job placement service under the "indeed" brand, which started

at full scale in the previous fiscal year, also expanded steadily owing to strong demands from our client companies against the backdrop of tough hiring environment.

For some of our media for recruiting registration of temporary staff, the volume of business itself remained favorable, but 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.

Overall, the segment sales decreased 5.9% year-on-year to 847 million yen but operating profit increased 0.2% year-on-year to 198 million yen.

In the Information Publishing Business, the performance of “Iezukuri Navi,” a housing information magazine, was favorable driven by an increase in corporate clients’ completed properties as well as an expansion in their promotional needs in preparation for a possible decline in housing demand following the scheduled increase in the consumption tax rate. Also, we continued achieving solid performance for “Kekkon SANKA,” a wedding information medium in Hokuriku that has shifted to a new style with a focus on fee-charging web media from the existing paper media since the previous fiscal year, and life-style magazines.

Meanwhile, in the services other than media, sales from posting services including flyers inserted in newspapers increased steadily. Moreover, the concierge services we operate under the “cococolor” brand posted solid growth in the service lines of house designing and wedding.

Overall, the segment sales increased 10.6% year-on-year to 499 million yen and operating profit increased 49.1% year-on-year to 41 million yen.

In other businesses, against the backdrop of labor shortage due to improved employment situation, the rise of personnel and labor related services leveraging HR Tech, and moves made by companies toward work style reforms, the Internet-Related Business category saw an increasing interest in HR solution businesses that support corporate clients’ personnel strategies. As a result, advertising revenues at “Nihon no Jinjibu” (Japan’s Human Resources Department), an information portal site for human resources and labor relations, continued to perform well. Above all, we held the “HR Conference 2019 Spring,” a seven-day human resources event consisting of three parts, Tokyo, Osaka and TECH DAY, in May, and it hit record highs in both attendance and sales. That, in turn, contributed to expanding the performance of “Nihon no Jinjibu.”

In the Overseas Business, the QUICK USA, Inc. surely captured its corporate client’s needs such as for temporary-to-permanent staffing and event staffing, which resulted in steady growth in the temporary staffing business. However, amid a continued seller’s market for legal foreign workers within the U.S. caused by tightened labor visa acquisition for foreigners, the personnel placement business was sluggish due to such factors as declination of job offers by job seekers who call for better employment conditions.

Shanghai QUICK CO., LTD. achieved solid growth in personnel and labor consulting services including its core advisory services and education and training and steadily increased its performance of recruitment consulting services. This is because of the increasing importance of addressing labor problems as well as taking personnel measures to secure competent human resources and prevent turnover in locally operated Japanese companies in the midst of growing uncertainty over the country’s future due to the trade conflict between the U.S. and China in addition to the slowdown in China’s economy. Under these circumstances, the company issued “Salary Survey 2019,” a report that aggregated and analyzed the salary data of 4,132 employees at 186 Japanese companies operating in China, and it was well received. That also boosted the enhancement of the company’s business performance.

QUICK GLOBAL MEXICO, S.A. DE C.V. continued enjoying strong demand from locally operated Japanese automakers for interpreters and salespeople. In addition, getting a boost from successful measures such as promotional activities and seminars to acquire individuals who are bilingual in Japanese and Spanish, the company steadily increased its business performance.

Amid continued uncertainty over the outlook of the Brexit-related issues, Centre People Appointments Ltd. expanded the business of personnel placement within the U.K. by understanding the recruitment needs of local Japanese companies and strengthening the sales structure. Furthermore, international personnel placement services (Cross Border Recruitment services) for Japanese companies active in the U.K. and Europe has started to bear fruit.

QUICK VIETNAM CO., LTD. also showed an excellent performance of recruitment support services for various local Japanese companies that entered into Vietnam, notably in the construction, manufacturing, apparel and IT industries.

Moreover, QUICK GLOBAL CO., LTD. worked on initiatives such as providing support to the overseas subsidiaries for their sales activities as well as tapping Japanese companies seeking for foreign talent and acquiring job seekers who wish to work abroad in order to expand international personnel placement services (Cross Border Recruitment services).

Overall, sales of other businesses increased 4.8% year-on-year to 476 million yen but operating profit decreased 16.4% year-on-year to 76 million yen.

As a result of these factors, sales and earnings set a new first three-month record just as in the same period of the previous fiscal year. Net sales increased 7.5% year-on-year to 6,163 million yen, operating profit increased 6.5% year-on-year to 1,907 million yen, ordinary profit increased 6.6% year-on-year to 1,917 million yen, and profit attributable to owners of parent increased 7.6% year-on-year to 1,318 million yen.

(2) Explanation of Financial Position

Total assets at the end of the first quarter of the fiscal year under review were 12,783 million yen, which was 191 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 3,457 million yen, which was 776 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.

Total net assets were 9,326 million yen, which was 967 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 6.5 percentage points from the end of the previous fiscal year to 72.9%.

