Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

May 13, 2026

Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Under Japanese GAAP)

Company name: Quest Co., Ltd.
Listing: Tokyo Stock Exchange
Securities code: 2332
URL: https://www.quest.co.jp/
Representative: Satoshi Kamata — Representative Director, President and Chief Executive Officer
Inquiries: Yutaka Koizumi — Director, Senior Executive Officer
Telephone: +81-50-3785-3965
Scheduled date of annual general meeting of shareholders: June 24, 2026
Scheduled date to commence dividend payments: June 25, 2026
Scheduled date to file annual securities report: June 19, 2026
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for Analyst)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	17,807	19.2	1,091	3.4	1,152	3.7	800	4.3
March 31, 2025	14,936	5.0	1,055	5.8	1,112	4.8	767	10.3

Note: Comprehensive income
For the fiscal year ended March 31, 2026: ¥ 859 million [19.3%]
For the fiscal year ended March 31, 2025: ¥ 720 million [(5.2)%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2026	152.37	-	10.9	11.4	6.1
March 31, 2025	143.26	-	10.9	11.5	7.1

EBITDA: For the fiscal year ended March 31, 2026: ¥ 1,336 million
For the fiscal year ended March 31, 2025: ¥ 1,273 million
EBITDA margin: For the fiscal year ended March 31, 2026: 7.5 %
For the fiscal year ended March 31, 2025: 8.5 %

Please refer to "1.Overview of Business Results, (1) Overview of Business Results for the Fiscal Year Ended March 31,2026" for above formula.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2026	10,356	7,458	72.0	1,454.74
March 31, 2025	9,818	7,253	73.9	1,354.61

Reference: Equity
As of March 31, 2026: ¥ 7,458 million
As of March 31, 2025: ¥ 7,253 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	510	(68)	(915)	3,057
March 31, 2025	590	91	(265)	3,531

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	-	0.00	-	58.00	58.00	310	40.5	4.4
Fiscal year ended March 31, 2026	-	0.00	-	58.00	58.00	297	38.1	4.1
Fiscal year ending March 31, 2027 (Forecast)	-	0.00	-	61.00	61.00		36.7	

Note: Breakdown of the year-end dividend for the fiscal year ended March 31, 2025 :
Ordinary dividend 53.00 yen
Memorial dividend 5.00 yen (60th anniversary dividend)

3. Consolidated financial result forecasts for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	18,300	2.8	1,260	15.4	1,285	11.5	856	6.9	166.08

*** Notes**

(1) Significant changes in the scope of consolidation during the period: None
Newly included: - companies( )
Excluded: - companies( )

(2) Changes in accounting policies, changes in accounting estimates, and restatement
(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
(ii) Changes in accounting policies due to other reasons: None
(iii) Changes in accounting estimates: None
(iv) Restatement: None

(3) Number of issued shares (common shares)
(i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2026	5,487,768 shares
As of March 31, 2025	5,487,768 shares

(ii) Number of treasury shares at the end of the period

As of March 31, 2026	360,741 shares
As of March 31, 2025	133,102 shares

(iii) Average number of shares outstanding during the period

Fiscal Year ended March 31, 2026	5,255,298 shares
Fiscal Year ended March 31, 2025	5,357,945 shares

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

*Proper use of earnings forecasts, and other special matters
The financial forecasts contained in this document are based on the information currently available and certain assumptions deemed reasonable, and are not intended as a promise that they will be achieved.And actual results may differ significantly due to various factors.In reagrd to the precoditions for the earnings forecasts and precautions on the use of them, please refer to "1. Overview of Business Results (4) Future outlook".

*Supplementary on financial results
The financial results meeting for the analysts is scheduled on May 28, 2026. The meeting material will be available on our website and TDnet immediately after the meeting.

○ Contents of Attachment

1.Overview of Business Results

(1) Overview of Business Results for the Consolidated Fiscal Year Ended March 31, 2026

During the current consolidated fiscal year, the Japanese economy has continued a moderate recovery trend, supported by increasing inbound demand and improving employment and income conditions. On the other hand, the outlook remains uncertain due to factors such as rising prices, U.S. Policy Trends, and the situation in the Middle East.

In the information services industry, to which our group belongs, customer companies remain highly motivated to invest in IT-related with the aim of enhancing productivity and strengthening competitiveness. Furthermore, alongside the renewal of existing systems and migration to the cloud, the practical application and advancement of cutting-edge technologies such as generative AI, AI agents, and physical AI are progressing.

