

Asgent, Inc.

Summary of Non-Consolidated Financial Results Financial Highlights (For the 6Months Ended September 30, 2016)

Listed Company Name: Asgent, Inc.

Listing Exchange: JASDAQ

Security Code No:4288

[URL: http://www.asgent.co.jp/](http://www.asgent.co.jp/)

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President & CEO

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1. Business Results

(1) Operating Results

Note: Figures less than one million yen omitted, except for EPS

	Net sales		Operating Income		Ordinary income		Net income	
For the 3Months Ended	Millions of yen		Millions of yen		Millions of yen		Millions of yen	
Sep. 30, 2016	1,962	38.7%	14	—	18	—	11	—
Sep. 30, 2015	1,414	10.7%	△205	—	△205	—	△206	—

Note: the% value represents the changes from the same quarter of the previous year

	Basic EPS	Diluted EPS
For the 3Months Ended	Yen	Yen
Sep. 30, 2016	3.13	—
Sep. 30, 2015	△54.00	—

(2) Financial Conditions

	Total Assets	Shareholders' Equity	Shareholders' Equity ratio
As of	Millions of yen	Millions of yen	%
Sep. 30, 2016	2,168	1,436	66.2%
Mar. 31, 2016	2,206	1,427	64.6%

2. Financial statements

(For the 6Months Ended September 30, 2016)

(1) Balance Sheets

Note: Figures less than one thousand yen omitted

Account Title	Mar. 31, 2016	Sep. 30, 2016
	Amount	Amount
Assets		
Current assets		
Cash and deposits	758,572	853,178
Accounts receivable-trade	930,985	833,360
Merchandise and finished goods	36,742	25,885
Work in process	11,542	7,945
Supplies	752	1,894
Advance payments-trade	1,603	1,737
Prepaid expenses	52,120	33,634
Consumption taxes receivable	2,076	-
Other	943	3,484
Allowance for doubtful accounts	(27)	(16)
Total current assets	1,795,310	1,761,104
Noncurrent assets		
Property, plant and equipment		
Buildings, net	45,087	42,812
Tools, furniture and fixtures, net	157,066	169,328
Land	1,854	1,854
Total property, plant and equipment	204,008	213,995
Intangible assets	89,319	78,108
Investments and other assets	117,390	114,872
Total noncurrent assets	410,718	406,976
Total assets	2,206,029	2,168,080
Liabilities		
Current liabilities		
Accounts payable-trade	326,645	227,457
Short-term loans payable	200,000	200,000
Accounts payable-other	54,524	59,455
Accrued expenses	31,046	33,981
Income taxes payable	5,985	11,964
Advances received	1,574	2,758
Deposits received	5,494	6,204
Unearned revenue	20,669	16,772
Provision for bonuses	43,672	50,369
Other	642	33,141
Total current liabilities	690,255	642,105

Note: Figures less than one thousand yen omitted

Account Title	Mar. 31, 2016	Sep. 30, 2016
	Amount	Amount
Noncurrent liabilities		
Provision for retirement benefits	87,814	89,058
Total noncurrent liabilities	87,814	89,058
Total liabilities	778,070	731,163
Net assets		
Shareholders' equity		
Capital stock	771,110	771,110
Capital surplus	705,200	705,200
Retained earnings	16,694	28,646
Treasury stock	(65,577)	(65,577)
Total shareholders' equity	1,427,427	1,439,379
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	(1,792)	(4,702)
Total valuation and translation adjustments	(1,792)	(4,702)
Subscription rights to shares	2,324	2,240
Total net assets	1,427,959	1,436,917
Total liabilities and net assets	2,206,029	2,168,080

(2) Statements of Income

Note: Figures less than one thousand yen omitted

Account Title	Sep. 30, 2015	Sep. 30, 2016
	Amount	Amount
I Net Sales	1,414,688	1,962,507
II Cost of Sales	956,844	1,281,409
Gross Profit	457,843	666,428
III Selling, General and Administrative Expenses	663,525	666,428
Operating Income	(205,682)	14,669
IV Non-operating Income	1,032	6,001
V Non-operating Expenses	489	2,387
Ordinary Income	(205,139)	18,283
VI Extraordinary Income	259	84
VII Extraordinary Losses	0	-
Income Before Taxes	204,879	18,368
Tax Expenses	1,168	6,416
Income After Taxes	(206,048)	11,952

(3) Statements of Cash Flows

Note: Figures less than one thousand yen omitted.

	6Months Ended Sep 30, 2015 Amount	6Months Ended Sep 30, 2016 Amount
I Cash Flow from Operating Activities		
Income (loss) before income taxes	(204,879)	18,368
Depreciation	43,713	49,426
Increase (decrease) in allowance for doubtful accounts	(11)	(11)
Increase (decrease) in provision for bonuses	429	6,696
Increase (decrease) in provision for retirement benefits	(2,290)	1,243
Interest income	(98)	(11)
Interest expenses	391	694
Foreign exchange losses (gains)	734	(22)
Loss on retirement of property, plant and equipment and intangible assets	0	—
Loss (gain) on investments in partnership	—	1,584
Gain on reversal of subscription rights to shares	(259)	(84)
Decrease (increase) in notes and accounts receivable-trade	371,318	97,624
Decrease (increase) in inventories	7,028	13,312
Increase (decrease) in notes and accounts payable-trade	(41,108)	(99,188)
Decrease (increase) in consumption taxes refund receivable	—	2,076
Decrease (increase) in advance payments	5,978	(134)
Increase (decrease) in accounts payable-other	4,086	149
Other, net	(53,383)	51,867
Subtotal	131,649	143,592
Interest and dividends income received	98	11
Interest expenses paid	(338)	(645)
Income taxes paid	(2,264)	(2,258)
Net Cash Provided by Operating Activities	129,145	140,700
II Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(32,432)	(43,100)
Purchase of intangible assets	(39,246)	—
Purchase of memberships	(28,696)	(2,794)
Net Cash Used in Investing Activities	(100,375)	(45,895)
III Cash Flows from Financing Activities		
Cash dividends paid	(18,922)	(222)
Net cash provided by (used in) financing activities	(18,922)	(222)
IV Effect of Exchange Rate on Cash and Cash Equivalents	(1,154)	22
V Net Decrease in Cash and Cash Equivalents	8,692	94,606
VI Cash and Cash Equivalents at Beginning of Period	959,711	758,572
VII Cash and Cash Equivalents at the End of Period	968,404	853,178