(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, 2020, which were 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 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)	
	FY3/19 (As of Mar. 31, 2019)	First quarter of FY3/20 (As of Jun. 30, 2019)
Assets		
Current assets		
Cash and deposits	6,364,521	7,123,819
Notes and accounts receivable-trade	2,061,682	1,648,347
Other	621,235	352,809
Allowance for doubtful accounts	(2,010)	(1,625)
Total current assets	9,045,428	9,123,351
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	865,528	889,109
Vehicles, net	6,474	6,238
Tools, furniture and fixtures, net	101,584	108,176
Land	276,869	276,869
Leased assets, net	10,862	9,971
Total property, plant and equipment	1,261,318	1,290,364
Intangible assets		
Software	151,609	144,810
Software in progress	80,274	106,051
Goodwill	118,858	119,074
Other	10,646	10,646
Total intangible assets	361,389	380,583
Investments and other assets		
Investment securities	1,154,136	1,258,172
Leasehold deposits	626,310	625,927
Deferred tax assets	62,954	29,316
Other	84,605	80,307
Allowance for doubtful accounts	(3,843)	(4,516)
Total investments and other assets	1,924,162	1,989,206
Total non-current assets	3,546,870	3,660,154
Total assets	12,592,299	12,783,506

	(Thousands of yen)	
	FY3/19 (As of Mar. 31, 2019)	First quarter of FY3/20 (As of Jun. 30, 2019)
Liabilities		
Current liabilities		
Accounts payable-trade	545,634	214,713
Short-term borrowings	189,902	244,000
Accounts payable-other	1,115,052	935,562
Accrued expenses	520,136	548,183
Income taxes payable	646,929	460,020
Accrued consumption taxes	292,621	344,862
Provision for bonuses	475,298	122,657
Provision for bonuses for directors (and other officers)	62,450	-
Provision for repayment	18,200	20,600
Asset retirement obligations	679	-
Other	203,472	252,950
Total current liabilities	4,070,375	3,143,550
Non-current liabilities		
Deferred tax liabilities	65,288	212,310
Asset retirement obligations	86,830	90,739
Other	10,998	10,421
Total non-current liabilities	163,117	313,470
Total liabilities	4,233,493	3,457,021
Net assets		
Shareholders' equity		
Share capital	351,317	351,317
Capital surplus	391,392	391,392
Retained earnings	6,968,762	7,853,487
Treasury shares	(14,965)	(14,965)
Total shareholders' equity	7,696,505	8,581,230
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	661,606	738,156
Foreign currency translation adjustment	(707)	5,614
Total accumulated other comprehensive income	660,899	743,771
Non-controlling interests	1,401	1,483
Total net assets	8,358,806	9,326,485
Total liabilities and net assets	12,592,299	12,783,506

(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 FY3/19 (Apr. 1, 2018 – Jun. 30, 2018)	First three months of FY3/20 (Apr. 1, 2019 – Jun. 30, 2019)
Net sales	5,733,747	6,163,990
Cost of sales	1,740,218	1,804,391
Gross profit	3,993,528	4,359,599
Selling, general and administrative expenses	2,203,143	2,452,526
Operating profit	1,790,385	1,907,072
Non-operating income		
Interest income	105	138
Dividend income	5,654	6,531
Other	5,905	4,647
Total non-operating income	11,665	11,316
Non-operating expenses		
Interest expenses	434	469
Foreign exchange losses	1,864	-
Other	44	121
Total non-operating expenses	2,343	591
Ordinary profit	1,799,706	1,917,798
Extraordinary income		
Gain on sales of investment securities	-	14,402
Total extraordinary income	-	14,402
Extraordinary losses		
Loss on retirement of non-current assets	1,746	178
Total extraordinary losses	1,746	178
Profit before income taxes	1,797,960	1,932,023
Income taxes-current	505,299	466,599
Income taxes-deferred	67,759	146,929
Total income taxes	573,058	613,528
Profit	1,224,902	1,318,494
Profit (loss) attributable to non-controlling interests	(308)	49
Profit attributable to owners of parent	1,225,210	1,318,445

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

	(Thousands of yen)	
	First three months of FY3/19 (Apr. 1, 2018 – Jun. 30, 2018)	First three months of FY3/20 (Apr. 1, 2019 – Jun. 30, 2019)
Profit	1,224,902	1,318,494
Other comprehensive income		
Valuation difference on available-for-sale securities	93,600	76,550
Foreign currency translation adjustment	(7,939)	6,353
Total other comprehensive income	85,661	82,904
Comprehensive income	1,310,563	1,401,399
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,311,022	1,401,317
Comprehensive income attributable to non-controlling interests	(459)	81

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

Not applicable.

Significant Changes in Shareholders' Equity

Not applicable.

Segment Information

I. 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.

II. First three months of FY3/20 (Apr. 1, 2019 – Jun. 30, 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	4,340,828	847,707	499,063	5,687,600	476,390	6,163,990	-	6,163,990
Inter-segment sales and transfers	2,263	2,980	2,345	7,588	2,474	10,063	(10,063)	-
Total	4,343,092	850,688	501,408	5,695,189	478,864	6,174,053	(10,063)	6,163,990
Segment profit	1,799,289	198,318	41,660	2,039,268	76,727	2,115,995	(208,923)	1,907,072

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 (208,923) thousand yen adjustment to segment profit includes elimination for inter-segment transactions of 55,774 thousand yen, and (264,697) 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.