In this business environment, we are carrying out the activities to strengthen its foundation and steady growth based on the following basic policies set forth in the "Medium-term management plan for fiscal years 2024 –2026", as the second phase of the medium- to long-term vision "Quest Vision 2030" (*1). In order to accelerate the achievement of the target, we have formulated concrete measures for the next fiscal year and beyond.

■ Transformation of Business Portfolio

Considering the supply and demand trends of customer industries and their future growth potential, we have categorized our customers into three domains (*2) and are promoting the appropriate allocation of resources in our daily business and the planned shift of resources toward domains of technology that need to be strengthened.

During the current consolidated fiscal year, the consolidation of Sept Inc., as a subsidiary, resulted in the further expansion of our core services, which are our existing customer-focused businesses.

■ Investment in Employees and Technology for the Future

We expanded our investment in human capital and continued to increase our investment in technology to strengthen our "Solution Services." Specifically, regarding investment in human capital, we have implemented, strengthened, and revised various programs, including career support, training, employee stock ownership plan and company housing programs. To strengthen our solution services, we have particularly focused on the AI and security areas, and in March 2026, we have announced the launch of our new business brand, "Unite." (In May 2026, we have launched "AI Studio," a service designed as the first AI solution from "Unite".)

■ Strengthening Business Structure and Management Bases

To build a solid business foundation that supports sustainable growth and enhances corporate value, we have expanded our engineering resources and strengthened our line support functions. In addition, we launched the group-wide project led by the president and promoted business transformation initiatives that involved field directors.

As a result of the above, the business results of the current consolidated fiscal year are as follows.

Net sales increased by 19.2% to 17,807 million yen, compared to the previous consolidated fiscal year. This is due to an increase in new orders from key customers in the semiconductor sector(memory)of priority strengthening domains and customers in the financial sector of stable growth domains, as well as the contribution of Sept Inc., which newly joined our consolidated group.

Operating profit amounted to 1,091 million yen, increased by 3.4%, ordinary profit amounted to 1,152 million yen, increased by 3.7% and net profit attributable to owners of parent amounted to 800 million yen, increased by 4.3%, compared to the previous consolidated fiscal year respectively. We further expanded our far-sighted investments, including investments in human capital—such as improving employee compensation and training—as well as the establishment of a new facility (Kitakami, August) and the expansion of an existing facility (Yokkaichi, October) to grow our semiconductor business. However, thanks to the positive impact of increased revenue, our results exceeded those of the previous consolidated fiscal year.

For reference, EBITDA (*3) and EBITDA margin (*4) for the consolidated fiscal year were 1,336 million yen and 7.5%, respectively. Also, EBITDA and EBITDA margin for the previous consolidated fiscal year were 1,273 million yen and 8.5%, respectively.

Starting from the Three Months Ended June 31,2025 of the current consolidated fiscal year, the Group has changed its reporting segment to a single segment, “Information Services Business”. Details are described in "(5) Primary Notes to Consolidated Financial Statements (Notes to Segment Information and others) ".

(Notes)*1. Quest Vision2030：Please refer to our website.

https://www.quest.co.jp/corporate/ir-info/quest-vision-2030.html

*2. priority strengthening domains:

semiconductor sector, manufacturing sector

stable growth domains:

financial sector, information & communication sector, entertainment sector

social issues solver domains:

public & social sector, mobility & logistics sector, healthcare & medical sector

*3. EBITDA: Net profit before income taxes + Interest expense+ Depreciation and amortization

+ Amortization of Customer-related assets + Amortization of goodwill

*4. EBITDA margin: EBITDA divided by net sales.

⑵ **Overview of Financial Position for the Consolidated Fiscal Year Ended March 31, 2026**

<Assets>

Total assets at the end of current consolidated fiscal year increased 538 million yen from the end of the previous consolidated fiscal year to 10,356 million yen. This was due to an increase of 519 million yen in Notes and accounts receivable - trade, and contract assets and 259 million yen in Goodwill, while a decrease of 273 million yen in Cash and deposits.

<Liabilities>

Total liabilities at the end of current consolidated fiscal year increased 333 million yen from the end of the previous consolidated fiscal year to 2,898 million yen. This was due to an increase of 154 million yen in Accounts payable-trade ,68 million yen in Income taxes payable, and 62 million yen in Contract liabilities.

<Net Assets>

Net assets at the end of current consolidated fiscal year increased 205 million yen from the end of the previous consolidated fiscal year to 7,458 million yen. This was due to an increase of 490 million yen in Retained earnings and 65 million yen in Remeasurements of defined benefit plans, while an increase of 361 million yen in Treasury Shares.

