

Asgent, Inc.

Summary of Non-Consolidated Financial Results Financial Highlights (For the 6Months Ended September 30, 2018)

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 6Months Ended	Millions of yen		Millions of yen		Millions of yen		Millions of yen	
Sep. 30, 2018	1,533	△27.9%	△155	—	△157	—	△154	—
Sep. 30, 2017	2,126	8.4%	28	94.2%	25	40.6%	18	56.3%

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

	Basic EPS	Diluted EPS
For the 6Months Ended	Yen	Yen
Sep. 30, 2018	△40.41	—
Sep. 30, 2017	4.89	—

(2) Financial Conditions

	Total Assets	Shareholders' Equity	Shareholders' Equity ratio
As of	Millions of yen	Millions of yen	%
Sep. 30, 2018	2,229	1,470	66.0%
Mar. 31, 2018	2,356	1,627	69.0%

2. Financial statements

(For the 6Months Ended September 30, 2018)

(1) Balance Sheets

Note: Figures less than one thousand yen omitted

Account Title	Mar. 31, 2018	Sep. 30, 2018
	Amount	Amount
Assets		
Current assets		
Cash and deposits	882,336	913,708
Accounts receivable-trade	694,579	653,636
Merchandise and finished goods	89,274	38,947
Work in process	151	4,214
Supplies	797	562
Prepaid expenses	41,044	30,762
Income taxes receivable	21,414	—
Consumption taxes receivable	15,370	—
Other	9,490	10,892
Allowance for doubtful accounts	(13)	(13)
Total current assets	1,754,446	1,652,709
Noncurrent assets		
Property, plant and equipment		
Buildings, net	36,712	35,065
Tools, furniture and fixtures, net	260,239	228,657
Land	1,854	1,854
Total property, plant and equipment	298,806	265,577
Intangible assets	46,132	35,911
Investments and other assets	257,092	275,369
Total noncurrent assets	602,031	576,858
Total assets	2,356,477	2,229,568
Liabilities		
Current liabilities		
Accounts payable-trade	186,623	205,204
Short-term loans payable	200,000	200,000
Accounts payable-other	93,870	63,112
Accrued expenses	48,575	59,899
Income taxes payable	—	6,917
Consumption tax payable	—	4,294
Advances received	10,050	9,599
Deposits received	12,480	19,939
Unearned revenue	16,903	23,333
Provision for bonuses	55,826	59,316
Other	3,448	786
Total current liabilities	627,777	652,404

Note: Figures less than one thousand yen omitted

Account Title	Mar. 31, 2018	Sep. 30, 2018
	Amount	Amount
Noncurrent liabilities		
Provision for retirement benefits	101,462	106,371
Total noncurrent liabilities	101,462	106,371
Total liabilities	729,240	758,775
Net assets		
Shareholders' equity		
Capital stock	771,110	771,110
Capital surplus	705,200	705,200
Retained earnings	158,680	(5,044)
Treasury stock	(160)	(206)
Total shareholders' equity	1,634,830	1,471,059
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	(9,833)	(266)
Total valuation and translation adjustments	(9,833)	(266)
Subscription rights to shares	2,240	—
Total net assets	1,627,237	1,470,793
Total liabilities and net assets	2,356,477	2,229,568

(2) Statements of Income

Note: Figures less than one thousand yen omitted

Account Title	Sep. 30, 2017	Sep. 30, 2018
	Amount	Amount
I Net Sales	2,126,442	1,533,956
II Cost of Sales	1,369,958	942,409
Gross Profit	756,484	591,546
III Selling, General and Administrative Expenses	727,993	747,075
Operating Income	28,490	(155,528)
IV Non-operating Income	447	3,609
V Non-operating Expenses	3,233	5,814
Ordinary Income	25,704	(157,733)
VI Extraordinary Income	79	2,242
VII Extraordinary Losses	1,782	—
Income Before Taxes	24,001	(155,490)
Tax Expenses	5,324	(1,304)
Income After Taxes	18,676	(154,186)

(3) Statements of Cash Flows

Note: Figures less than one thousand yen omitted.

	6Months Ended Sep 30, 2017 Amount	6Months Ended Sep 30, 2018 Amount
I Cash Flow from Operating Activities		
Income (loss) before income taxes	24,001	(155,490)
Depreciation	78,179	64,760
Increase (decrease) in allowance for doubtful accounts	(13)	0
Increase (decrease) in provision for bonuses	4,403	3,489
Increase (decrease) in provision for retirement benefits	5,757	4,908
Interest income	(59)	(11)
Interest expenses	678	693
Foreign exchange losses (gains)	(394)	(690)
Loss (gain) on sales of membership	1,782	—
Loss (gain) on investments in partnership	1,931	3,202
Loss (gain) on sales of property, plant and equipment	(79)	(2)
Gain on reversal of share acquisition rights	—	(2,240)
Decrease (increase) in notes and accounts receivable-trade	654,553	40,943
Decrease (increase) in inventories	27,383	46,499
Increase (decrease) in notes and accounts payable-trade	(92,181)	18,581
Increase (decrease) in accrued consumption taxes	(75,321)	4,294
Decrease (increase) in consumption taxes refund receivable	—	15,370
Decrease (increase) in advance payments	10,218	—
Increase (decrease) in accounts payable-other	(143,586)	(31,544)
Other, net	29,746	34,776
Subtotal	527,000	47,541
Interest and dividends income received	59	11
Interest expenses paid	(641)	(669)
Income taxes paid	(53,774)	21,412
Net Cash Provided by Operating Activities	472,643	68,296
II Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(50,352)	(20,529)
Purchase of intangible assets	812	7
Purchase of memberships	(113,541)	(7,583)
Proceeds from sales of membership	1,944	—
Net Cash Used in Investing Activities	(161,137)	(28,105)
III Cash Flows from Financing Activities		
Purchase of treasury shares	(160)	(45)
Cash dividends paid	(19,005)	(9,464)
Net cash provided by (used in) financing activities	(19,165)	(9,510)
IV Effect of Exchange Rate on Cash and Cash Equivalents	394	690
V Net Decrease in Cash and Cash Equivalents	292,735	31,371
VI Cash and Cash Equivalents at Beginning of Period	785,032	882,336
VII Cash and Cash Equivalents at the End of Period	1,077,767	913,708