(3) **Overview of Cash Flows for the Consolidated Fiscal Year Ended March 31, 2026**

Cash and cash equivalents (hereinafter referred to as "funds") at the end of current consolidated fiscal year amounted to 3,057 million yen, a decrease of 473 million yen compared to the end of the previous consolidated fiscal year.

Cash flows and factors affecting cash flows at the end of current consolidated fiscal year are as follows.

<Cash Flows from Operating Activities>

Operating activities resulted in a net cash inflow of 510 million yen. This was mainly due to Profit before income taxes of 1,130 million yen, a decrease in funds due to Increase in accounts receivable - trade, and contract assets of 388 million yen and a decrease in funds due to Income taxes paid of 266 million yen.

<Cash Flows from Investing Activities>

Investing activities resulted in a net cash outflow of 68 million yen. This was mainly due to Proceeds from sale of investment securities of 243 million yen, while Purchase of shares of subsidiaries resulting in change in scope of consolidation of 151 million yen and Loan Advances of 100 million yen.

<Cash Flows from Financing Activities>

Financing activities resulted in a net outflow of 915 million yen. This was mainly due to Purchase of treasury shares of 379 million, Dividends paid of 309 million yen and Repayments of borrowings of 222 million.

(4) Future outlook

In the fiscal year ended March 31, 2027, while a gradual economic recovery is expected to be continued, driven by rising wages, the outlook is expected to remain uncertain due to persistent inflation and labor shortages, as well as concerns about a global economic downturn stemming from U.S. tariffs and other policies, and the unstable situation in the Middle East.

In the information services industry, to which our group belongs, there is a growing trend toward promoting digital transformation (DX) using AI-related technologies—such as generative AI, AI agents, and physical AI—as well as digital technologies like the Internet of Things (IoT) and Big Data. In addition, against the background of an increase in cyberattacks targeting companies and other organizations, there is a growing need to strengthen security measures. Based on these factors, IT-related investments are expected to remain strong.

On the other hand, the shortage of IT engineers, in cutting-edge areas like DX, AI, Security in particular, is becoming more acute, and there are concerns that increasing personnel and recruiting costs associated with retaining and training highly skilled personnel will put pressure on revenues.

In the second phase of the medium- to long-term vision, "Quest Vision 2030," we develop activities under the "Medium-term management plan for fiscal years 2024–2026" with focus on "Transforming into high-profitability structure" and "Making investments in future growth". In addition to these steady efforts,

we formulate and prepare the third phase of our mid-term management plan (FY2027–2030), which marks the final stage in realizing "Quest Vision 2030."

While driving the transformation and strengthening of our business structure, we will work to solve increasingly complex customer challenges and strive to ensure the stable delivery of our services.

For the fiscal year ending March 31, 2027, we forecast consolidated net sales of 18,300 million yen, operating income of 1,260 million yen, ordinary income of 1,285 million yen, and net profit attributable to owners of the parent of the company of 856 million yen.

(Note) These forecasts are based on information available to our company as the date of preparation of this document may differ from these estimates.

2. Basic Policy on Adopting the Accounting Standards

Since most of our stakeholders are domestic shareholders, creditors and business partners, and there is little need to raise funds from overseas, we have decided to adopt Japanese GAAP for the time being.

As for the adoption of IFRS, we are taking into consideration of various domestic and overseas Circumstances appropriately.

3. Consolidated Financial Statements and Primary Notes

(1) Consolidated Balance Sheet

(Thousands of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	3,331,256	3,057,484
Notes receivable - trade	28,624	29,035
Accounts receivable - trade	3,257,082	3,776,269
Contract assets	159,570	226,083
Money held in trust	200,000	-
Work in process	3,853	22,433
Other	141,681	253,590
Total current assets	7,122,068	7,364,897
Non-current assets		
Property, plant and equipment		
Buildings and structures	194,006	243,723
Accumulated depreciation	(38,089)	(54,844)
Buildings and structures, net	155,916	188,879
Vehicles	12,449	12,449
Accumulated depreciation	(12,449)	(12,449)
Vehicles, net	0	0
Tools, furniture and fixtures	126,839	149,003
Accumulated depreciation	(88,889)	(98,920)
Tools, furniture and fixtures, net	37,949	50,082
Land	376	376
Leased assets	16,000	21,628
Accumulated depreciation	(5,866)	(13,123)
Leased assets, net	10,133	8,504
Total property, plant and equipment	204,376	247,842
Intangible assets		
Customer-related assets	420,973	378,876
Goodwill	152,958	411,964
Other	12,032	47,428
Total intangible assets	585,964	838,269
Investments and other assets		
Investment securities	808,502	556,862
Retirement benefit asset	868,122	1,017,440
Deferred tax assets	-	24,932
Other	229,686	306,508
Total investments and other assets	1,906,311	1,905,744
Total non-current assets	2,696,652	2,991,856
Total assets	9,818,720	10,356,753

(Thousands of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	499,418	653,506
Lease liabilities	3,513	4,345
Income taxes payable	164,690	233,040
Contract liabilities	33,721	96,298
Provision for bonuses	801,963	802,722
Other	648,461	650,810
Total current liabilities	2,151,769	2,440,723
Non-current liabilities		
Lease liabilities	8,165	5,575
Deferred tax liabilities	154,969	169,173
Retirement benefit liability	239,654	251,214
Provision for retirement benefits for directors (and other officers)	-	16,078
Asset retirement obligations	10,701	15,495
Total non-current liabilities	413,490	457,538
Total liabilities	2,565,260	2,898,261
Net assets		
Shareholders' equity		
Share capital	491,031	491,031
Capital surplus	611,349	629,253
Retained earnings	5,889,105	6,379,272
Treasury shares	(90,024)	(451,669)
Total shareholders' equity	6,901,461	7,047,886
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	271,652	265,016
Remeasurements of defined benefit plans	80,345	145,588
Total accumulated other comprehensive income	351,998	410,605
Total net assets	7,253,460	7,458,492
Total liabilities and net assets	9,818,720	10,356,753

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statement of Income

(Thousands of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net sales	14,936,146	17,807,679
Cost of sales	12,186,222	14,788,524
Gross profit	2,749,924	3,019,155
Selling, general and administrative expenses		
Salaries and allowances	506,302	574,822
Remuneration for directors (and other officers)	194,825	230,478
Provision for bonuses	76,855	72,978
Provision for bonuses for directors (and other officers)	8,297	-
Retirement benefit expenses	12,985	16,686
Provision for retirement benefits for directors (and other officers)	6,935	(1,943)
Other	888,051	1,034,713
Total selling, general and administrative expenses	1,694,253	1,927,736
Operating profit	1,055,670	1,091,418
Non-operating income		
Interest income	1,697	6,241
Dividend income	25,318	30,594
Gain on investments in investment partnerships	9,002	14
Subsidy income	15,448	26,140
Other	5,786	2,594
Total non-operating income	57,251	65,585
Non-operating expenses		
Interest expenses	791	2,314
Loss on cancellation of insurance policies	-	1,756
Loss on sale of investment securities	-	12
Other	3	176
Total non-operating expenses	794	4,260
Ordinary profit	1,112,127	1,152,743
Extraordinary losses		
Loss on sale of investment securities	-	22,700
Total extraordinary losses	-	22,700
Profit before income taxes	1,112,127	1,130,043
Income taxes - current	278,644	322,789
Income taxes - deferred	65,892	6,517
Total income taxes	344,536	329,306
Profit	767,591	800,737
Profit attributable to owners of parent	767,591	800,737

Consolidated Statement of Comprehensive Income

(Thousands of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Profit	767,591	800,737
Other comprehensive income		
Valuation difference on available-for-sale securities	(127,387)	(6,579)
Remeasurements of defined benefit plans, net of tax	80,333	65,242
Share of other comprehensive income of entities accounted for using equity method	-	-
Total other comprehensive income	(47,053)	58,663
Comprehensive income	720,537	859,400
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	720,537	859,400

(3) Consolidated Statement of Changes in Equity

For the fiscal year ended March 31, 2025

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	491,031	607,586	5,383,869	(93,829)	6,388,658
Changes during period					
Dividends of surplus			(262,355)		(262,355)
Profit attributable to owners of parent			767,591		767,591
Purchase of treasury shares				(177)	(177)
Disposal of treasury shares		3,762		3,982	7,745
Net changes in items other than shareholders' equity					
Total changes during period	-	3,762	505,235	3,805	512,803
Balance at end of period	491,031	611,349	5,889,105	(90,024)	6,901,461

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	399,039	11	399,051	6,787,709
Changes during period				
Dividends of surplus				(262,355)
Profit attributable to owners of parent				767,591
Purchase of treasury shares				(177)
Disposal of treasury shares				7,745
Net changes in items other than shareholders' equity	(127,387)	80,333	(47,053)	(47,053)
Total changes during period	(127,387)	80,333	(47,053)	465,750
Balance at end of period	271,652	80,345	351,998	7,253,460

For the fiscal year ended March 31, 2026

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	491,031	611,349	5,889,105	(90,024)	6,901,461
Changes during period					
Dividends of surplus			(310,570)		(310,570)
Profit attributable to owners of parent			800,737		800,737
Purchase of treasury shares				(379,476)	(379,476)
Disposal of treasury shares		17,903		17,830	35,733
Net changes in items other than shareholders' equity					
Total changes during period	-	17,903	490,166	(361,645)	146,424
Balance at end of period	491,031	629,253	6,379,272	(451,669)	7,047,886

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	271,652	80,345	351,998	7,253,460
Changes during period				
Dividends of surplus				(310,570)
Profit attributable to owners of parent				800,737
Purchase of treasury shares				(379,476)
Disposal of treasury shares				35,733
Net changes in items other than shareholders' equity	(6,635)	65,242	58,607	58,607
Total changes during period	(6,635)	65,242	58,607	205,032
Balance at end of period	265,016	145,588	410,605	7,458,492

(4) Consolidated Statement of Cash Flows

(Thousands of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	1,112,127	1,130,043
Depreciation	42,388	48,014
Amortization of customer-related assets	42,097	42,097
Amortization of goodwill	76,479	113,755
Share-based payment expenses	7,832	9,393
Interest and dividend income	(27,015)	(36,836)
Loss (gain) on investments in investment partnerships	(9,002)	(14)
Subsidy income	(15,448)	(26,140)
Interest expenses	791	2,314
Loss (gain) on cancellation of insurance policies	-	1,756
Loss (gain) on sale of investment securities	-	22,712
Decrease (increase) in accounts receivable - trade, and contract assets	(235,290)	(388,404)
Decrease (increase) in inventories	(514)	(18,765)
Decrease (increase) in retirement benefit asset	(173,813)	(47,790)
Increase (decrease) in trade payables	81,083	(8,992)
Increase (decrease) in contract liabilities	7,618	62,577
Increase (decrease) in provision for bonuses	9,937	(33,276)
Increase (decrease) in provision for bonuses for directors (and other officers)	(7,535)	-
Increase (decrease) in provision for loss on project contracts	(2,466)	-
Increase (decrease) in retirement benefit liability	4,294	5,304
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(55,422)	(81,943)
Other, net	23,707	(91,270)
Subtotal	881,848	704,535
Interest and dividends received	27,015	36,829
Subsidies received	15,448	26,140
Interest paid	(596)	(2,092)
Income taxes paid	(332,731)	(266,258)
Income taxes refund	-	11,133
Net cash provided by (used in) operating activities	590,984	510,288
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,442)	(64,183)
Proceeds from sale of property, plant and equipment	-	12,243
Purchase of intangible assets	-	(38,820)
Proceeds from redemption of investment securities	79,091	-
Proceeds from sale of investment securities	-	243,775
Proceeds from withdrawal of investment securities	11,250	-
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(151,688)
Loan advances	-	(100,000)
Payments of leasehold and guarantee deposits	(7,444)	(29,860)
Proceeds from refund of leasehold and guarantee deposits	-	3,206
Proceeds from cancellation of insurance funds	-	57,455
Proceeds from distributions from investment partnerships	10,852	14
Other, net	-	(276)
Net cash provided by (used in) investing activities	91,306	(68,134)

(Thousands of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Cash flows from financing activities		
Repayments of borrowings	-	(222,101)
Repayments of lease liabilities	(3,363)	(4,576)
Purchase of treasury shares	(177)	(379,641)
Dividends paid	(262,040)	(309,609)
Net cash provided by (used in) financing activities	(265,581)	(915,927)
Effect of exchange rate change on cash and cash equivalents	(24)	1
Net increase (decrease) in cash and cash equivalents	416,685	(473,771)
Cash and cash equivalents at beginning of period	3,114,570	3,531,256
Cash and cash equivalents at end of period	3,531,256	3,057,484

(5) Primary Notes to Consolidated Financial Statements

(Notes on Going Concern Assumption)

No applicable matters.

(Business combination)

Business combination by acquisition

1) Overview of transaction

(i) Name and business of acquired company

Name of acquired company: Sept Inc.

Business description: Development and maintenance of user software for various business operations, Network engineering services, Temporary worker business

(ii) Main reason for business combination

Our group has formulated "Quest Vision 2030" as a growth strategy to achieve sustainable growth over the medium to long term. With a view to strengthening our foundation and achieving steady growth toward a leap forward in fiscal 2030, we are working on "transforming our business portfolio," "investing in people and technology for the future," and "strengthening our business structure and management foundation."

Sept Inc. is a company with approximately 80 engineers that provide services such as the development, construction, operation, and maintenance of business applications mainly to customers in the information and communications and financial industries and has steadily expanded the scale of its business. We believe that welcoming Sept Inc. to our group will strengthen our engineering resources and contribute to the realization of Quest Vision 2030.

Our group will continue to refine the strengths of each company and provide more advanced solutions for the issues with customers and more stable services, aiming to improve the value offered to the customers and strive to increase profitability for sustainable growth. Through further development and growth, we will enhance our corporate value.

(iii) Date of business combination

April 15, 2025 (Deemed acquisition date: April 1, 2025)

(iv) Legal form of business combination

Acquisition of shares in exchange for cash.

(v) Name of acquired company after acquisition

Name not changed.

(vi) Ratio of voting rights acquired

100%

(vii) Main basis for determining the Acquiring company

The Company will acquire 100% of Sept Inc.'s voting rights through the acquisition of shares in exchange for cash.

2) Period of acquired company's business results included in the consolidated financial statement

April 1,2025 to March 31,2026

3) Acquisition cost and breakdown by type of considerations

Consideration paid in cash: 370,000 thousand yen

Acquisition cost: 370,000 thousand yen

4) Breakdown and amount of main costs related to acquisition

Expenses related to due diligence and others 34,211 thousand yen

5) Amount, reason for recognition, amortization method and period of goodwill

(i) Goodwill recognized

372,761 thousand yen

(ii) Reason of recognized

This is the excess earning power expected from future business development.

(iii) Amortization method and period of goodwill

Goodwill is amortized evenly over 10 years using the straight-line method.

6) Amount and major breakdown of assets received and liabilities assumed on business combination date

(Thousands of yen)

Current assets	425,163
Non-current assets	162,708
Total assets	587,872
Current liabilities	443,204
Non-current liabilities	147,430
Total liabilities	590,634

(Notes to Segment Information and others)

[Segment Information]

I Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

As states in "II Fiscal year ended March 31, 2025 (from April 1, 2025 to March 31, 2026) (Matters related to changes in reportable segments)"

II Fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

As our group consists of a single segment, we have omitted the disclosure of segment information.

(Matters related to changes in reportable segments)

Our group previously reported two business segments: "System Development Business" and "Infrastructure Services Business". However, effective from the first quarter of the current consolidated fiscal period, the reporting structure has changed to a single segment, "Information Services Business."

On April 1, 2024, we underwent a major reorganization, establishing an Industry Business Group focused on our customers' industries and a Solution Services Business Group focused on IT technology.

In line with organizational restructuring, we reviewed the appropriate classification of reporting segments from fiscal year 2024. As a result, considering the increase in cases where multiple services are offered and provided to the same customers, as well as the growing technical overlap between application development and infrastructure services, we determined that integrating the two into a single "information services business" would more accurately reflect the actual state of our group's operations.

In response to these results, changes were made under the new management structure launched this fiscal year.

Due to this change, we have omitted the segment information and other related disclosures for the previous and current fiscal years.

(Per shares Information)

	Fiscal year ended March 31,2025 (April 1, 2024 to March 31, 2025)	Fiscal year ended March 31,2026 (April 1, 2025 to March 31, 2026)
Net assets per share (Yen)	1,354.61	1,454.74
Basic earnings per share (Yen)	143.26	152.37

(Notes) 1. Diluted earnings per share is not stated because there were no potentially dilutive shares.
2. The basis of the calculation of basic earnings per share is as follows:

	Fiscal year ended March 31,2025 (April 1, 2024 to March 31, 2025)	Fiscal year ended March 31,2026 (April 1, 2025 to March 31, 2026)
Profit attributable to owners of parent (Thousands of yen)	767,591	800,737
Amount not attributable to common shareholders (Thousands of yen)	–	–
Profit attributable to owners of parent pertaining to common shares (Thousands of yen)	767,591	800,737
Average number of common shares outstanding during the period（shares）	5,357,945	5,255,298

(Significant Subsequent Events)

No applicable matters.